

FURNITURE
resource centre

FRC GROUP

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Welcome & Acknowledgements



*Shaun Doran,
CEO*

Welcome to our 2017-2018 Annual Report. This is our fifth integrated report and we continue to develop and improve the way we combine the reporting of our financial performance and the social value we have created.

Reductions in government support for families on low incomes and an increase in poverty and hardship continued throughout the UK in 2017-2018. This meant we had a year of finding creative ways to do more with less, and to take stock of how we can do more to help people living in Furniture Poverty. The adoption of 'End Furniture Poverty' as our overarching mission continued to guide our decision making and increase our aspirations to make an impact on the lives of the people who we exist to help.

2017-2018 was also a year of great change, in which we developed our thinking and planned new initiatives and ways of working, always seeking to increase the social value we create. We end the year with a clear vision, a strong plan and a positive attitude and sense that we are very much travelling in the right direction. We delivered a strong social value performance and a solid and sustainable financial performance in a challenging environment.

We thank wholeheartedly everyone who contributed to a successful 2017-2018 in particular our amazing team of staff, trainees and volunteers who not only work hard every day to achieve great things, but are also a great team of people to work with.

Our sincere thanks to all the people who have played a part in producing this report. All the people who make FRC Group a great place to work; our staff, Driving Change trainees, ViPs and our board of trustees. All the people who collect and analyse the data in the report, particularly Carol Cassidy, Emma Ellerton, James Frost, Mick Hart, Carolyn Hogg, Rachel Lloyd, Jacqui Millington, Luke Rice, Adam Richards, Shirley Spofforth, Laura Smith, Peter Stewart, Joan Stockton, Tony Rowan and Collette Williams.

BDO LLP who assured the report. BDO's statements can be found on pages 84 to 87 and 93 to 95.

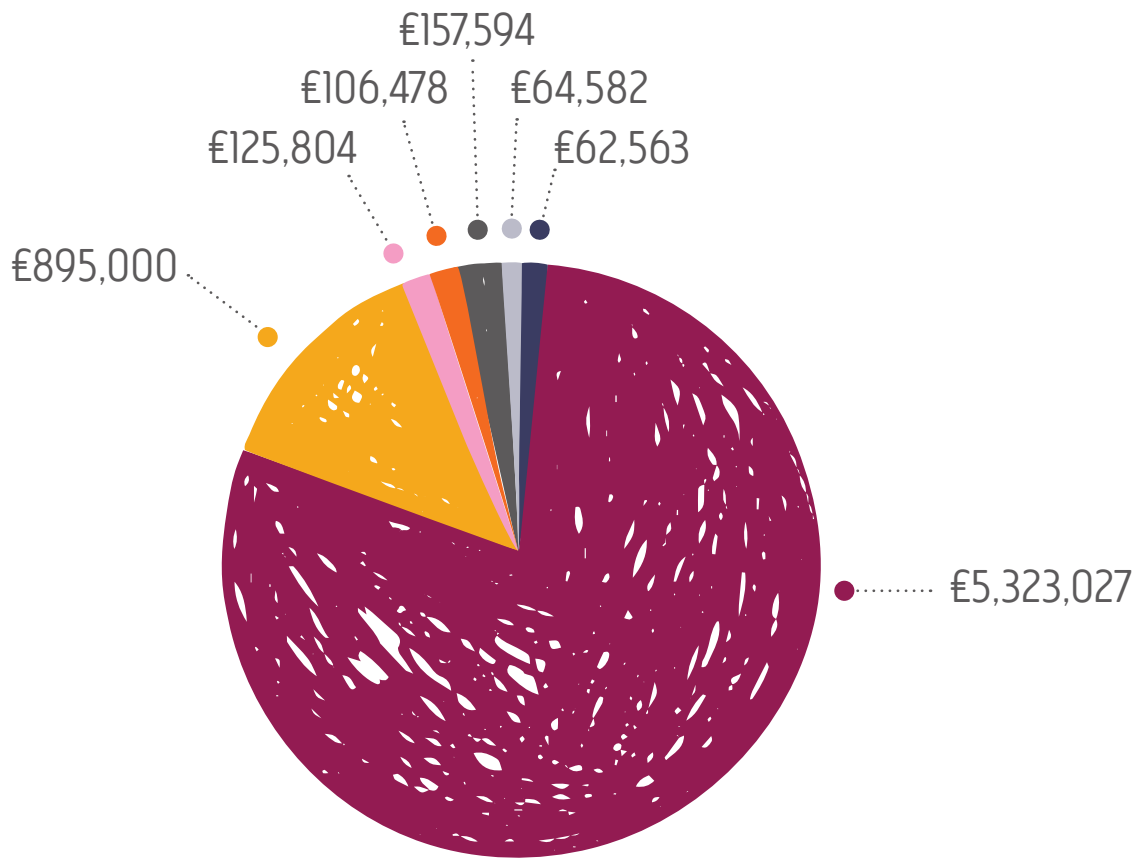
Nonconform who designed the report.

Deana Kay, who took the photographs.

The report was written by Collette Williams and Tony Rowan.

Income and Expenditure

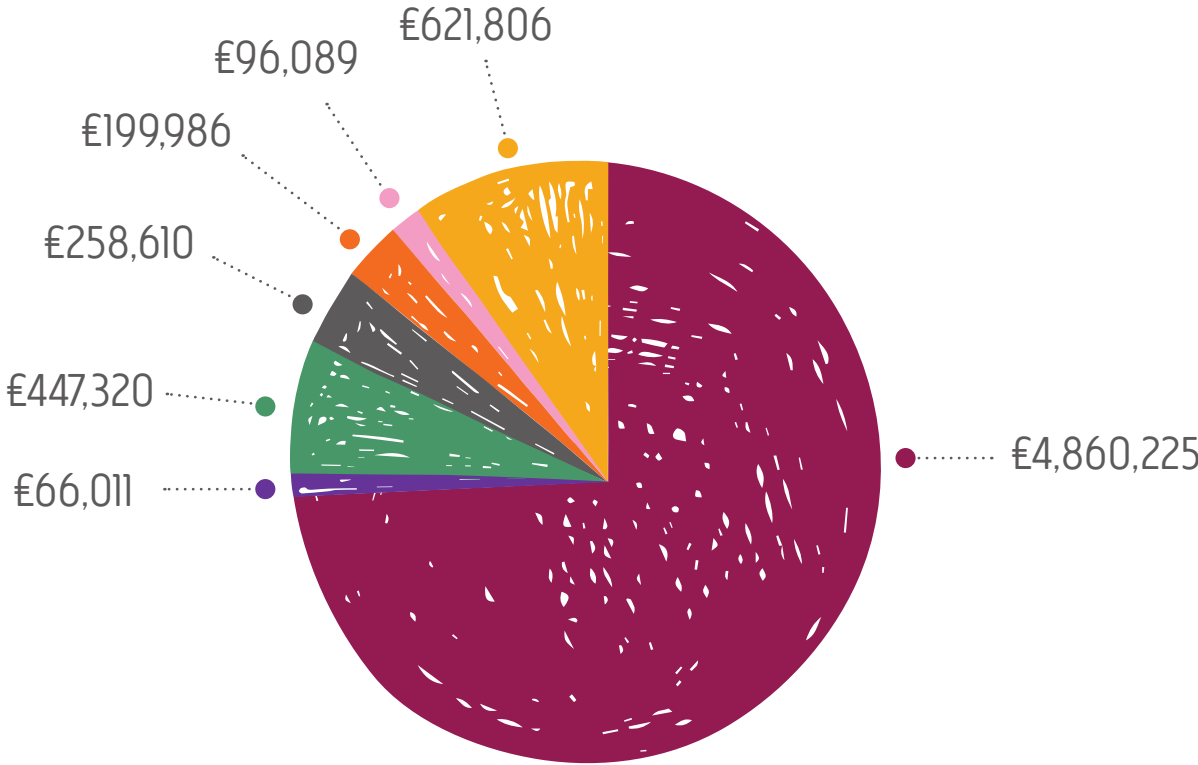
FRC Group Income 2017-2018



- Provision of furniture and furniture packages
- Provision of bulky household waste collection and recycling services
- Provision of logistics services
- Charity shop sales
- Provision of other recycling services
- Other income
- Donations and legacies

PAGE	INCOME
107	Donations and legacies
24	Provision of furniture and furniture packages
25	Provision of bulky household waste collection and recycling services
41	Charity Shop sales
25	Provision of other recycling services

FRC Group Expenditure 2017-2018



- Provision of furniture and furniture packages
- Provision of bulky household waste collection and recycling services
- Provision of logistics services
- Charity shop sales
- Provision of other recycling services
- People development
- Other expenditure

PAGE	EXPENDITURE
24	Provision of furniture and furniture packages
25	Provision of bulky household waste collection and recycling services
41	Charity Shop sales
25	Provision of other recycling services
56	People Development

Highlights of 2017-2018

Creating Social Value: Getting Furniture to People in Poverty



£37,280

Donated free furniture to the value of £37,280.



2514

Got discounted furniture to 2514 customers through Bulky Bob's Furniture World.



342

Delivered free furniture to 342 families in crisis situations.

"Getting the furniture meant everything to me as I had nothing."



"Everything is neat and tidy. Before we did not have a fridge or microwave. Now we don't have to have junk food we can eat healthily."



"We can eat at the table. We can sit on the couch and not on the floor. My sons can put their clothes in a wardrobe and not in a suitcase."



Ran our first **'Bed's for kids'** Christmas campaign, donated free of charge. **31** beds, **38** mattresses, **47** bedding sets and **47** duvet and pillow sets to families across the Liverpool at during Christmas 2017.



Delivered **108** items of free furniture through our new contract in North Tyneside.



Ran **4** Community furniture events giving away free furniture.

Creating Social Value – Through Training and Development



Launched New Driving Change.



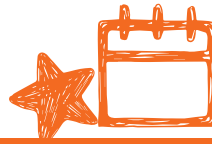
Supported **29** Driving Change places.



Delivered **88** accredited qualifications.



Launched new ViPs Programme (Volunteers, Interns, Placements and Students).



Worked with **26** ViPs across the year (Volunteers, Interns, Placements and Students).

Furniture Resource Centre Limited and Buckingham Interiors



FRC retained top ranked furniture supplier position on the Procurement for Housing Framework.



FRC made **10,040** deliveries of furniture into to people's homes.

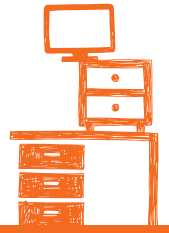
Highlights of 2017-2018 cont...

Bulky Bob's



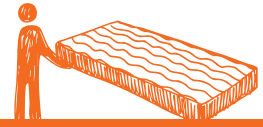
58,439

Completed 58,439 collection requests on behalf of councils.



2091

Reused 2091 tonnes of furniture, appliances and other bulky waste.



11,845

Bulky Bob's recycled 11,845 mattresses.



669

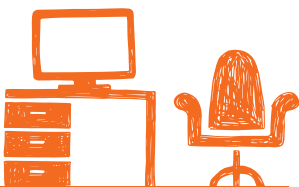
669 tonnes of mattresses were diverted from landfill.



66,067

Delivered, removed and repaired 66,067 wheelie bins.

Bulky Bob's Office and Commercial Waste



Launched our new service providing a wide range of waste services, from confidential shredding to paper and packaging, IT equipment and office furniture collections.



Acquired the ISO9001 Quality Management System accreditation, which means we can shred confidential material in accordance with the accreditation.



Company
Information...



...as of 31st March 2018

Company Number 2296329 (England and Wales)

Charity Number 700731

Directors
N Wilson
E Bichard
C Watson
J Vernon
J Hines
J Nicholls
L Dixon

Secretary A Rowan

Chief Executive S Doran

Registered office
Atlantic Way
Brunswick Business Park
Liverpool
L3 4BE

Bankers
Natwest Bank
2-8 Church Street
Liverpool
L1 3BG

Auditors
BDO LLP
Chartered Accountants
5 Temple Square,
Temple Street,
Liverpool, L2 5RH

Solicitors
Brabners
Horton House
Exchange Flags
Liverpool
L2 3YL



Trustees' skills & experience



Nigel Wilson is chair of FRC Group and joined the Board of trustees in 2014. Nigel is CEO of Wythenshawe Community Housing Group, which provides homes to more than 20,000 people across Wythenshawe, Manchester.

Nigel has over 30 years' experience in the housing sector. He was a housing co-operative tenant and activist before working as a housing officer for housing associations and local councils. He worked in tenant participation and resident engagement before specialising in new business and regeneration. He is a fellow of the Chartered Institute of Housing, Chair of JV North, and Chair of Wythenshawe Forum Trust.



Christopher Watson has served on the board of FRC Group since 2002. He is currently an Honorary Senior Lecturer in the Centre for Urban and Regional Studies (CURS) and Housing and Communities Research at the University of Birmingham, working especially with graduate research and mid-career students from many parts of the world.

Chris has more than thirty years' experience of research, teaching and consultancy in housing, urban policy and international urban development, including recent work on the renewal of older housing in Europe and on the importance of good housing for better health in the United Kingdom.

He was Director of the Centre for Urban and Regional Studies at the University of Birmingham from 1987 to 1992.

Chris was Chair of Mercian Housing Association in Birmingham from 1999 to 2005. He is a member of the Asia-Pacific Network for Housing Research and the European Network for Housing Research: and is a co-ordinator of the ENHR Working Group on Housing in Developing Countries.



Professor Erik Bichard has served on the FRC Group board since 2002. His entire career has been devoted to the field of sustainable change. He first served as an Environmental Planner and then held positions with two sustainability consultancies. He was then Executive Director of the UK National Centre for Business & Sustainability and later became Chief Executive of Sustainability Northwest. Erik subsequently became Professor of Regeneration and Sustainable Development at the University of Salford where he turned his focus to developing and implementing Sustainable Return on Investment and has now set up the pioneering consultancy RealWorth which advises on the value of social and environmental change in the built environment.

Erik is a regular contributor to printed media, radio and television and has published academic papers, book chapters and two books including 'Positively Responsible' and 'The Coming of Age of the Green Community'. Erik has been a sustainability advisor to Co-operatives UK and Liverpool City Council and is currently a member of the Royal Town Planning Institute, a Visiting Professor at the University of Derby, and a Visiting Fellow of the University of Liverpool's Heseltine Institute.



Jeff Vernon BA (Hons) FCA MBA AMCT has served on the board of FRC Group since 2005. Jeff is the Finance Director of Rathbone Investment Management (RIM) which is a leading provider of discretionary investment and wealth management services for private clients and trustees. He also has operational responsibility for Group Treasury, Banking and regulatory reporting. He qualified as an accountant while with Royal Insurance (now Royal Sun Alliance) where he also gained an MBA. Having spent over 7 years with RSA in a variety of finance based roles, he joined Rathbones in 1999 and was appointed to the RIM Board in November 2000.



Dr John Hines has served on the board since 2008. Having gained his D.Phil in Chemistry at Oxford University, John joined Unilever R&D in the UK where he worked across all Home and Personal Care categories and on innovations for global brands including Dove, Skip and Axe. Following a brief spell heading a leading materials technology consulting business, John joined SC Johnson Professional as R&D Director in 2010 and has since lead delivery to market of award winning innovations in Healthcare and Industrial & Institutional skincare.



Jeremy Nicholls has served on the board since 2009. During the period he was the Chief Executive of Social Value International and Social Value UK. These are membership networks for those interested in measuring, managing and accounting for their social value, united by a common vision of changing the way the world accounts for value.

He is also a member of the IRIS advisory committee, a contributor to the Social Stock Exchange admissions panel, on the ICAEW Assurance Panel, and a member of the Social Impact Measurement Sub-group of GECES for the EU.

Jeremy is a regular speaker and writer on social value including 'There is no business like Social Business' with Liam Black, a number of SROI guides including the 'Guide to SROI' and a column for Pioneers Post.



Lesley Dixon has served on the FRC Group board since 2013. Lesley is the CEO of PSS - a social enterprise that works across the UK, recognising when people are in need and finding new and practical ways to help them get the most from life.

Prior to her move to PSS Lesley had a career in Higher Education as Chief Executive of Leeds University Union and before that the University of London and Kings College. In addition to her work at PSS Lesley was part of the Liverpool Fairness Commission and was Vice Chair of the national mental health charity Mind. Lesley is also a Chartered Manager, a fellow of the Chartered Management Institute and has an honorary doctorate from the University of Leeds.

Strategic Report



Strategic Decision Making

FRC Group's Board sets the strategic direction for the organisation. A strategic planning board meeting is held each year to establish the strategic priorities for the year ahead. At regular Board meetings, reports are made to keep the Board informed about the progress against the strategic priorities that were agreed. When issues arise during the year that require the Board to agree a response at a strategic level, discussion of these issues will take place at the next scheduled Board meeting or at a specially convened meeting if necessary. The Board has three sub-committees, which meet as required: Finance, Measuring Social Value and Remuneration. These committees make recommendations to the full Board in their areas of specialism.

FRC Group Integrated Reporting

FRC Group is at the forefront of social value reporting and we believe strongly in the need to measure and communicate the social value created by our activities to improve the lives of people living in poverty and unemployment. We have reported on our social impacts for 20 years and this is our fifth year of producing an integrated financial and social value annual report. This report builds on our knowledge and experience, bringing together our successes and areas for improvement and offering an honest and clear account of the social and financial achievements of the past year across FRC Group's social businesses.

Developing our reporting

The data that forms the content of the Directors' Report comes from FRC Group's social value measurement system. A team of people from across the organisation is involved in the collection, analysis and reporting of a range of quantitative and qualitative data. We use the information we gather to manage our social value performance. Our approach is to create social value models for different areas of our activity and to use these to forecast and set a budget for social value creation and then to report actual performance against that budget.

In 2017-2018, we have produced social value budget models for Driving Change, New Driving Change and Bulky Bob's Furniture World Liverpool.

Our social value models follow The Principles of Social Value set out by Social Value UK ¹. We make assumptions about what would have happened anyway without our intervention and what could have happened via another route, to ensure that the social value we consider is based on changes experienced by people as a result of our interaction with them.

In the relevant sections of this report we have included diagrams to represent the main areas of value creation and the types of value that are used in these models. We have also used some of the data arising from our modelling to increase the level of detailed statistics that are given in these different sections.

Our ultimate aim is to develop social value budgeting models across all of our material activities and to produce an overall social value statement to sit alongside our financial statement. The intention is to gradually increase the amount of detail from the social value models that is used in the Directors' Report. The data has been developed for internal decision making in the first instance and there will be ongoing testing to prepare for external reporting.

The social value budget and reporting process is aligned with the financial reporting processes from budgeting and forecasting to real-time actuals reporting and external reporting. In this Directors' Report we are also including additional information to meet the requirements of the Strategic Report.

These regulations do not apply to Furniture Resource Centre Limited due to its size. However, we have considered the guidance on the Strategic Report to be good practice and have included the additional information in this report.

1. <http://socialvalueuk.org/what-is-sroi/principles>

Meeting Our Objectives

To ensure that our work is always creating the right benefits for our stakeholders, we constantly monitor and assess our activities and outcomes through the year. This helps us to focus on our desired outcomes but also helps us to consider whether we are creating as much social and financial value as we possibly can through our different activities. Regular monitoring provides the opportunity to amend our ways of working and develop new approaches to continually improve our outcomes. Our financial and social performance is reviewed each quarter at Board Meetings, and this report includes our annual results - both financial statements and social value data both quantitative and qualitative.

The Charity Commission's general guidance on public benefit has been used when reviewing our aims and objectives and to assist in planning our future activities. The Trustees always consider the contribution planned activities will make to our aims and objectives.

Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as directors. The directors serving throughout the year are set out on page 1.

The directors are appointed by the members at the Annual General Meeting but can be co-opted by the Board, pending election, in the intervening period. Before being co-opted on to the Board, prospective Trustees are invited to attend Trustee meetings as an observer in order to learn more about the charity and to meet the other Trustees. During this induction process, meetings with the Chair of Trustees and senior management team will take place in order to clarify the role of the Trustee and they will also have the opportunity to meet other staff by visiting different parts of the business.

Trustee training takes place whenever training needs are identified e.g. recent training has included the principles for calculating the social value generated by the Charity. A Scheme of Delegation has been agreed between the Trustees and the senior management team and this details which decisions the senior management team are authorised to take themselves and which decisions need to be referred to the Trustees. Decisions can be taken by Trustees either in Trustee meetings or by e-mail if a decision is required in a more timely manner than waiting for the next Trustee meeting.

All of the directors give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are shown in note 12 to the accounts.

Our Aims, Objectives & Achievements

FRC Group is a collection of social businesses, run by Furniture Resource Centre Limited, a registered charity. The purposes of the charity are set out in the company's memorandum of association, and are:

- To relieve, either generally or individually, persons who are in conditions of need, hardship or distress by the provision of furniture and other household accessories calculated to reduce the need, hardship or distress of such persons.
- To advance education and relieve need by providing or assisting in the provision of training and by providing guidance for such people as are in need calculated to enable them to earn their own living.
- To promote any charitable purpose for the benefit of the public and in particular the advancement of education and training, the relief of poverty, distress and sickness and charitable purposes connected with the improvement of the environment.

In the day to day running of the organisation, we use these words to describe what we do: FRC Group's vision is of a society where people can obtain good quality, affordable furniture without experiencing the devastating impacts of furniture poverty – no bed to sleep on or unmanageable debts.

Our mission is to reduce and ultimately eradicate furniture poverty. We campaign to raise awareness of furniture poverty and create practical solutions to get furniture to people who need it. Our work also helps create sustainable employment and better futures for people.

Our Objectives are:

- To understand and highlight the reality of living in furniture poverty
- To lobby and campaign for the eradication of furniture poverty
- To develop and run successful social businesses that tackle furniture poverty.
- To train and develop people out of poverty and into sustainable, well-paid jobs and careers.
- To use our core skills to develop and run successful commercial businesses, using the profits to create social value across FRC Group.

Group Structure

To deliver on these objectives,

FRC Group comprises:

End Furniture Poverty is FRC Group's campaigning arm to raise awareness of the problems of Furniture Poverty and to run campaigns to increase the uptake of practical solutions to Furniture Poverty. It is branded as End Furniture Poverty within FRC Group.

Furniture Resource Centre Limited sells furniture and accessories to turn a house into a home on a business to business level. The One-Stop Service includes furniture, appliances, carpets, window coverings, small electrical and starter packs for items such as bedding and crockery. Furniture Resource Centre Limited's customer base includes Housing Associations, Local Authorities, charities, and construction companies. Furniture Resource Centre delivers to customers across the UK, providing a full project management service, which includes product specification, delivery and installation, the removal and recycling of packaging and any old furniture or appliances being replaced. All Furniture Resource Centre products are new, contract standard items suitable to furnish properties of all types, from individual tenancies to shared living accommodation such as hostels.

Buckingham Interiors provides interior design and specialist contract furniture to sheltered housing schemes across the UK, helping providers to minimise voids and attract new residents. This is a bespoke service so we offer choice and flexibility around design and planning, whatever the project size, scope or budget. We also deliver a detailed consultation programme for residents and staff, and a full project management service which can start before building or refurbishment work begins as well as full after sales support.

Bulky Bob's provides a bulky household waste collection service to Local Authorities, collecting unwanted items from homes and assessing them for reuse and recycling. The items collected are mainly furniture and the Bulky Bob's team ensures that all items suitable for reuse are either given away or sold at a low price to those who need them. This also has the added environmental benefit of minimising the amount of waste going to landfill.

Bulky Bob's Furniture World is where we sell the good quality preloved furniture items collected by the Bulky Bob's collection teams. This is a high street store in Liverpool and we have a sales area in our Bulky Bob's depot in Oldham. In both areas we also run Bulky Bob's On the Road events, taking the preloved furniture out to local communities to either sell at low prices or give away for free. While anyone can shop at Bulky Bob's Furniture World, those on low incomes are particularly supported by being offered additional price discounts. Bulky Bob's Furniture World also works with a large number of referral agencies and charities to provide free furniture packages to those in crisis situations with nowhere else to turn.

Bulky Bob's Office and Commercial Waste Services offers a wide range of office and commercial waste services, including confidential shredding, paper and card collections, IT equipment collections, office furniture collections and waste audits.

The structure of FRC Group is as follows:



Methodology

This report covers the period April 1st 2017 to March 31st 2018 and brings together the data gathered during this time to understand the financial and social impacts created.

All parts of the organisation provide qualitative and quantitative information and a great deal of work is performed to gather feedback from FRC Group's stakeholders – the people who matter to FRC Group and to whom FRC Group matters. Full details of this stakeholder consultation is on pages 75 to 77.

Financial elements within this report are compiled and written in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the social elements are written in accordance with the principles of the AA1000 AS (2008), those of inclusivity, materiality and responsiveness. FRC Group has consistently applied external standards to social value measurement as it provides additional validity and trust in the process undertaken.

The approach to measurement of performance is embedded at all levels of FRC Group. The Board has a formal sub-committee on measuring Social Value, which reports at each Board meeting about the results achieved and opportunities for improvement. Each quarter Senior Managers report on social and financial indicators and each team of staff has a contribution to make to data collection, analysis and reporting. This organisation-wide approach, at all levels, demonstrates the commitment FRC Group has to proving the value created, and the constant drive to improve performance is a key feature of FRC Group's approach to business. We also have our report independently audited so our performance measurement can be supported by robust systems and processes. This report has been independently audited by BDO, and assurance has been provided.

The report is published on FRC Group's website www.frcgroup.co.uk which contains a wide range of information about past performance and future plans, providing context to this report. Last year's report is included on our website's Proving Our Impact page. To measure how performance in this report compares to targets and priorities agreed for the year, the following symbols are used:





Met or exceeded target.



Made some progress but needs to improve further. For numerical targets, this symbol indicates achievement of at least 90% of the performance target.



Missed the mark and will plan to improve performance. Where there was no specific target, these symbols are used to show how performance compares with previous years.

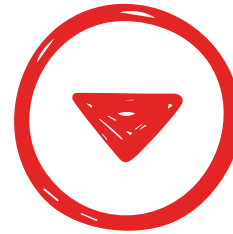
Where there was no specific target, these symbols are used to show how performance compares with previous years



Equalled or improved on the previous year's performance.



Achieved at least 90% of the previous year's performance.



Missed the mark and will plan to improve performance.



Data assured, this will be an icon to show which data points have been audited

Overview of 2017-2018



2017-2018 was another very successful year for FRC Group. We generated a reasonable financial return and also a significant improvement in the impact we have on people's lives. Some of our achievements were made against a challenging backdrop of increased cuts to customers' budgets and the continued and sustained impact that cuts to public spending are having on the lives of families on low incomes.

We continued to focus on better understanding the realities of Furniture Poverty – the causes, the symptoms and the outcomes – and continued to develop and implement a range of fit for purpose remedies and initiatives. We laid the ground for initiatives such as Amazing Mattresses, Working WEEE (Waste Electrical and Electronic Equipment) and Safety Net – which we hope will be 'game changers' in coming years. We also completed our first acquisition and began to set the course to reduce our reliance on public sector organisations.

As ever, every member of FRC Group staff has excelled and really lived up to our core values. It is a cliché, but we could not have done it without them! We approach 2018-2019 with a cautious optimism and a drive to achieve even more in our mission to End Furniture Poverty.

In 2017-2018 End Furniture Poverty has continued to build on the work we carried out in defining the '10 essential furniture' items that a household needs to be furniture secure. We have produced factsheets to explain in a succinct, accessible way why each of the items is essential. We use the list to influence what we do internally, however next steps for us is to determine the Social Value created when people receive one or all of the items on the 10 essential list. This will guide and influence our work as well as influencing others. The aim is to complete this in 2018-2019.

During the year we ran our first 'Bed's for kids' Christmas campaign delivered 31 beds, 38 mattresses, 47 bedding sets and 47 duvet and pillow sets to families across the Liverpool region. Unfortunately, this was not enough to meet all of the requests we had, but we hope to help even more local families with our campaign in 2018-2019. 

In 2017-2018, we focused on how we could maximise our resources and the social value that we create. This led to us viewing previously long held views and initiatives from a different perspective and asking

questions about how could we do more. With this came the development of new projects such as Safety Net and Total Mattress management.

Safety Net is a brand new initiative that we have been developing during 2017-2018, which will be launched in 2018. Throughout its 30 year history, FRC Group has operated furniture donation schemes to low-income families and Safety Net is the latest and most comprehensive iteration of this. We know what items of furniture are essential for people and families to live a decent life in Britain in the 21st Century and believe that it is not wrong for very low-income families to want things that are beyond the very basic needs for simple warmth and shelter that we need as human beings. Through Safety Net, we will donate furniture and white goods to people and families living in furniture poverty in Merseyside. Traditionally, FRC Group has donated pre-loved furniture, so the addition of white goods is new ground for us. However, as we drive to do more with the resources available to us we will be cleaning, function testing and safety testing working items that we gain through our Bulky Bob's Collection Service and putting them back out into use. Working primarily with Liverpool City Council, we aim to deliver furniture and appliances to people in need and will report on our progress in 2018-2019.

Following a long period of discussion about the future of FRC training, including a thorough analysis of the social value achieved, and taking account of significant trends in the labour market and in the changing nature of employment and unemployment, we introduced two new programmes in 2017-2018. In doing so, our aim was not only to do the right thing but also the best thing and this impacted particularly on our long-established programme 'Driving Change'.

For much of FRC Group's early history, external funding was available to support the Group's training activities. This came from charitable trusts and public sources such as the European Union, UK government departments and local authorities. Since 2010, much of this funding has been withdrawn or was limited to supporting short-term 'job creation' or 'work experience' type programmes, designed more to reduce unemployment statistics than to provide a sound entry or re-entry into work, especially for people in long-term unemployment. The decision was made, therefore, that in future FRC Group would act independently in designing its own training activities, to be funded largely from any surpluses generated by the group.

A new and improved Driving Change was launched in June 2017. Our aspirations to maximise social value led to big changes and the new programme is designed for both long term unemployed people and those in vulnerable employment such as zero hours contracts and on low wages. Through an intense focus on behaviours and skills and a more individually tailored approach, trainees acquire experience that will allow them to enter better paid, more secure roles. Through new Driving Change, we recruit people with Driving Licences, meaning that their main training objective is the LGV Class 2 Licence. We have also altered the length of the training programme which before was normally for a fixed period of 12 months, to a minimum of 3 months and a maximum of 2 years, meaning that we work with people for the length of time that they need. There is much more information on how our Driving Change has made a difference to people's lives this year between pages 57 and 64.

As part of the same review of FRC training, we said 'goodbye' to our work placement programme 'Launch Pad' in 2016-2017 and 'hello' to our new ViPs Programme (Volunteers, Interns, Placements and Students) in 2017-2018. Launch Pad created social value and was a positive experience for people who took part, but the individual gains from a programme requiring intense staff resource were less than those achieved through Driving Change. Our new ViPs programmes gives people the opportunity to volunteer in areas across the group; those taking part are supervised by Team Leaders and require less intensive support from the People and Culture Team. This has resulted in the team directing their resources towards Driving Change where we achieve greater social value and have the potential to create even more.

We continued with our Culture Plan with a view to making FRC Group a greater place to work, a greater place to learn and develop and to enhance our service to customers. In the year, we delivered develUP, our internal skills development programme for staff and investigated new ways to engage our staff in learning. We also delivered 'Simply Better' Customer Service Training across the Group. A challenge has always been in providing training opportunities to staff who work at different locations and with this in mind in 2018-2019, we will launch an e-learning platform, giving all staff, trainees and volunteers access to on-line learning.

We continued to improve how we communicate with our staff by introducing a 'Roadshow with the CEO.' On a quarterly basis, our CEO meets all staff in small groups and this is followed up with a newsletter for staff to read and digest the information. In our staff survey this year 80% of people said that the company did a good job of keeping them informed about matters affecting them. This is an increase of 32% from the year before. 🍷

This year in our staff survey, 90% of our staff and volunteers said that they received praise and recognition for their work and 93% of our staff and ViPs told us that they were very satisfied or satisfied with their roles at FRC Group. The full results of the survey can be found on page 35. The results are excellent and we are proud of them: however in 2018-2019 we will work even harder at talking to people about their progress. 🍷

During 2017-2018, we significantly grew our customer base in Furniture Resource Centre Limited and Buckingham Interiors and achieved £858k of sales to new customers. However, due to the reduction of the budgets of many of our existing customers, this new business simply replaced the shortfall in business from our long-term partners. Nevertheless, a clear and purposeful focus on enrolling new customers meant that Furniture Resource Centre Limited and Buckingham created a surplus.

The North East depot, which was set up to service the North Tyneside Council Furnished Tenancy scheme, had a successful first year of operation. Furniture Resource Centre Limited was also able to win additional contracts through the North East Procurement Organisation (NEPO) Framework, of which we are the only furniture supplier, and FRC service these additional customers from the North East depot. Working closely with North Tyneside Council Furniture Resource Centre Limited have established links with local charities who help people living in poverty. Furniture Resource Centre Limited provide free essential furniture and Portable Appliance Testing (PAT) tested appliances to local people who our referral partners have identified as being in need. The furniture and white goods supplied are returned items from the furnished tenancy service where a tenant has decided they no longer want the items. Often the returned products are in good working order and in good condition however they cannot be supplied again into a furnished tenancy property. With North Tyneside Council this scheme puts essential household items back into use and enables people to furnish their homes when they have no other means of doing so.

During 2016-2017, we established a London depot to service two large contracts Furniture Resource Centre Limited won following Official Journal of the European Union (OJEU) tender exercises. The spend detailed within both tenders was significantly less than we had expected which due to unclear procurement methods within each organisation. This unfortunately resulted in the London depot becoming financially unsustainable and the difficult decision to close the depot was taken late Q2 of 2017-2018 Furniture Resource Centre Limited now service these contracts from Liverpool.

Furniture Resource Centre Limited won an additional 3 Local Welfare Provision (LWP) contracts during 2017-18 as well as securing new Furniture Resource Centre Limited supported housing customers. Furniture Procurement for Housing Framework. To support our existing customers and to increase Furniture Resource Centre Limited and Buckingham Interiors sales we recruited a Project Co-ordinator and Business Development Manager during 2017/18.

An increase in sales resulted in Furniture Resource Centre making 10,040 deliveries to people's homes – a significant increase of 28% on the 7,853 deliveries made in 2016-2017. 🍏

This year Bulky Bob's completed 58,439 collection requests on behalf of councils and reused and recycled 2091 tonnes of furniture, appliances and other bulky waste - consistent with performance over the last two years. In addition, Bulky Bob's continued to undertake work for customers other than councils by successfully completing 68 commercial collections across the Merseyside and Warrington areas. 🍏













Bulky Bob's continued to recycle mattresses with 11,845 collected through our Liverpool Council bulky waste contract and 7,283 from two of Merseyside Recycling and Waste Household waste sites. Though this operation 669 tonnes of mattresses were diverted from landfill. We have also seen the commencement of mattress reuse through our new 'Amazing Mattresses' brand. The operation has commenced on a 'test rig' basis and a large quantity of ultra clean mattresses will be made available to families on low incomes during 2018-2019. 🍏

In Oldham, we saw the renewal of the Bulky Waste contract we have held since 2006. The new contract will see us continue the domestic collections and expand the commercial and office clearance collections across Greater Manchester. We also saw the completion of the bin delivery and exchange contract we held with Oldham council. Through this contract we delivered, removed and repaired 66,067 wheelie bins. 🍏

Throughout the year, we worked on a plan to broaden our range of activities and focused upon the office and commercial waste sector. Bulky Bob's Office and Commercial Waste acquired CARA Recycling (Liverpool) Ltd on May 1st, 2017, a fellow social enterprise with over 15 years' experience in delivering an office and commercial waste service. Bulky Bob's Office and Commercial Waste (BBOCW) was officially launched on July 1st 2017 and now provides a wide range of commercial waste services, from confidential shredding to paper and packaging, IT equipment and office furniture collections.

We acquired CARA's customer base and achieved the necessary ISO9001 Quality Management System accreditation which means we can shred confidential material to the highest standards. We have continued to service the former CARA customers and grown the business to bring new customers on board. The ISO accreditation has meant we have also been able to offer confidential shredding services to some of the existing CARA customers who had been procuring shredding services elsewhere. 🍏

FRC Group Financial Performance 2017-2018

	Income €'000 	% income from grants € 	% income from sales 	Surplus/deficit for the year €'000 	Average number of Employees 	Carbon footprint (CO2 equivalent emissions in tonnes) 
2011/12	4,718	2.7	97.3	(264)	85	294
2012/13	3,969	2.2	97.8	(214)	75	210 
2013/14	5,353	3.1	96.9	458	70	241 
2014/15	7,084	1.4	98.6	621	68	232 
2015/16	6,494	0.93	99.07	131	73	260 
2016/17	5,937	0.9	99.1	117	78	251 
2017/18	6,735	0.88	99.12	185	84	228 

Plans for future periods

We will continue to grow our customer base and to improve customer service in our furniture businesses. Our aim is to remain the leading provider of furniture to furnished tenancy providers whilst continuing to grow our customer base by exploring new markets in the social housing sector. In doing this, we will continue to operate satellite sites in those parts of the country that are difficult to service from our Liverpool base. Also, we will continue to develop our Buckingham Interiors brand, which provides furniture to providers of sheltered accommodation and shared living schemes.

We will strive to improve our offer through our retail outlet, Bulky Bob's Furniture World, in order to improve the quantity and quality of 'pre-loved' goods being made available at affordable prices to disadvantaged groups such as those on low incomes. We will continue to forge relationships with more referral agencies and by continuing to develop our 'Safety Net' programme, will increasing the number of furniture donations we make to those in most need.

We will continue to develop our 'Amazing Mattresses' business which cleans and refurbishes structurally sound mattresses which are collected by the Bulky Bob's bulky household waste collection service and from landfill sites in Merseyside. This business aims to provide good quality refurbished mattresses to those people who need them most.

We will continue to develop the range of commercial waste items collected by Bulky Bob's Office and Commercial Waste in order to increase recycling of those items.

We will continue to provide and increase opportunities for socially excluded groups, specifically targeting our assistance to people in long-term unemployment and low paid jobs.

Risk Management

A full review of risks faced by the group is performed quarterly with each risk rated and a focus on mitigating actions in order to reduce risk. The key residual risks are as follows.

RISK	MITIGATING ACTIONS
Retention of key contracts.	<p>Focus on world class customer service and value for money for customers.</p> <p>Growth of other contracts and businesses to possibly take the place of any contracts not retained.</p>
Contractual changes for bulky household waste contracts results in less pre-loved furniture being available.	<p>Work with Local Authorities for them to see the bigger picture of the impact pre-loved furniture can have on the lives of those most in need.</p> <p>Growth of other new business ideas also providing pre-loved furniture to those in need e.g. 'Amazing Mattresses'</p>
Loss of key contracts may result in reduced social impact generated e.g. by creating fewer training opportunities for long-term unemployed people or people on low income.	Growth and development of new business ideas providing training and development opportunities to those who need them.

The Directors are satisfied that reasonable steps have been taken to identify all risks to which the group is exposed and have taken action to mitigate these risks where necessary.



Trends and Factors

The continuing economic downturn has resulted in more people experiencing in furniture poverty, which is the inability to afford or access the basic furniture that provides a household with a decent quality of life. To address this issue, FRC Group runs its 'End Furniture Poverty' campaign which researches furniture poverty; aims to increase understanding of this hidden but widespread issue; and encourage organisations to take up practical solutions to furniture poverty. The goal is to ensure that everyone in society can afford or access the furniture they need for a decent quality of life.

The long economic downturn has resulted also in more people having relatively low paid jobs compared to previous years. This trend has been a factor in the development of FRC Group's new Driving Change programme, which provides salaried employment and training to long-term unemployed people and those in low paid or otherwise insecure jobs, thus helping them eventually to move on to more secure, higher paid jobs and providing opportunities for them, as relatively disadvantaged people, to move out of poverty.



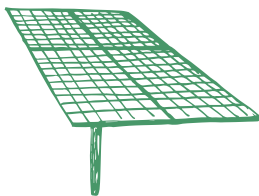
Carbon Footprint

FRC Group manages the environmental impacts of its business activities through an Environmental Management System which controls a number of key areas, the carbon footprint of the vehicle fleet and premises, waste and recycling, and the impacts of the FRC Group supply chain. The management of our environmental impact is also supported by the generation of electricity via photovoltaic panels in situ at our head office site saving 10.25 tonnes of carbon during 2017-2018. 👍

We are aware that there are issues relating to the environment, specifically around waste management and supply chain, that are material but receive little attention in the report. As an operator of a waste management company the detailed data of some elements about the performance on waste management is viewed as commercially sensitive. Potential issues relating to the supply chain require further exploration through stakeholder engagement which was scheduled in the latter half of 2017-18, but unfortunately did not occur. In 2018-2019 we are working with Liverpool John Moores University's Low Carbon Eco-Innovatory to measure the embedded carbon saved by furniture reuse.

We calculate FRC Group's carbon footprint from the use of fuel in the vehicle fleet, and the use of gas and electricity in the buildings. Defra (Department for Food & Rural Affairs) publish standard carbon conversion factors in the Environmental Reporting Guidelines, and we use these to calculate our environmental impacts. In 2017-2018 FRC Group had a carbon footprint of 228 tonnes of CO₂ emissions.

This is a decrease of 23 tonnes compared to the previous years' figure of 251 and is made up of 2 main elements;



The continued saving from the use of solar panels at our Head Office







The energy efficient results of our external IT site. This has reduced its CO₂ emissions by **54%**

In 2018-2019 we will be carrying out a review of the environmental impact of our vehicles and what we can do to reduce this.

Being a Great
Place to Work
Our people highlights



Equality at FRC Group

Equality 		Permanent Staff 	Senior Management Team 	Volunteers	Board of Trustees 
		79	8	16	7
Ethnicity	White British	29 37%	8 100%	10 63%	6 86%
	White Irish	2 3%	0 0%	0 0%	0 0%
	Undisclosed	48 61%	0 0%	5 31%	1 14%
	Black or Black British (African)	0 0%	0 0%	0 0%	0 0%
	Black or Black British (Caribbean)	0 0%	0 0%	0 0%	0 0%
	Mixed (White/Black African)	0 0%	0 0%	0 0%	0 0%
	Black or Black British – Other black background	0 0%	0 0%	1 6%	0 0%
Gender	Male	60 76%	5 63%	9 56%	6 86%
	Female	19 24%	3 38%	2 13%	1 14%
	Undisclosed	0 0%	0 0%	5 31%	0 0%
Disabled	Yes	3 4%	0 0%	8 50%	0 0%
	No	28 35%	8 100%	3 19%	7 100%
	Undisclosed	48 61%	0 0%	5 31%	0 0%

Recruitment and Staff Turnover

In the year, we had 11 new starters at FRC Group, and 10 people left. Of these, 2 left due to capability issues, 2 people left due to redundancy, 5 people left for new jobs elsewhere and 1 left due to personal relocation. Of the 10 leavers, 6 were due Leavers Reviews and 4 completed them. In these reviews, feedback was given about how FRC Group has a team of great people who are good to work with but that more should be done to support staff. We will be talking to staff to ask how we can support them more.

Family Friendly

FRC Group has a 'Family Friendly Policy' which includes information on how to request flexible working. The flexible working policy gives eligible employees an opportunity to request a change to their working pattern.

Pay Policy for Staff

The trustees (who are also the directors) and those senior staff with group-wide responsibility comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give their time freely and no trustee received any remuneration in the year. Details of trustees' expenses are shown in Note 12 to the accounts.

Salaries of key management personnel are determined by the Remuneration Committee, having regard for the average salary rates for similar jobs externally. Salaries for all posts are reviewed by the Trustees from time to time by performing a benchmarking exercise against the average salary rates for similar jobs externally. An external consultancy firm is used to provide this external salary information.

Training and Development

We launched a career progression menu for all staff, trainees and volunteers in the organisation and we call this develUP. This menu clearly articulates the skills and behaviours required for the successful delivery of the role that staff currently undertake and maps out what skills and experience they need to acquire to be considered for their next role.

We developed catchUP which is our annual appraisal meeting for all staff which will be used during 2018-2019.

We introduced Litmos Heroes, which is an easy-to-use online platform covers a range of subjects making it easier for all staff to access learning opportunities.

Systems

We worked on the implementation of 'MY HR' our new HR database to manage employee's information. It has a self-service element meaning that some of the responsibility of data capture, employee information updates and compliance can be devolved to all employees.

Other previously manual processes such as requesting leave can also be achieved from anywhere and at any time through a secure employee portal available on the internet. We will launch this in 2018.

Healthy Workplace

Active workplaces held a staff consultation on our behalf to find out more about how about how active our staff are. From the consultation, we learned that:



44%

of our staff are active (150 plus minutes per week)



44%

are fairly active (30 to 149 minutes per week)



12%

are inactive (0 to 29 minutes per week)



5.6hours

5.6 hours is the average sitting time for employees



69%

of staff would like to see on site activities



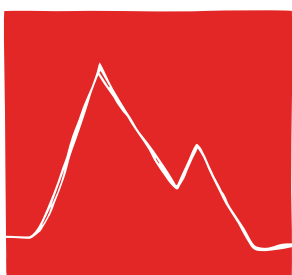
44%

would like to have a work walking group

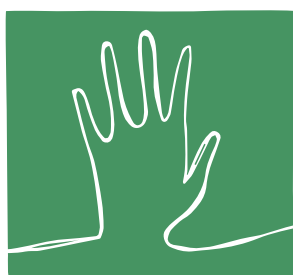
From this, we are trialling circuits and yoga during lunch and after work, have 30 free Pure Gym passes to give away, have signposted people to 'Couch to 5K' running groups supported by FRC Group and will be looking at starting a walking group.

We are also working on introducing a Workplace Challenge which will be walking enough steps to take the journey between Liverpool, Oldham and North Tyneside – FRC Group's bases. This will launch in 2018.

Our Values



BRAVERY



CREATIVITY



PROFESSIONALISM



PASSION

Staff Survey

In March 2018, we surveyed staff about working at FRC Group. 50 staff members in total responded to the survey, (62 in 2016-2017) which uses a set of 15 consistent questions allowing us to monitor the responses over time. Below are the results from 2017-2018 compared with the results from the previous two years.

In 13 out of 15 areas, scores improved. In 2 areas the responses were less positive than in the 2016-2017 survey. These were in relation to:

In the last six months, has someone at work talked to me about my progress? Down by 14%

















Do I know what is expected of me? Down by 2%

Although there were reductions in these areas, increases in other areas reveal that people are feeling more recognised for their work (up by 10%) and are given more opportunities to learn and grow, which increased by 13%

The biggest increase we saw was in company communication which increased by 32% which is a great result after changes in how we communicate with staff as a result of feedback from the survey last year.

We will continue to work hard on these areas in 2018-2019 to maintain these scores and will look deeper into the area of talking about progress to learn what staff would like these conversations to include.



No.	Question	2015/16	2016/17	2017/18	 
1.	Do I have the materials and equipment I need to do my work right?	79%	81%	90%	 9%
2.	My job makes good use of my skills and abilities.	79%	82%	96%	 14%
3.	I receive recognition or praise for doing good work.	74%	80%	90%	 10%
4.	Does my supervisor, or someone at work, seem to care about me as a person?	95%	88%	94%	 6%
5.	Is there someone at work who encourages my development?	79%	78%	88%	 10%
6.	At work, do my opinions seem to count?	79%	69%	81%	 12%
7.	Are my co-workers committed to doing quality work?	84%	79%	85%	 6%
8.	In the last six months, has someone at work talked to me about my progress?	63%	79%	65%	 14%
9.	This last year, have I had opportunities at work to learn and grow?	73%	59%	72%	 13%
10.	Do I know what is expected of me?	100%	100%	98%	 2%
11.	Does the mission/purpose of my company make me feel my job is important?	69%	75%	85%	 10%
12.	Do I have friend/s at work?	82%	89%	96%	 7%
13.	I feel encouraged to come up with new and better ways of doing things.	77%	77%	88%	 11%
14.	The company does a good job of keeping employees informed about matters affecting us.	63%	48%	80%	 32%

To give an overall sense of satisfaction, 48 staff answered the question:

Considering everything, how satisfied are you in your job?

6% of respondents (3 people) were 'Not Satisfied'. (17% 2016-2017)

35% were 'Very Satisfied' (25% 2016-2017)

and the remaining **58%** were 'Satisfied'. (58% 2016-2017)

Overall, **93%** of people surveyed this year were Satisfied or Very Satisfied in their jobs, which is up 10% from last year.

The percentage of people very satisfied in their job went up by 10%.



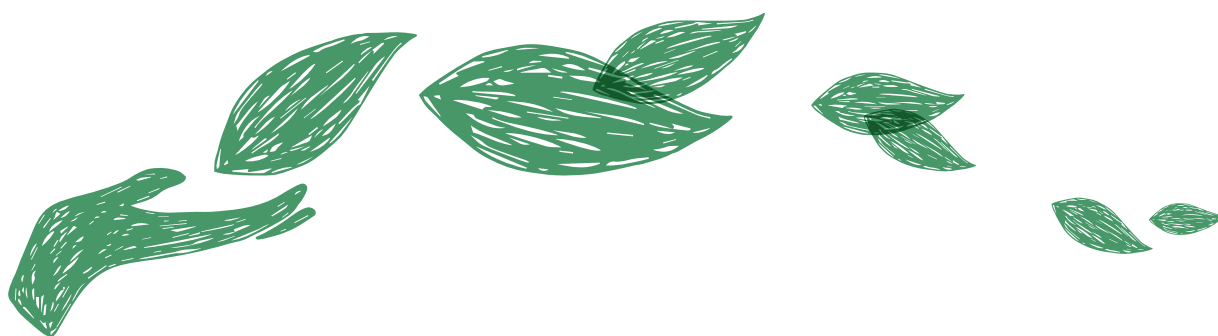
Health and Safety

At FRC Group we take Health and Safety extremely seriously and make this clear to all of our staff, trainees, volunteers, customers, suppliers and to members of the general public. We have a Health & Safety Committee which comprises key representatives from across FRC Group including satellite sites and hold a number of external Health & Safety accreditations: SMAS and CHAS. This year we strengthened our approach to Health and Safety even further by developing another staff member by assigning them with specific responsibilities for Health and Safety across the Group. We also trained the staff member in the NEBOSH qualification (National Examination Board in Occupational Safety and Health.) FRC Group were audited by Liverpool City Council and our Insurance Company during 2017-2018 and we received positive feedback on our processes and procedures and the general culture of health, safety and wellbeing within the Group.

This year there were 34 accidents compared to 26 in 2016-2017. One was classed as a serious accident and RIDDOR reportable as it was a cut to the hand, which resulted in time off work. The increase in accidents was potentially as a result of staff being reminded about the importance of reporting accidents, no matter how seemingly insignificant at the time. This resulted in accidents being reported which previously may not have been which we consider to be a positive outcome.

Supplier Sustainability

FRC Group is committed to working with suppliers who recognise their economic, social and environmental responsibilities to their stakeholders and actively encourages suppliers to develop and embed CSR in their organisations if they do not already do so. 28 suppliers account for 80% of our total expenditure. Of these, 54.5% of these suppliers currently have a CSR or Environmental report. This is reviewed annually by FRC.





Creating Social Value:
Getting Furniture to
People in Poverty



Getting Furniture to People in Poverty

Furniture Resource Centre Limited was created 30 years ago to help people in poverty to access quality furniture. Through End Furniture Poverty we are raising awareness of Furniture Poverty and the ways in which we physically get furniture into the homes of people who would otherwise be without the basic items they need. We define furniture poverty as “the inability to afford or access basic furniture and furnishings, including domestic appliances that provide a household with a decent quality of life and the ability to participate in the norms of society. It is when someone does not have the furniture they need to lead a secure life.”

End Furniture Poverty

End Furniture Poverty had previously developed the definition of furniture poverty above to assist in defining what the ‘essential furniture’ items are that a household needs to have in order to be in furniture security. The items on this list are:



Bed, bedding and mattress



Table and chairs



Sofa and / or easy chairs



Wardrobe / drawers



Carpets in living rooms and bedrooms



Curtains or blinds



Washing machine



Refrigerator and freezer



Cooker / oven



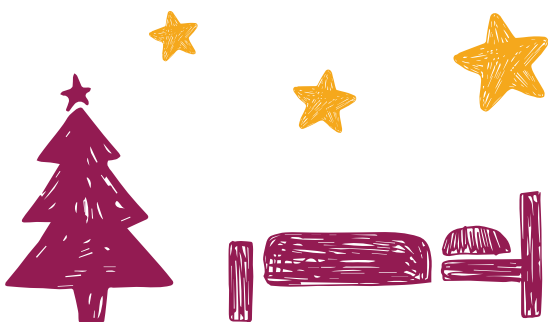
Television

Following on from the research that was done to determine the essentials, we have produced a series of factsheets explaining why each of the items is essential, to provide a succinct, accessible means of explaining the Essential Items to people. We have also drawn together a series of pen portraits, which provide a very effective, tangible way of conveying a series of typical situations faced by people who are along various stages of the Furniture Poverty ladder. These will be particularly useful as part of our campaigning and lobbying efforts moving forward and have been well-received where we have used them thus far. Crucially, they have borne the weight of scrutiny when shown to professionals in the housing and poverty sectors.

While we have already started using the list to influence what we do internally, it is important that we are able to present the data to others so that other people can recognise the importance of helping people who are living in Furniture Poverty. In 2017-2018, we started a process of finding a Social Value Practitioner to be able to measure the Social Value created when people receive one or all of the items on the 10 essential list. This is an extremely important piece of work that we will use to guide and influence our work as well as influencing others. This piece of work will be completed during 2018-2019 and will be reported on in our next report.

Beds for Kids Christmas Campaign

Research from national charity Buttle UK estimates that there are 400,000 children across the UK without a bed of their own to sleep in. This does not necessarily mean that they are sleeping on the floor, but it might mean that they are sharing with parents or siblings beyond an appropriate age or could mean them sleeping on the couch. Taking local child poverty figures into account, that means that over 9,000 children across Merseyside do not have a suitable place to sleep.



Our Beds for Kids campaign, launched in November 2017, aimed to deliver beds to some of the 9,000 children across the Liverpool City Region who did not have a bed of their own to sleep in. The campaign, launched by Metro Mayor Steve Rotheram, garnered some attention in the local press, with both the Liverpool Echo and Made in Liverpool TV covering it. In all, we crowd-funded £2,674.65 and with this were able to deliver 31 beds, 38 mattresses, 47 bedding sets and 47 duvet and pillow sets to families across the region. 🍷 Unfortunately, this was not enough to meet all of the requests we had, but we are hoping that we will be able to help even more local families with our campaign in 2018-2019. We aim to get more beds to families across Merseyside, as we understand that is a huge problem and aspire to do more by starting the campaign earlier and reaching out to bigger organisations for help. 🍷

Communications, Exhibitions and Lobbying

In 2017-2018 we launched our new website (at the same address www.endfurniturepoverty.org). It has been difficult to find a resource which provides information for people around how and where to gain access to furniture. Through our new website, we have made it much easier for people to get the information they are looking for, whether a housing association interested in furnished tenancy schemes or a struggling family looking to see what help is available for them. A lot of the phone calls that we get are from members of the public looking for help in finding furniture for themselves or their loved ones. To that end, we designed a Local Welfare Provision (LWP) search tool to allow visitors from anywhere in the UK to the website to see what help their local council offers, as well as pointing them in the direction of relevant grants and funds that may be of help. This should hopefully streamline the way in which we are able to signpost

people to get the help they need. While we are only able to track statistics for the previous 31 days, the numbers tell us that on average, we are signposting more than one person per day in the direction of help.

The new website will also provide a more user-friendly platform for End Furniture Poverty to blog and comment on relevant issues than our previous website. Our first blog, on the Our House initiative, was well received and widely shared on social media. One of the things we are planning to do over the next year is to expand our 'Resources' section, aimed at shining a light on best practice across the country in helping people out of Furniture Poverty. At present this includes schemes like Orbit Group's 'Carpet and Curtains' scheme and our own Furnishing Homes, Furnishing Lives report, which makes the case for furnished tenancies.

End Furniture Poverty exhibited at the National Housing Federation and Chartered Institute of Housing conferences and led a 'ConverStation' at Reuse Network conference about how furniture reuse organisations can get involved with the End Furniture Poverty campaign. We were quoted in the Independent on a story about cuts to Local Welfare Provision and 24 Housing magazine visited FRC Group's head Office to write a profile of the campaign.

End Furniture Poverty was also very pleased to help housing consultancy Altair in their report for the Joseph Rowntree Foundation on making a house into a home. The report, published in April 2018 included some very welcome recommendations, including the offer of a furniture package to and the provision of carpets and curtains to all new tenants.

We also took part in a Financial Conduct Authority roundtable as part of their review into high-cost credit. Our specific interest was on the provision of essential household goods and the damaging effects of unethical Rent-to-Own stores.

Warranties Research

In 2018-2019, we will be researching the impact of warranties on white goods. Traditionally when buying white goods, a customer was not just buying a product, but peace of mind too, safe in the knowledge that a warranty would protect them against any faults or breakage. With household budgets increasingly squeezed, people's focus is drawn towards the base price of the product rather than the whole package. This can often be an example of the poverty premium in action because those on lower incomes struggle to afford to shop at places that offer stronger guarantees.

Helping People in Furniture Poverty through FRC Group activities

Our End Furniture Poverty campaigning arm exists to promote change in the actions of other organisations and policy amendments which prevent people from living in Furniture Poverty. Through FRC Group's own activities, we work hard to provide outlets to people that can help combat Furniture Poverty.

In this part of the report we talk about how we have helped people living in Furniture Poverty through our Bulky Bob's Furniture World store.

Bulky Bob's Furniture World

Our Bulky Bob's Furniture World Stores in Liverpool and Oldham continue to have the same ethos as we have for the last 30 years. We want to make items of furniture available to people who can't afford to get it from elsewhere. Our contracts with local authorities to collect Bulky Household waste gives us access to good quality pre-loved products, which we distribute to people in need of them. In the store we offer a range of discounts for people on low-incomes and also give items away to people in urgent crisis need. Bulky Bob's Furniture World staff and ViPs (Volunteers, Interns, Paid Placements/Placements and Students) clean all the furniture items to prepare them for sale and carry out minor repairs where necessary. As with any other retail outlet there is a full display of items for customers to view. We set the items at a low price to attract customers and also offer discounts for people in receipt of benefits. Staff are able to use their discretion to offer additional discounts, or give items away for free where they believe it is appropriate.

Whilst the target customer base is low income families all are welcome at Bulky Bob's Furniture World. The aim is to get furniture to those who need it most, not to make profits so where other charity furniture shops may be selling items to raise money for a particular cause, our cause is the activity of the shop itself, getting preloved furniture to those in the greatest need, either at low prices or for free.

We set the basic ticket price as low as possible for all shoppers, and offer further discounts of 10% and 20% to those in specific income groups. Everyone who receives a 20% discount also receives free delivery of their item or items. Those in the greatest need will receive free essential furniture items and Bulky Bob's works with a wide range of referral partners, frontline organisations who work with those in the most challenging circumstances. There are many reasons why someone would receive a free crisis furniture package such as someone who is moving out of a homeless hostel who is offered unfurnished accommodation, a family fleeing domestic violence, asylum seekers who have been given leave to remain in the country, or a family who have lost their home to a fire.



People need basic items of furniture and the reality is that people who need furniture either go without it for a period of time, or find other ways to gain credit. Sadly this may sometimes involve loan sharks, or the existing high street weekly payment stores. At Bulky Bob's, we ascertain what furniture items are required and donate those items, often on the same day. The way we do this is to provide a voucher which has no specific financial value that can be used to select the items they need in Bulky Bob's Furniture World. These crisis vouchers can be used to 'pay' for the items listed on it and customers are able to select from any available goods in the store. We do not differentiate between the goods available for sale and those for donation. Everything that is for sale is also available to people receiving donations. This is really important to us as we want people to have control over their decisions and not told what they can or cannot have.

We have been involved in the delivery of the Local Welfare schemes through which local authorities offer their residents who are in acute need, access to essential furniture and appliances since 2013. In 2017-2018 Furniture Resource Centre Limited has supplied new furniture and home appliances to people in crisis situations who are being supported by Local Welfare Provision schemes. In Liverpool, Bulky Bob's Furniture World is ideally placed to help the Local Welfare Provision budgets stretch further by providing access to preloved furniture which the Local Welfare schemes are purchasing for residents.



Bulky Bob's Furniture World Statistics 👍

2017/18

Total number
pre-loved sales to
BBFW customers

2016/17

LIVERPOOL **2,108**



OLDHAM **406**



LIVERPOOL **2623**



OLDHAM **373**



2017/18

Sales to BBFW
customer groups

2016/17

LIVERPOOL

With crisis

LWP

Standard

233



20%
discount

16



10%
discount

1086



605



106



OLDHAM

109



178



LIVERPOOL

245



20%
discount

32



10%
discount

1553



470



177



OLDHAM

75



20%
discount

0



10%
discount

178



37



83



2017/18
Value of items donated
to customers

2016/17

LIVERPOOL **€30,890**



OLDHAM **€6,390**



LIVERPOOL **€35,769**



OLDHAM **€4,605**



2017/18
People in crisis given
free basic furniture

2016/17

LIVERPOOL **233**



OLDHAM **109**



LIVERPOOL **245**



OLDHAM **75**



2017/18
Number of agencies
referring people in crisis

2016/17

LIVERPOOL **42**



OLDHAM **20**



LIVERPOOL **20**



OLDHAM **20**



Carbon footprint

2017/18



2016/17



Comparison against 2016-2017 Performance and Target 👍



96% of Bulky Bob's Furniture World Customers received discounts (91% 2016-2017)
(*TARGET was 91%*)



342 families in crisis received donated furniture (466 - 2016-2017)
(*TARGET was 300*)



2514 customer sales in Bulky Bob's Furniture World (3512 – 2016-17)
(*TARGET was 3,400*)

This target was affected by the closure of the shop due to a flood in October and November 2017.

When we compare 2018-2019 with 2016-2017, the overall performance for Bulky Bob's Furniture World in Liverpool and Oldham shows a slightly reduced service having served 17% fewer customers in 2017-2018 than in 2016-2017. (2514/2996) However, we can attribute this dip in performance to the closure of the store for two months in October and November 2017 due to a flood. This affected sales within the store, however we are confident that performance will have been consistent with the previous year without the closure.

This year we employed a person on a temporary contract to contact people directly to maximise the uptake of LWP pre-loved vouchers. This resulted in an increase of 19% in LWP customers. (605/507) The Oldham LWP contract ceased meaning that there were no LWP customers in 2017-2018.

We continued to run Community Events where we take our furniture, and messages about the importance of reuse and recycling, out into communities. The number of community events this year was 4, which is consistent with 4 in 2016-2017.

We increased the number Bulky Bob's Furniture World Customers receiving discounts from 91% to 96% and exceeded our target of 300 families in crisis receiving furniture by a total of 42. The total value of furniture donated reduced from £40,374 to £37,280 – however this was consistent with us reducing the target of delivery to families in crisis to a more realistic target.

We looked at different ways to improve our preloved furniture operation to maximise the distribution and impact for those who most need, however this is a priority for 2018-2019. Our adoption of the 10 Essential Items list will continue to shape our future, as we no longer want to get people 'some' furniture but are driven to get people more and all items from the list. In 2018-2019 we will launch initiatives that see this becoming a reality.



Social Value Measurement

FRC Group uses a social value measurement model to set a budget and report actual performance for the work carried out by Bulky Bobs Furniture World. This, alongside the financial budgets, helps to shape discussion and decision making.

The diagram below* illustrates the main drivers of value within the social value model and has some information added to it to show the amount of value created in 2017-



*Includes the value of pre-loved furniture given to people in urgent need via two routes – the items donated by Bulky Bob's Furniture World Liverpool and the pre-loved items purchased by Liverpool Citizens Support Service to pass on to people in urgent need.

North Tyneside

The North East depot, which was set up to service the North Tyneside Council Furnished Tenancy scheme, had a successful first year of operation. Working closely with North Tyneside Council Furniture Resource Centre Limited have established links with local charities who help people living in poverty. Furniture Resource Centre Limited provide free essential furniture and PAT tested appliances to local people who our referral partners have identified as being in need. The furniture and white goods supplied are returned items from the furnished tenancy service where a tenant has decided they no longer want the items. Often the returned products are in good working order and in good condition however they cannot be supplied again into a furnished tenancy property. With North Tyneside Council this scheme puts essential household items back into use and enables people to furnish their homes when they have no other means of doing so. In 2017-2018 we were able to deliver free of charge a total of 108 items to help people who are living in Furniture Poverty. We will build on this scheme during 2018-2019.

Priorities for 2018-2019



2,515

Customer sales in Bulky Bob's Furniture World.



2,406 (96%)

Of Bulky Bob's Furniture World customer's to receive discounts.



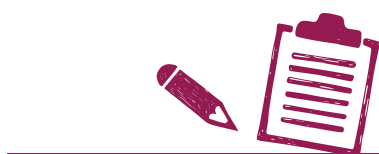
326

Families in crisis to receive furniture.



4

Community events.



10

Create a Social Value Model based on the measurement of 10 Essential Items List.



To launch Safety Net and Total Mattress management.

Do we make a difference?

Each year we conduct customer surveys as part of our stakeholder engagement activity. We want to ensure that we are delivering a service which meets expectations and that we are responsive to stakeholder's needs. In 2018-2019 we surveyed the following groups of customers:

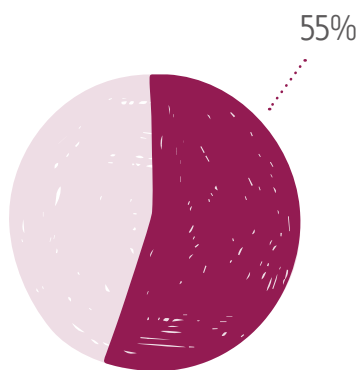
Crisis Donation Referral Agents

In 2017-2018, we engaged with organisations that refer people to FRC Group for crisis donations of furniture. Operated by Bulky Bob's, those individuals referred are provided with a voucher that entitles them to a range of furniture items that have been identified by the referral agent as required. In summary, the value of the FRC Group's crisis furniture donation service was exclusively viewed as extremely positive in supporting those in need. Regular comments such as **'it makes a massive difference'**, and **'it's a valuable tool for us'** demonstrated these views. Although not a surprising finding, the need for the service appears set to continue and even increase. Widespread austerity measures continue to reduce support from both statutory and third-sector services, mean that the crisis donations of furniture items is essential for many people. More information on this can be found on page 75.

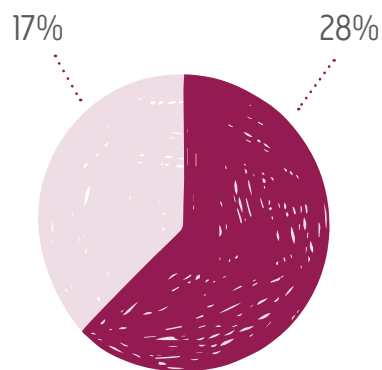


Bulky Bobs Furniture World Customers 👍

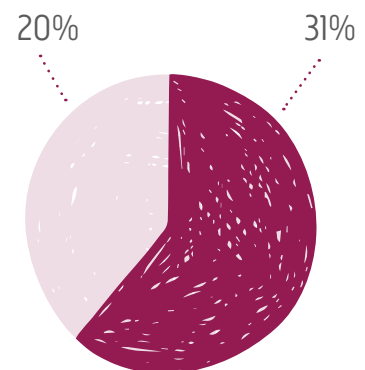
We carried out 29 surveys in our Liverpool store with customers as part of our stakeholder engagement activity to ensure that we are delivering a service which meets the expectations and needs of our customers. We asked a range of questions including what customers thought of the price, range and service they received. We also asked how they would buy their furniture if Bulky Bob's Furniture World could not meet their needs.



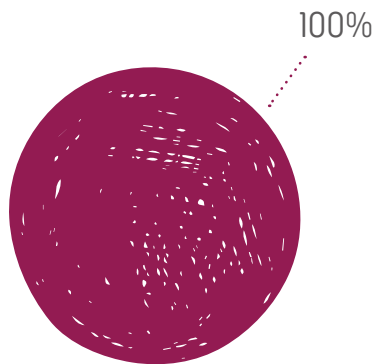
55% thought our furniture was 'Excellent value'.



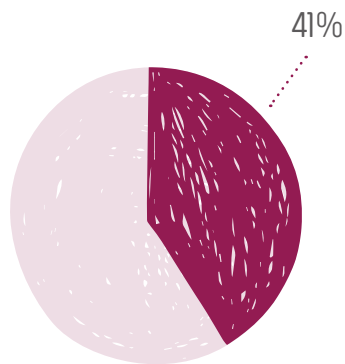
28% said it was 'Affordable' and 17% thought that the price was 'OK'.



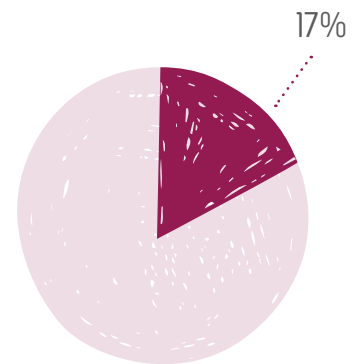
Although 31% of customers thought there was 'lots of choice' in our range, 20% thought that the choice was limited.



100% of customers thought that the service they received was either good or excellent.



41% of shoppers said that they would have 'saved up' if the items were not available (therefore going without).



17% said they would buy on credit.

Furniture Poverty is the inability to afford or access the basic essential items that provide a household with a decent quality of life and the ability to participate in the norms of society. In order to refine our understanding of Furniture Poverty, in November 2016 End Furniture Poverty opened a consultation with the aim of creating a list of essential furniture items (including indoor furnishings and white goods) that we believe everyone in our society should be able to afford or access. In 2017–2018 we asked customers of Bulky Bob's Furniture World if they agreed with the items listed in our 'Essentials Furniture Items List.' The results are shown below:

Item	Number of responses	%
Bed and Mattress	24 out of 29	83%
Fridge, Settee / Suite, Cooker	22 out of 29	76%
Drawers, Wardrobe, Dining Table and Chairs	20 out of 29	69%
Carpets, Freezer	19 out of 29	66%
Washing Machine	18 out of 29	62%
Curtains	17 out of 29	59%
TV	15 out of 29	52%

Some of our customers also listed other items such as kettles, toasters, pictures, mirrors and ornaments as items that they believe should be made available in our store. However, with limited space we have to ensure that the space we have is used for items which our research tells us makes the biggest impact.

In 2018-2019 we are employing an Interim Manager look at the store intensively to ensure that we are providing the best possible service to meet the needs of our customers.

Furniture Resource Centre Customers

Every month we survey customers of Furniture Resource Centre Limited on a Business to Business level. We aim to get at least six completed feedback forms per month. Customers are called and are asked set questions which are split into 6 categories:

- Sales Process
- Ordering process
- Delivery Service
- Quality of product
- Invoicing
- Overall

We also analyse patterns and areas of improvement. Results across the year out of a total of 3 have been have been:

	Total Customers contacted	Sales Process Average	Order Process Average	Delivery service Average	Product quality Average	Invoicing Average	Overall rating Average	% of customer recommendations
Annual Total / Average	46	2.9	2.8	2.8	2.6	2.7	2.8	100%

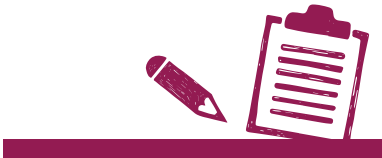
We also sent an email survey to 82 Furniture Resource Customers to ask about their experiences with us. We received 8 responses which were disappointing, however, this was in addition to the Furniture Resource Centre information on the previous page. Highlights of the feedback is as follows:

We asked people how important the elements of being a Social Enterprise were when contracting with us.



87%

Thought it was important or very important that we are a Social Enterprise.



75%

Thought it was important or very important that we report on our social impacts.



75%

Thought it was important or very important that we have our Integrated Report independently audited.

We asked how likely it was that they would recommend our services.



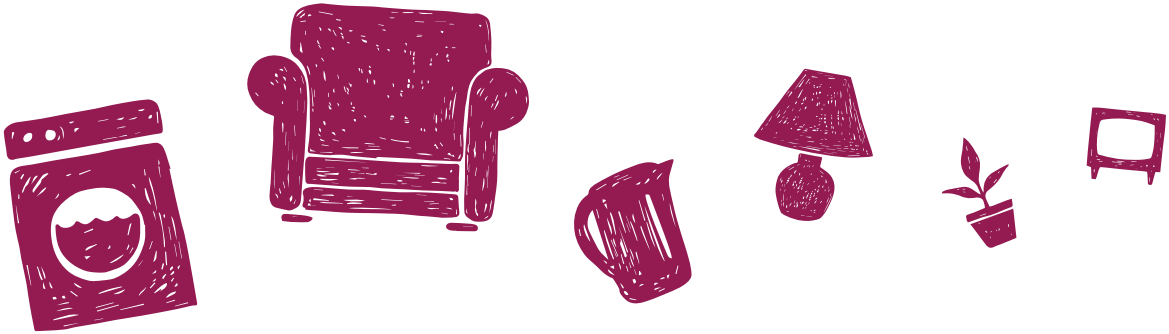
100%

Said they would recommend us.



75%

Said that it is 'very likely' that they would recommend us.



Buckingham Interiors

In 2017-2018 we made contact with 35 Buckingham Interiors Customers to obtain feedback on the services and products we deliver. We are always striving to improve our performance, products and the overall customer experience we provide. We received 5 completed surveys back. All except one customer said that they would be 'very likely to recommend our services. The one person that didn't said it was because they didn't make recommendations but if asked about our company would describe us as:



Incredibly positive, hands on and friendly service.

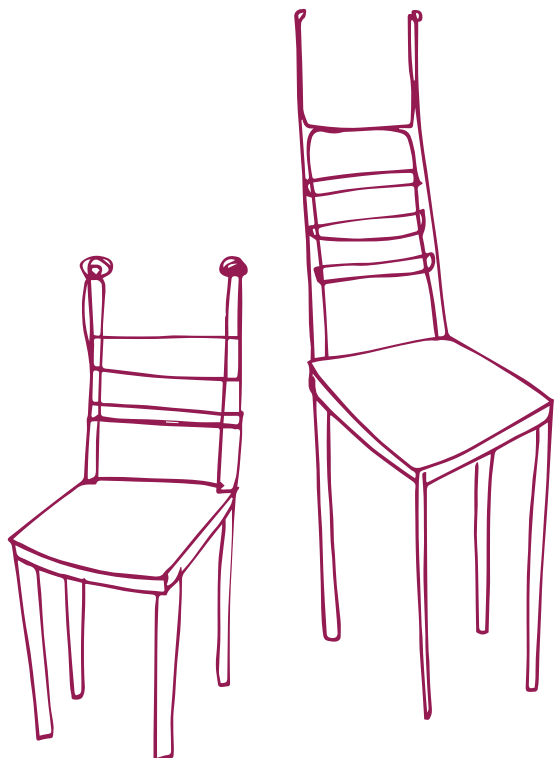
Other comments received were:



I found from the first point of contact with Neina Cave our rep to discuss what our job required her product knowledge and friendly approach gave us the confidence to proceed with our order...
And then dealing with James Frost at Customer Services



Always exceptional service.



The Liverpool Citizens Support Scheme

The Liverpool Citizens Support Scheme helps vulnerable people and people on a low income meet their needs for food and essential items, furniture or white goods. Furniture Resource Centre Limited have the contract with Liverpool City Council to provide the furniture. In 2017-2018, we spoke to 26 people who had been in receipt of furniture through this service. We asked them questions about the service.

It means everything to me. I had nothing and I couldn't have stayed in my home without LCSS help I have somewhere to eat, sleep, sit down it has made a big difference.

Everything is neat and tidy. Before we did not have a fridge or microwave. Now we don't have to have junk food we can eat healthily.

My health is better and I am eating better. I can cook and I can have friends round. I can be social in my own home.

Having the furniture has improved my quality of life. If you don't have anywhere to sit you feel awful.

This feedback has been crucial in confirming our belief that giving people access to the furniture that people require makes a huge impact on their lives and on the lives of their families. In 2017 – 2018 we hoped to do a large piece of work to measure the Social Value created through the LCSS scheme. Unfortunately we had to pause this due to the tendering process beginning, however, this piece of work will resume in 2018-2019.

Bulky Bob's Customers

In February 2018 we re-introduced our Bulky Bob's telephone questionnaire. This is something that we had not been able to carry out due to limited resources. However, we have introduced a system whereby a wider group of people are involved in gathering feedback meaning that this is no longer a challenge for us. From February 2018 to the end of March 2018 we spoke to 15 customers and asked them questions about the service they received from Bulky Bob's. As well as ensuring that we are delivering a great service, we want to ensure that customers understand that we reuse and recycle as much furniture as we possibly can in order to help us with our mission to end furniture poverty. Therefore in our survey we ask some questions to check that people understand what is happening with their furniture. 100% said that they understand that we are trying to reuse and recycle the furniture. Although the results are based on low numbers, more survey results over the course of 2018-2019 this will give us a deeper understanding that our message is getting through so we can respond accordingly if not.

Creating Social Value:
Improving Futures
through training, skills
and experience



Our new and improved Driving Change Programme was launched in June 2017. Our aspirations to maximise our social value led to big changes on Driving Change and our new programme recruits both long term unemployed people and those in vulnerable employment such as zero hours contracts and on low wages. Through an intense focus on behaviours and skills and an individually tailored approach, people acquire experience that will allow them to enter better paid, more secure roles. Through new Driving Change, we recruit people with Driving Licences, meaning that their main training objective is the LGV Class 2 Licence.

ViPs (Volunteers, Interns, Placements and Students) is our new volunteering programme which enables people to work towards their own goals or give to charity by volunteering time and skills.

Elev8 is an opportunity as and when for a small number of our ViPs to gain a Fork Lift Truck licence and to build up on the job experience over an eight week programme.

Funding

This year we were able to secure £31,297 worth of funding through Sefton ILM Ways to Work Programme and Knowsley Works. The funding consisted of £26,047 from Sefton and £5,250 from Knowsley works. We also received other funding to the value of £11,250 from WEE Local Project to help us to set up a project within Bulky Bob's Warehouse.

Funding is still difficult to source, especially with the nature and length of our new Driving Change Programme. We still however continue to look for funding that supports the ethos of our training programmes but will not change our programmes to fit funding criteria, as we strongly believe that long term intervention creates a better future for our trainees. The remainder of the funding for our training programme was provided through surpluses generated by our businesses.



Driving Change 2017-2018

Driving Change this year is a story of two programmes. Over the course of the year we had people on Driving and New Driving Change.

Driving Change was our 12-month salaried training programme, which offers previously long-term unemployed people a fixed term employment contract, and the chance to achieve a range of qualifications to prime them for work in the logistics industry. The Driving Changers worked to achieve a number of transferable and industry specific qualifications, including a Car Licence and the Large Goods Vehicle Class 2 licence. During the 12-months of the Driving Change programme, trainees build up a record of work experience that they can evidence to future employers and vitally they build their confidence in the workplace.

New Driving Change was developed as we recognised that our trainees were securing temporary work, or zero hours contract and earning a wage which meant that they were still living in poverty, or becoming the 'working poor.' We wanted so much more for our trainees, we wanted them to be set up for a career, with higher prospects and earning potential. We made the following changes:

- You can be employed or unemployed to apply.
- You need to have a driving licence.
- The minimum programme length will be 3 months, and the maximum will be 24 months.
- The time on programme is not an indication of success or failure, rather the time taken to arrive at the desired outcome.
- There is more individualised approach to training
- Increased focus on development that leads to changing attitude and behaviour.
- We will expect people to gain higher paid, more secure jobs at the end of their programme.

With this in mind, we created a more challenging application process for the programme so that we are testing people's ambition and drive to succeed, and we made it tougher for people to stay on the programme so there is no opportunity for people to 'cruise' through their time with us.

Across the year, we had a total of 28 people take up 29 places on Driving Change, (One person finished Driving Change and was recruited onto new Driving Change). Of these trainees, 13 were on the 'old' programme and 16 were people who started on the 'new' programme during the year. 🍷

In total, throughout the year, a total of 88 accredited qualifications were gained meaning that on average each trainee gained 3 accredited qualifications. However if you break this down between old and new programmes, we can already see that new Driving Changers are achieving more. When we look at the qualifications gained by the 13 'Old' trainees across the year, these equal 22 which giving them an average of 1.7 qualifications each. The 16 'New' Driving Changers gained 66 qualifications taking their average to 4 which is an early indicator of success. Out of the 17 leavers this year, 7 got jobs which is 41%. This again highlights the fact that a new approach to Driving Change was required. 🍷 100% of new starters had a driving licence which means that they can aim for a LGV Class 2 licence as their main training objective.



New Driving Change



Unemployed or on a low income to apply



Fixed term employment Contract from 3 to 24 months



Salaried position



Real on the job training including driving



Transferrable skills such as First Aid, Health and Safety



Industry specific skills such as LGV Class 2 Licence



Focus on skills and behaviours



Peer feedback



Aim is a sustainable job on a good salary with prospects for the future

During their time on Driving Change, trainees have regular one-to-one reviews to discuss their training and how FRC Group can help them to achieve their desired outcomes. These conversations give an insight into how trainees perceive the Driving Change programme and the effect it has on them in different ways.

To maintain consistency from the previous year, all one-to-one reviews were reviewed individually. Where a trainee had more than a single document, these were reviewed in chronological order.

Notes were taken and a process that identified the common themes was employed. The results of this process are discussed below;

There was a general consistency that all trainees welcomed their opportunity and had ambitions to secure work beyond their time with the FRC Group. Most that stated their preferred job sought positions as delivery or LGV drivers, with a strong desire to earn a living with security expressed.

Aligned with the desire to secure employment was the realisation that they needed the relevant experience and qualifications. Many trainees outlined a desire for Fork Lift Truck training, and although as with each year some expressed a desire to continue with the FRC Group beyond their training contract, this did not appear as prominent as previous years.

Also, in line with the new developments to the training programme, the requirement to meet strict milestones was regarded exclusively as on track by all trainees

when asked during reviews. Largely they also expressed little requirement for further support to aid their development, although some did still outline a need for more Fork Lift Truck training. Additionally, there was a support need identified for assistance with literacy skills by a significant number of trainees. Not always explicitly expressed as a support-need, some trainees outlined this as a consistent barrier to their development. Be it in reading maps and planning routes, or successfully navigating the car theory test, the lack of skills and confidence in literacy remained a challenge for some.

There were a significant number of comments from trainees regarding the need for them to allow for more practice for theory tests – and for some, they appear to be doing this in their own time. However, for others there remained consistent comments that they needed to practice more, but for reasons including a lack of access to facilities at home or a lack of confidence, they were not doing so. For some, this unfortunately resulted in being unsuccessful in their attempts to pass the test.

Even in cases where trainees were not successful in gaining qualifications, there was consistent comment that they had still developed in their role. Many expressed improved health and fitness as an unintended change they had experienced, and for others a significant change in confidence was expressed. The latter was often aligned with indicators such as being able to speak to customers in person and on the phone. For those that responded to the question about the importance of the FRC values, professionalism was that which was most often highlighted as important, and linked frequently to their increasing confidence as a person.

We keep in touch with our Driving Change participants after they leave. Our aim for old Driving Change was to be in touch with them for at least 24 months, speaking to them twice a year about how they are faring and how their experience on Driving Change has influenced where they are now. During 2018-2019, we will launch a new way to follow up trainees. We believe that our new Driving Change Programme will lead to longer term impact, so in order to prove that this is the case, we will need to stay in touch with them for longer and have aspirations to monitor their progress for up to 10 years. We realise that this is a challenge and are working on ways to enable this. All new Driving Change trainees are aware of this aspiration and are regularly reminded of this at reviews.

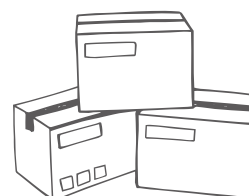
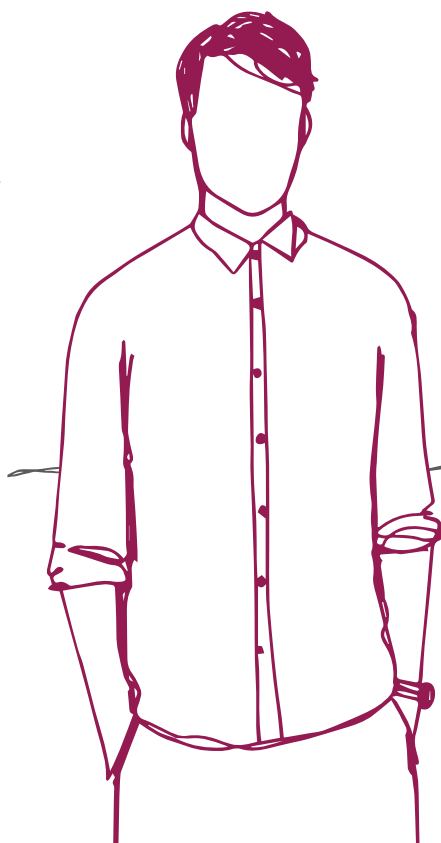
Through Driving Change, we aim to take people on a journey of transformation enabling them to gain skills, experience, improved behaviours and qualifications that are life changing. Here are some of their stories*



Case Study 1 – Adam’s Story

Adam started on Driving Change in May 2017 on the old style Driving Change Programme. He was offered a 12 month contract period with the aim of him working towards gaining a car licence. After passing the theory test very quickly, he went straight on to practical driving lessons as he had never driven a car. As he was committed, Adam doubled up on his lessons taking them on a weekend and during the week, which led to an early test which he passed first time in September 2017.

It was suggested that because he had gained his car licence so quickly, he could try to gain a LGV Class 2 licence which was a huge jump given that he didn’t have access to a car to build up any driving experience and confidence. Adam was determined to succeed so went straight in to revising for the theory stages of the LGV Class 2 Driving Licence. He passed both the theory and hazard perception and was booked in for practical driving lessons on an 18 tonne wagon. He passed this with flying colours and gained a LGV Class 2 Driving Licence. Adam has done extremely well given he couldn’t drive a car when he started with FRC Group, and he is now in a great position to apply for LGV Class 2 Driving roles.



Case Study 2 – Stuart’s Story

Stuart started on the new style Driving Change in August 2017. He was a more mature trainee who already had a driving licence and was employed as a taxi driver. However, he felt that he was lacking the skills and qualifications that would gain him a stable career to help him support his family.

Stuart had expressed a strong wish to gain a LGV Class 2 Licence, and at the interview, he told of aspirations in the future to start up his own small haulage business.

From the outset Stuart demonstrated a very strong work ethic and got stuck in to revising for the theory tests which he passed first time. He passed the two theory tests very quickly and was then assessed to drive a 3.5 tonne box van for Bulky Bob’s. He was calm and focused on all of his tasks and proved himself to be a reliable and professional driver.

Stuart passed the Class 2 practical test and was offered the opportunity to drive a 7.5 tonne wagon to gain some experience, he then completed the last two stages of gaining his Modules 2 & 4 CPC and became a fully qualified Class 2 driver. All of this in just 5 months!

Stuart demonstrated that he was very professional, so much so, that he was offered a full time position as a Driver Mentor within Bulky Bob’s.

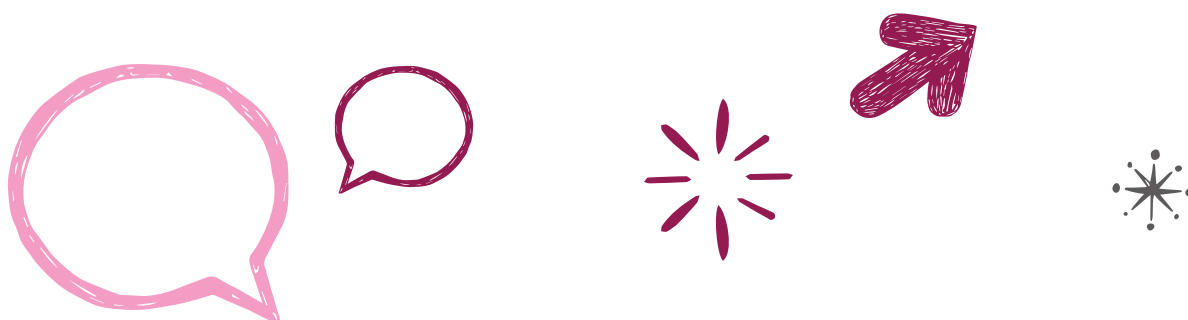
He has been on an incredible training journey and is a shining example of what can be achieved and is such a positive role model to other trainees.

Case Study 3 – Keith’s Story

Keith was referred and funded by Sefton@Work after being unemployed for five years. He already had a car licence and was interviewed for Driving Change. The interview did not go very well and it transpired that Keith had a literacy barrier, which affected his ability to communicate effectively. Sefton@Work asked if we would interview Keith a second time, as he just needed a little more preparation. He was re-interviewed and was successful at gaining a place on Driving Change for a 12-month period. He started practicing his theory test in earnest and after a couple of failed attempts, he passed the first stage. As a result of this, Keith was then assigned to drive a 3.5 tonne box vehicle with his own collection report to complete 40 collections per day. This gave him a massive confidence boost as he was about to embark on his practical tuition. It also provided him with lots of experience in driving, route planning and map reading.

Keith passed his LGV Class 2 practical licence as well as the modules you need to become a fully-fledged LGV Class 2 Driver. He was nominated and won, Driving Change Trainee of year 2017, and gained a job as an LGV Drivers with an Oil Salvage company. Keith gained qualifications he did not think was possible. Our belief in him led to him believing in himself and going on to achieve great things.

*Names have been changed



Employer Engagement

In addition to helping trainees to complete CVs, job applications and to prepare for interviews, the People and Culture team also support the Driving Changers by developing and maintaining relationships with key employers to identify job opportunities. During 2017-2018 we have built relationships with 18 employers to inform them about our programmes and trainees, with a view to them contacting us when any vacancies arise. With new Driving Change the focus is more on employers who employ LGV Class 2 Drivers. The strategy in 2018-2019 is to engage with a more focused group of large employers.

Social Value Measurement

FRC Group uses a social value measurement model to set a budget and report actual performance for the work carried out through Driving Change. This, alongside the financial budgets, helps to shape discussion and decision-making.

We measure the impact of Driving Change or its 'social value' using a model based on the Principles of Social Return on Investment. The 'old' social value model contained values for changes experienced by the trainees themselves, the value that is attributable to other support networks where these exist, the value at a societal level arising from the conversion into employment and the increased taxes / reduced benefit payments that come from this.

The material values created for those who found work at the end of Driving Change were:

- Increased disposable income when Driving Changers go into employment.
- Increased tax and National Insurance revenues and reduced benefit payments.
- The value to the trainee of the sense of agency derived from being in employment.

The model had the intricacy to record value that is created for people who do not achieve employment but do experience changes as a result of their time on Driving Change.

In 2017-2018 we developed a new Social Value model to measure the value created through 'New' Driving Change. This demonstrates the value created and the return on investment. The nature of New Driving

Change means that the model features many more complexities than the previous model for the Old Driving Change Programme Points of Difference in review and measurement New Driving Change Vs Old Driving Change.

Points of Difference in review and measurement New Driving Change Vs Old Driving Change

- We are recruiting individuals from a point of either unemployment or precarious employment (being zero hours contracts or minimum wage roles for example).
- Trainees may be on programme for anywhere between 3 to 24 months.
- We measure the starting point for each participant's level of qualification on a scale of 0 (being no qualifications) through to 3 (advanced vocational qualification) and the progress made in moving to higher levels of qualification.
- We measure 6 workplace behaviours and participants progress to improving these behaviours on a scale of 1-8. Trainees report their perceived starting point for each behaviour and this will be re-assessed by them at each review.
- Rather than simply measuring an outcome of either 'job secured' or 'unemployment' upon leaving the programme we measure based on the type of position achieved and any subsequent career development in the post programme period.
- Post programme follow ups and measurement of outcomes will extend to 10 years after exit from New Driving Change.

Unlike Old Driving Change where value was fairly evenly spread between 'on programme' and 'post programme' periods in the New Driving Change programme the value created is likely to be more heavily weighted towards the 'post programme' period. This is most apparent for trainees that have come from a point of precarious employment as the change in earnings whilst

on programme is minimal. Value derived from an increase in disposable income, which occurs when previously unemployed, is very minimal and often not existent at all. Upon completion of the programme this value would be expected to increase substantially as it is anticipated that these individuals would progress to secure, higher paid roles.

Driving Change Statistics



28 people took part in Driving Change (29 places as one person was on old and new Driving Change).



Of these trainees, 13 were on the 'old' programme and 16 were people who started on the 'new' programme during the year.



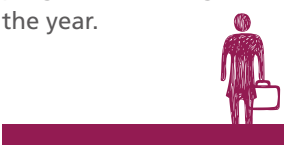
New starters worked in Bulky Bob's Liverpool (10) Furniture Resource Centre Limited (5) and Bulky Bob's Office and Commercial Waste (1).



76% (13 out of 17 leavers) of the trainees completed the programme.



41% (7 out of 17) of all leavers went into jobs.



Of the 17 leavers, 13 were 'old' Driving Changers of which 7 got a job which is 46%.



4 were 'new' Driving Changers, 1 of whom who left early of their own accord and 3 who were dismissed. Even so, of the 4, 3 got jobs which is 75%.



88 qualifications gained in total.



Average number of qualifications per trainee was 4.



13 'Old programme' trainees across the year gained 22 qualifications giving them an average of 2 qualifications each.



16 'New' Driving Changers gained 66 qualifications taking their average to 4.



18 employers were liaised with.



12 training positions were available.

Comparison against 2016-2017 Performance and Targets

28

28 people took part in Driving Change (24 in 2016/17).



88

88 qualifications gained in total (63 in 2016-2017).



12

Number of training positions available = 12 (12 in 2016-2017) Target was 13.



16

16 new Driving Changers were recruited –Bulky Bob’s Liverpool (10) Furniture Resource Centre Limited (5) and Bulky Bob’s Office and Commercial Waste (1). (12 in 2016-2017).



3

Average number of qualifications per trainee = 3 (2.5 in 2016-2017).



100%

100% of Driving Change recruits to be working towards LGV Class II Licence (new target for 2017-2018) Target was 70%.



76%

76% (13) of the trainees completed the programme (92% in 2016-2017).



41%

41% (7) of leavers went into jobs, (92% of leavers went into jobs in 2016-2017) Target was 90%.



Performance is consistent with previous year apart from the rate of people gaining jobs. This is not a surprise to us and is one of the main reasons why we took steps to change our Driving Change Programme. Although we have recruited more people and have had more people on programme, this is reflective of us being firmer with those who are ‘cruising’ through the programme and moving them on more swiftly. As mentioned earlier in this report, we have had earlier indicators of success through New Driving Change as on average this year, New Driving Changers gained an average of 4 qualifications as opposed to an average 2 achieved by Old Driving Changers.

ViPs

In 2017-2018 we launched a new volunteering programme aimed at Volunteers, Interns, Placements and Students. Our ViPs get the chance to develop new skills in a great working environment, while helping people in need. ViPs is a traditional volunteering scheme that takes on a broader range of participants as the name ViPs explains - Volunteers, Interns, Placements or Paid Placements and Students. The ViPs are not managed by the People and Culture Team, but report to operational supervisors who are responsible for them on a day to day basis. Our ViPs pick up vital skills along the way, but the main driver of Social Value through ViPs is the end result of the impact that their volunteering has. Our ViPs learn new skills on the job, volunteer in a great team, and have the chance to do something worthwhile and help people in need. The ViPs team are fully supported to help them to learn new skills, from an opportunity to experience volunteering in a warehouse environment, to understanding the importance of health and safety, manual handling and much more. All of their volunteering expenses are met, including travel expenses and they are provided with all the necessary clothing and equipment they need. Free tea and coffee is also available, along with our Monday and Friday morning Toast Time sessions with free toast for all! We understand that some of our ViPs may also be in need of the furniture. If a clear need is identified, they will be supported in the same way as our families in crisis. ViPs are welcomed into the team and are invited to our Annual Awards event, along with all other social activities such as Christmas parties and staff celebrations.

Another programme offered within ViPs is Elev8, which offers a small number of people access to a Fork Lift Truck driving qualification. Through Elev8 people embark on an 8 week voluntary placement programme to obtain their Fork Lift Truck licence and gain valuable work experience, fully funded by FRC Group. Elev8ers volunteer for 8 weeks in our Furniture Resource Centre Limited warehouse, offering a more traditional warehouse experience. Their first week is spent receiving off-site training to help them achieve their Fork Lift Truck licence, and then they work in Furniture Resource Centre Limited's warehouse for 7 weeks and practice their new skills. This additional experience helps people to strengthen their position in

the job market. As envisaged, a much reduced Volunteering Programme, led to difficulty in finding the right people to take up this opportunity. This resulted in one person taking up an Elev8 place in the year and one Fork Lift Truck Licence being gained.

This year through Commutuals' ILM Access to Work programme, we offered a ViPs placement to 3 people. These people worked on our Working Weee (Waste Electrical and Electronic Equipment) (Waste Electrical and Electronic Equipment) Pilot functionality testing, safety testing and cleaning electrical goods. The ILM Access to Work programme creates practical employment opportunities for young people aged between 16 and 29. Access to Work offers six-month work experience placements across a number of sectors. Trainees have the opportunity to take part in both vocational and accredited training - giving them the skills they need to kick-start a successful career.

Through Sefton @ Work's 'Ways to Work' programme we offered 8 people a 6 month work placement as ViPs working in our Bulky Bob's Workshop on our Total Mattress Management Trial Project. Ways to Work exists to deliver employment advice, guidance, job preparation skills and paid work placements to Sefton residents who are out of work. 🍷 FRC Group is also committed to supporting our ViPs, and although in recent years the numbers of volunteers have reduced as we have changed our activities, we still really value the contribution of the volunteers. We carried out a survey in March 2018.

9 volunteers responded to the annual survey, and although this is a very small number of people for significant results we have data from the previous year to compare to. Results remained at 100% in 6 areas and increased in 7 areas. These are excellent results and we will work hard throughout 2018-2019 to maintain this. In one area, the results decreased. 🍷

"At work, do my opinions seem to count?"
Decreased by 11%

This will be the area of focus in 2018-2019.
More information can be found on page 70.

ViP Statistics

26



During 2017-2018 we had 26 ViPs within the FRC Group.

16



Of these 16 were traditional volunteers working in Finance, People and Culture, Bulky Bob's and Bulky Bob's Furniture. World.

11



11 of these were 'Paid placements' funded by Sefton@Work and Communtual to work in the Working Weee workshop and Total Mattress Management.

8



8 areas of FRC Group offering placements - Bulky Bob's, People and Culture, FRC Group, BBWH, FRC Warehouse - Elev8 Communication Finance , BBFW.

1



1 person gaining Fork Lift Truck Licence through Elev8 World.

Comparison against 2016-2017 Performance and Targets



Redesign and launch a new volunteering programme in 2017-2018.

8



Offer volunteering opportunities in 8 areas across FRC Group offering placements = 8 (8 2016-2017).



Priorities for the Future

During 2017-2018 we need to continue to provide our trainees with opportunities to grow and develop and to aim high. Our new Driving Change Programme is showing early indications of success, however, it is vital that over the coming year we help people to move on into jobs with higher pay and increased promotion prospects. It will also be key to build great relationships with employers who recognise us as their first point of call for recruitment and to instil a follow up process which allows us to collect that data we require to measure the social value created through new Driving Change.

We need to further develop our ViPs programme and wish to attract people with skills and experience to be able to support and mentor our ViPs on a peer mentor level. We want to FRC Group a place where ViPs can thrive as well as contribute to the Social Value that we create through our activities.

2018-2019 Social Value Targets



Of people completing Driving Change will go into employment, training or further education.



Driving Change recruits to be working towards LGV Class II Licence.



Launch a new Driving Change 'Follow up Process'.



Build at least 10 new relationships with LGV Class 2 employers.



Recruit 10 new ViPs across the year.

Driving Change Trainees Reviews

We have engaged with all of the current Driving Change trainees throughout the year to understand what they hope to gain from their time with us, and how things are progressing. All trainees completed reviews throughout their time with us and we produced a report of the documents produced in 2017/18.

To maintain consistency from the previous year, all documents were reviewed individually. Where a trainee had more than a single document, these were reviewed in chronological order. Notes were taken and a process that identified the common themes was employed. The results of this process are discussed below;

There was a general consistency that all trainees welcomed their opportunity and had ambitions to secure work beyond their time with the FRC Group. Most that stated their preferred job sought positions as delivery or HGV drivers, with a strong desire to earn a living with security expressed.

Aligned with the desire to secure employment was the realisation that they needed the relevant experience and qualifications. Many trainees outlined a desire for FLT training, and although as with each year some expressed a desire to continue with the FRC Group beyond their training contract, this did not appear as prominent as previous years. Also, in line with the new developments to the training programme, the requirement to meet strict milestones was regarded exclusively as on track by all trainees. Largely they also expressed little requirement for further support to aid their development, although some did still outline a need for more FLT training. Additionally, there was

a support need identified for assistance with literacy skills by a significant number of trainees. Not always explicitly expressed as a support-need, some trainees outlined this as a consistent barrier to their development. Be it in reading maps and planning routes, or successfully navigating the car theory test, the lack of skills and confidence in literacy remained a challenge for some.

There were a significant number of comments from trainees regarding the need for them to allow for more practice for theory tests – and for some, they appear to be doing this in their own time. However, for others there remained consistent comments that they needed to practice more, but for reasons including a lack of access to IT facilities at home or a lack of confidence, they were not doing so. For some, this unfortunately resulted in being unsuccessful in their attempts to pass the test.

Even in cases where trainees were not successful in gaining qualifications, there was consistent comment that they had still developed in their role. Many expressed improved health and fitness as an unintended change they had experienced, and for others a significant change in confidence was expressed. The latter was often aligned with indicators such as being able to speak to customers in person and on the phone. For those that responded to the question about the importance of the FRC values, professionalism was that which was most often highlighted as important, and linked frequently to their increasing confidence as a person.

Driving Change Follow Ups

This year we followed up 13 people who were previously on a training programme with us. Of those who we spoke to 77% were employed and 92% said that they felt that the training and qualifications that they gained helped or will help them to get a job. When asked about what the best thing about working at FRC Group they told us:



The support I received



Getting Licences



Working with the lads



Having something to do with my day



The experience – everything about the job, the people in organisation and the training you receive gives you strings to your bow

We also asked if people felt that they had improved in any of the following areas and got the following results:



Confidence	92%
Self Esteem	83%
Motivation	92%
Team Working	83%
Communication Skills	83%
Time Keeping	75%
Attendance	67%
Money Management	58%
IT	33%
Relationship with Peers	75%
Relationship with Authority	75%
Quality of life	83%



As well as highlighting the areas where we are succeeding, these results also flag up areas where people feel that they do not make progress such as in Information Technology and Money Management. In the next year we will assess the list and clarify which areas we need to focus on and if there are any missing.

ViPs Survey

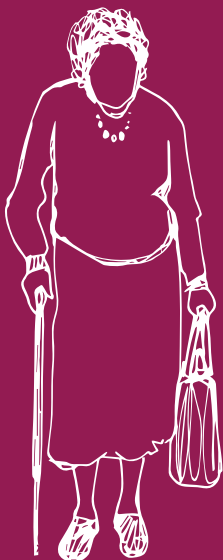
We care about our ViPs and want them to have a good experience. This year 9 ViPs completed a survey. The results are below.

No.	Question	2016/17	2017/18	 
1.	Do I have the materials and equipment I need to do my work right?	100%	100%	Same
2.	My job makes good use of my skills and abilities.	100%	100%	Same
3.	I receive recognition or praise for doing good work.	100%	100%	Same
4.	Does my supervisor, or someone at work, seem to care about me as a person?	83%	100%	Up
5.	Is there someone at work who encourages my development?	86%	100%	Up
6.	At work, do my opinions seem to count?	100%	89%	Down
7.	Are my co-workers committed to doing quality work?	83%	100%	Up
8.	In the last six months, has someone at work talked to me about my progress?	86%	100%	Up
9.	This last year, have I had opportunities at work to learn and grow?	100%	100%	Same
10.	Do I know what is expected of me?	100%	100%	Same
11.	Does the mission/purpose of my company make me feel my job is important?	100%	100%	Same
12.	Do I have friend/s at work?	86%	100%	Up
13.	I feel encouraged to come up with new and better ways of doing things.	71%	100%	Up
14.	The company does a good job of keeping employees informed about matters affecting us.	67%	89%	Up

We also asked about volunteers' overall sense of satisfaction, all 9 respondents answered the question "Considering everything, how satisfied are you in your job?". No respondents were 'Not Satisfied'. 44% (43% last year) were 'Very Satisfied' and the remaining 56% were 'Satisfied'.



Stakeholders



FRC Group's Stakeholders

Stakeholders are all the people who matter to FRC Group, and the people that FRC Group matters to. We aim to be great for people, a great place to work, a great place to do business with and great for the planet.

Bulky Bob's Furniture World customers receiving discounts – people in receipt of benefits, pensioners, students, and people referred from other support agencies.

People referred to Bulky Bob's Furniture World in Liverpool and Oldham for free of charge furniture donations in crisis situations.

Tenants of social housing providers such as Housing Associations and Local Authorities, including people living in Furnished Tenancies, sheltered accommodation, supported housing and forms of emergency accommodation to which FRC Group delivers furniture packages.

The people who benefit from the work of the furniture reuse charities we work with – Bulky Bob's has relationships with other furniture and appliance reusers to ensure that as many of the reusable items as possible are made available to people who need them.

Driving Changers– previously long-term unemployed people on training programmes.

ViPs – Volunteers seeking meaningful activity or giving their time to support FRC Group by volunteering their skills.

Staff – employees of FRC Group.

Furniture Resource Centre Limited/Buckingham Interior customers – the Housing Associations and other customers who buy furniture and related items.

Bulky Bob's customers – the local authorities that contract FRC Group to provide collection, reuse and recycling services for furniture and white goods.

The householders who receive the Bulky Bob's collection service in Liverpool, Oldham and Warrington.

Bulky Bob's Furniture World customers – all the people who shop in Bulky Bob's Furniture World.

Bulky Bob's Office and Commercial Waste Customers – all customers using the service.

Suppliers – the companies who supply FRC Group with goods and services.

The other furniture reuse charities that Bulky Bob's works with by supplying them with reusable items.

People living locally to where FRC Group operations are working – general public affected by local environmental impact from vehicles, buildings, and operations, and from reuse and recycling activities.

The global community and future generations – everyone is affected by the global environmental impacts of the business.

FRC Group's Stakeholder Engagement Policy is on page 78 and it explains the relationships between the different stakeholder groups and how the different relationships and levels of engagement are prioritised. A summary of the stakeholder engagement activity undertaken this year is on page 83.

Stakeholder
Engagement
2017-2018



Crisis Donation Referral Agents

People referred to Bulky Bob's Furniture World in Liverpool and Oldham for free of charge furniture donations in crisis situations

In 2017-2018, we engaged with organisations that refer people to FRC Group for crisis donations of furniture. Operated by Bulky Bob's, those individuals referred are provided with a voucher that entitles them to a range of furniture items that have been identified by the referral agent as required. As part of our stakeholder engagement policy, a range of stakeholders are engaged with on a regular and systematic basis. Those organisations that refer people for crisis donations had not been directly engaged with for some time, and it was important to understand their views and opinions.

A number of referral agents were approached to request their involvement in a focus group. These were selected to represent the scope of organisations that regularly refer people to us. The email request included a brief outline of the purpose of the focus group, including how the service is used, the impact on those referred, and any suggestions for improvement.

Of those approached, a number of organisations accepted the request to attend a focus group. In addition to outlining the purpose and likely themes to be explored, the adherence to the principles of research ethics was outlined. Therefore, all participants were aware of their rights to withdraw from the process at any time, and that although their comments may be used, they would not be directly attributed to an individual. In total 4 participants attended the focus group which lasted approximately 1 hour and 45 minutes. In addition to the focus group, one further agent provided comments via email. Although not as detailed as direct engagement, the comments from a public-sector referral agent were broadly in-line with those of the focus group.

In summary, the value of the FRC Group's crisis furniture donation service was exclusively viewed as extremely positive in supporting those in need. Regular comments such as 'it makes a massive difference', and 'it's a valuable tool for us' demonstrated these views. Although not a surprising finding, the need for the service appears set to continue and even increase. Widespread austerity measures continue to reduce support from both statutory and third-sector services, mean that the crisis donations of furniture items is essential for many people.

The impacts for those people referred covered a range of issues, including avoiding costly and potentially dangerous alternatives. Yet, the greatest impact was outlined as improvements to people's wellbeing. Increasing people's pride was extremely powerful – with increased confidence to invite people into their home, and an improved sense of self-worth evident. This extended to other members of the family, and the impact on children was considered to be extremely important by also increasing their pride, and the ability to study and have friends visit. As a result of such impacts, family relationships were strengthened, and in some of the more extreme cases, was believed to have helped families remain together.

The impact on those organisations that refer people was also identified as positive. Enabling more effective working relationships with their support workers through the provision of tangible benefits to clients, provided increased opportunities to address the issues affecting people.

This stakeholder engagement has demonstrated the impacts of providing what many people take for granted. Possessing essential items of furniture remains an issue that does not receive the attention it warrants. To have pride in one's home, and provide children with a safe and comfortable place to live and grow up is extremely valuable – and in conclusion the words of one of the participants best evidence this when asked what it means for their clients to have essential items of furniture: 'they can live like the rest of us'.

As highlighted, the crisis donation service was viewed extremely positively by those participants involved in the stakeholder engagement. However, there were some areas for improvements identified which included ensuring that all referral agents are provided with information regarding the service, providing a brief outline of the service and considering additional items such as carpets and curtains and televisions.

This feedback made us press pause and think about what services we can provide, which led us to develop new initiatives such as 'Safety Net,' Working Weee and Total Mattress Management in 2018-2019.

Driving Changers– previously long-term unemployed people on training programmes
ViPs – Volunteers seeking meaningful activity or giving their time to support FRC Group by volunteering their skills
Staff – employees of FRC Group

Staff, Volunteers and Trainees survey

This year 59 staff and volunteers responded to our questionnaire. The breakdown of these by staff/volunteer category was;

	Frequency
Permanent staff member	32
Temporary staff member	9
Trainee	9
Volunteer	9

More information can be found on pages 34-35 and page 70.

Active Workplaces Staff Survey

As part of Liverpool’s ambition to become the most active core city in the UK by 2021, ‘Active Workplaces’ offered Liverpool employers a package of free support to help get their workforce more active. In January 2018, Active Workplaces carried out a staff survey relating to health on our behalf. More information can be found on page 33.

Driving Change Trainees Reviews

We have engaged with all of the current Driving Change trainees throughout the year to understand what they hope to gain from their time with us, and how things are progressing. All trainees completed reviews throughout their time with us. More information regarding this can be found on Page 68.

Driving Change Follow Ups

This year we followed up 13 people who were previously on a training programme with us. Of those who we spoke to 77% were still employed and 92% said that they felt that the training and qualifications that they gained helped or will help them to get a job. More details can be found in this report on Page 69.

Driving Change Social Value

In October and November 2017 we ran two sessions of the ‘Value Game’ with trainees to help us to gain feedback on the value that they place on the outcomes that we aim to deliver. Stakeholders participated in small groups to rank the importance of outcomes to them in relation to other, more tangible items to which a value can be assigned. In the earlier stages of data collection this is being used simply to ensure our Social Value wellbeing valuations are in line with stakeholder feedback and can be refined if necessary. As we run more sessions and increase the data collected it may be used to identify how different segments of stakeholders value different changes and how we can adapt the programme to maximise our impact.

Furniture Resource Centre Limited/Buckingham Interior customers – the Housing Associations and other customers who buy furniture and related items

Furniture Resource Centre Limited Customers

Every month we target customers of Furniture Resource Centre Limited. We have a target of at least six completed feedback forms per month. Customers are called and are asked set questions which are split into 6 categories. We also analyse patterns and areas of improvement.

We also sent an email survey to 82 Furniture Resource Customers to ask about their experiences with us. We received 8 responses which was disappointing. More information can be found on page 52.

Buckingham Interiors

In 2017-2018 we made contact with 35 Buckingham Interiors Customers to obtain feedback on the services and products we deliver. For more information see page 54.

The Liverpool Citizens Support Scheme

The Liverpool Citizens Support Scheme helps vulnerable people and people on a low income meet their needs for food and essential items, furniture or white goods. Furniture Resource Centre Limited have the contract with Liverpool City Council to provide the furniture. In 2017-2018 we spoke to 26 people who had been in receipt of furniture through this service. More information can be found on Page 55.

The householders who receive the Bulky Bob's collection service in Liverpool, Oldham and Warrington

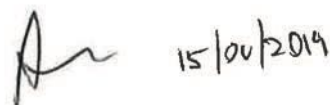
Bulky Bob's Customers

In February 2018 we re-introduced our Bulky Bob's telephone questionnaire and carried out 15 telephone surveys. More information on this can be found on Page 55.

Bulky Bob's Furniture World customers – all the people who shop in Bulky Bob's Furniture World Bulky Bob's Furniture World customers receiving discounts – people in receipt of benefits, pensioners, students, and people referred from other support agencies

Bulky Bobs Furniture World Customers

We carried out 29 surveys in our Liverpool store with customers as part of our stakeholder engagement activity to ensure that we are delivering a service which meets the expectations and needs of our customers. We asked a range of questions including what customers thought of the price, range and service they received. We also asked how they would buy their furniture if Bulky Bob's Furniture World could not meet their needs. More information can be found on pages 51.

A handwritten signature in black ink, followed by the date '15/01/2019' written in the same ink.

Strategic Report Approved by the Board of Directors on and signed on its behalf by Secretary A Rowan

Materiality Policy



FRC Group Materiality Policy

Our Materiality Policy creates the starting point of our reporting by defining what matters to FRC Group. In order to create information that is complete, relevant and responds to the needs and concerns of our stakeholders, it is essential to have a structured approach to determine what is material. To this end, FRC Group's Social Value Committee has developed a Materiality Policy.

FRC Group's Reporting: Social Value Materiality and Stakeholder Engagement Policy

Reviewed: 5th March 2018

By: Collette Williams

Approved by Measuring Social Value Committee: March 2018

This policy describes FRC Group's approach to understanding, measuring and reporting the social value that is created by the work we do. It explains how we assess what is material to report; how we define our relationships with stakeholders, and documents how we engage with them.

This policy, the determination of material issues and the annual schedule of stakeholder engagement will be overseen by the Social Value Committee of FRC Group's Board. The policy, material issues and annual schedule will be reviewed once a year to ensure it remains current.

"Issue" is used to describe a theme, topic or area of interest to a stakeholder group.

Material Social Value and Stakeholder Groups

FRC Group's social value measurement and reporting focuses on what social value is material. Identifying material social value, or what is relevant and significant to FRC Group's stakeholders, is about being clear that some issues are more relevant and significant than others. This is based on their level of importance to stakeholders and the relationship we have to stakeholders. By applying a judgement about how important the issues are in our operating context, and considering how important they are to our key stakeholders, we are able to determine what is material. Our reporting then focuses on these material issues.

FRC Group's stakeholders are those people to whom FRC Group matters and who matter to FRC Group. Our stakeholders include individuals, organisations, communities of location and interest. Stakeholder engagement is carried out by using various methods - one to one discussion, focus groups, telephone online and email surveys.

To determine whether an issue is relevant to the stakeholder group we consider the following:

- What issues are raised as important by the stakeholder group during stakeholder engagement?
- Based on our knowledge and experience, what issues would we expect to be relevant to these stakeholders based on the social norms relating to the stakeholder group and FRC Group?

To determine whether an issue is significant to the stakeholder group we consider the following issues:

- Is the issue indicated as being important to a high proportion of the stakeholders in that stakeholder group during stakeholder engagement?
- Is the issue indicated as being highly important to a low proportion of the stakeholders?
- Based on our knowledge and experience, what issues would we expect to be significant to these stakeholders based on the social norms relating to the stakeholder group and FRC Group?

Our approach to engaging with stakeholder groups is to consider how many of the population we have the resources to engage with. This differs according to the ease of contacting the group members and the method of engagement. For many groups (staff, Furniture Resource Centre Limited's housing sector customers, trainees on programme and after they have left etc) we contact the entire population group. For other groups such as Bulky Bob's Furniture World customer we contact a smaller number of stakeholders. This is determined by an assessment of what is reasonable to achieve given the time required to engage with the group or the difficulty of engaging with them.

When we engage with different stakeholder groups, our expectations about the number of individuals we would attempt to engage with and the minimum level of response varies. With stakeholders who are internal to the organisation (staff, trainees on programme) the minimum level of response required is 75% of those engaged with. 'For external parties such as customers, suppliers etc the minimum threshold is 50%'.

For each group we set a target for the number to engage with and the minimum threshold for engagement within that group. If this is not reached we will still use the data collected but in using it we will consider the risks involved with using information from a smaller than desired group.

Having applied the materiality determination process, the table below describes our stakeholders and the relationship we have with them:



Stakeholder Engagement Plan



How we engage with stakeholders to find out their priorities and views varies according to the different groups. Resources to carry out engagement activities and the pace of change in our interaction with different groups also have an impact on the pattern of interaction.

Certain groups within our stakeholders are seen as a higher priority for regular engagement. They are defined by a number of characteristics:

- The significance of the role FRC Group’s work has in their lives
- How the groups relate to FRC Group’s social mission
- The practicality of and resources involved in engaging with them

FRC Group has a rolling three-year schedule of stakeholder engagement to ensure that all groups have a regular opportunity to contribute. The distinction between those groups to be engaged with annually and those to be engaged with once every three years reflects the priority attached to certain groups as discussed above.

Annual Engagement	Three Year Rotating Engagement Cycle
<p>Current Driving Change Trainees</p> <p>Past Driving Change Trainees</p> <p>Crisis Furniture Referral Partner agencies – to be consulted in their own right as a stakeholder group and as a proxy for the crisis furniture recipients</p> <p>Crisis Furniture Recipients</p> <p>FRC Group’s Staff</p> <p>Bulky Bob’s Furniture World customers</p> <p>Bulky Bob’s Customers</p> <p>Furniture Resource Centre Limited customers</p>	<p>2018/19</p> <p>Suppliers of goods and services to FRC and Bulky Bob’s Furniture Resource Centre Limited customers</p> <p>Local authorities contracting with Bulky Bob’s</p> <p>Social housing tenants receiving furniture through Furniture Resource Centre Limited</p> <p>2019/20</p> <p>Furniture reuse organisations working with Bulky Bob’s</p> <p>2020/21</p> <p>Neighbourhood and community groups local to FRC Group’s premises and Bulky Bob’s operations – as a proxy for people living locally because all premises are in commercial areas.</p>



Independent Assurance
report to the Board
Directors of Furniture
Resource Centre Limited



Independent Assurance Report to the Board of Directors of Furniture Resource Centre Limited

BDO LLP (“BDO”) were engaged by Furniture Resource Centre Limited (“FRC Group”) to provide assurance over selected aspects of the FRC Group Social Impact Report as set out on pages 15 to 77 (“the Report”) for the year ended 31 March 2018.


Which assurance standards did we use?

We conducted our work in accordance with ISAE 3000¹ and by reference to a Type 1 assurance engagement under AA1000AS [2008]².

We conducted our engagement in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants (“the Code”) which requires among other requirements that the members of the assurance team as well as the assurance firm are independent of the assurance client. BDO has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence.

What was included in the scope of our engagement?

We have performed our work to reach a limited level of assurance as defined by ISAE 3000 (which is equivalent to a moderate level of assurance under AA1000AS). Procedures performed to obtain a limited level of assurance are aimed at determining the plausibility of information and are less extensive than those for a reasonable level of assurance (such as a financial audit) and therefore a lower level of assurance is provided.

- A) BDO have performed work on the nature and extent of the organisation’s adherence to the AA1000APS [2008]³.
- B) Key Performance data presented in the Furniture Resource Centre Limited Social and Financial Value 2017-18 as indicated by ; “Selected Information”

The scope of our work was restricted to the Selected Information presented in the Report and does not extend to information in respect of earlier periods or to any other information in the Annual Report and Accounts or the website.

¹ International Standard on Assurance Engagements 3000: Assurance engagements other than Audits or reviews of Historical information, issued by the International Auditing and Accounting Standards Board

² AA1000 Assurance Standard [2008] issued by AccountAbility

³ AA1000 AccountAbility Principles Standard [2008] issued by AccountAbility

Responsibilities

The directors of FRC Group are responsible for:

- Designing, implementing and maintaining internal controls over information relevant to the preparation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- Establishing objective Reporting Criteria for preparing the Selected Information that, where relevant, meet the principles of Inclusivity, Materiality and Responsiveness in the AA1000APS.

Our responsibility is to independently express our conclusions based on the work performed, in relation to the above scope.

This report, including our conclusions, has been prepared solely for the Directors of Furniture Resource Centre Limited as a body in accordance with the agreement between us, to assist the Directors in the reporting Furniture Resource Centre Limited's social impact. As a consequence our report may not be suitable for another purpose. We neither accept nor assume a duty of care to any other third party that may access this report.

We permit this report to be disclosed in the Furniture Resource Centre Limited Social and Financial Value 2017-18 for the year ended 31 March 2018 and the "proving it" section of the website <http://www.frcgroup.co.uk/proving-our-impact/reports/> to enable the Directors to show they have addressed their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors as a body and the Furniture Resource Centre Limited for our work or this report except where terms are expressly agreed between us in writing.

What did we do to reach our conclusions?

We planned and performed our work to obtain all the evidence, information and explanations that we considered necessary in relation to the above scope. In order to form our conclusions we undertook the steps outlined below:

- A) In respect of FRC Group's alignment with AA1000APS [2008] principles of inclusiveness materiality and responsiveness we performed the following activities:
- Interviewed a selection of FRC Group management.
 - Reviewed FRC Group's approach to stakeholder engagement in the report and assessed the outputs from the materiality process relating to stakeholders and FRC Group's engagement.
 - Reviewed the FRC Group approach to stakeholder engagement through interviews with employees responsible for managing engagement activities and reviewed selected associated documentation.
 - Reviewed the FRC Group process for determining material issues to be included within the Report.
 - Reviewed the coverage of material issues within the Report against the topics discussed by the FRC Group Board.

- B) In considering the risk of material misstatement of the key performance data presented in the report we:
- Made enquiries of FRC's management.
 - Evaluated the design of the key structures, systems and processes and controls for managing, recording and reporting the Selected Information.
 - Performed limited substantive testing on a selective basis of the Selected Information.
 - Assessed the disclosure and presentation of the Selected Information.
 - Conducted a site visit to the key site at Atlantic Way to test the source data, to evaluate the design and implementation and test the operating effectiveness of controls at a local level.

What are our conclusions?

Based on the work performed and the scope of our assurance engagement described above:

- A) Nothing has come to our attention to suggest that the description of FRC Group's alignment with AA1000AS [2008] principles of Inclusivity, Materiality and Responsiveness is not fairly stated except for issues relating to the environment, specifically around waste management and supply chain, that are material but receive little attention in the report. The detailed data about the performance on waste management is considered by the Directors to be commercially sensitive.
- B) Nothing has come to our attention that indicates the Selected Information presented in the report has not been prepared in all material respects with the methodology as set out in page 20 of the report.

BDO LLP

BDO LLP

Chartered Accountants

[Date] 15/02/2019

Consolidated Financial Statements

31 March 2018



Financial Review

The directors report that the group surplus was £185,001 (2017: surplus of £117,499).

Principal Funding sources

The principal source of funding for the charity is the revenue generated from the sales of high quality furniture, fittings and accessories to social landlords and Local Authorities. In addition to this, revenue is generated through sales of 'pre-loved' furniture and also through grant income.

Investment powers and policy

The company has the power to invest monies not immediately required in investments, securities or property as may be thought fit.

Reserves policy

The trustees have considered the level of free reserves (those funds not tied up in fixed assets and restricted funds) required by the group to be at least six months' operational expenditure, which amounts to at least £1,800,000. In the trustees' view, this level of reserves should provide adequate financial stability and enable the group to continue to meet its charitable objectives for the foreseeable future.

In arriving at this figure, the trustees have considered potential future changes in income streams and likely future cash flow requirements. The trustees will continue to monitor the Reserves Policy at least annually in trustee meetings.

At 31 March 2018, consolidated free reserves of £1,497,532 were held, which is £302,468 short of the required consolidated total of £1,800,000. Restricted reserves amount to £30,696 and total reserves of £1,823,733.

Grants and Donations

FRC Group continues to improve and expand the social impact that it creates through effective use of the grants and donations it receives.

During 2017/18, grants and donations were received from: Sefton at Work, Knowsley Works, Liverpool City Council and WEEE Local Project Fund.

We would like to thank all organisations and individuals for their generous support during 2017/18.



Governing Document

Furniture Resource Centre Limited is a charitable company limited by guarantee and does not have any share capital. It was incorporated on 14 September 1988 and registered as a charity on 17 November 1988. The company is governed by its Memorandum and Articles of Association dated 8 August 2014.

Related Parties

Bulky Bob's 2015 is a charity with Furniture Resource Centre as its sole member. The assets, liabilities and trade of Bulky Bob's Limited was transferred to Bulky Bob's 2015 with effect from 1 April 2017 with the charity commencing trading from that date. Bulky Bob's 2015 provides services, mainly to Local Authorities, for the collection and recycling of bulky household waste. Bulky Bob's 2015 provides training and employment opportunities for people from long term unemployment and low paid jobs whilst protecting the environment through the reuse and recycling of collected items.

Bulky Bob's Office and Commercial Waste is a charity with Furniture Resource Centre Limited as its sole member. Bulky Bob's Office and Commercial Waste commenced trading on 2 May 2017 and provides an office and commercial waste collection service, collecting and recycling waste items from businesses.

Bulky Bob's Office and Commercial Waste changed its name from FRC Developments on 15 June 2017.

Bulky Bob's Limited is a wholly owned subsidiary of Furniture Resource Centre Limited and provided bulky household waste collection services to Local Authority customers. The assets, liabilities and trade of Bulky Bob's Limited were transferred to Bulky Bob's 2015 on 1 April 2017 and Bulky Bob's Limited ceased trading on that date.

FRC Trading Limited is a wholly owned subsidiary of Furniture Resource Centre Limited and its income is derived from private sector customers for logistics services and from a variety of customers for consultancy services around social business. As FRC Trading Limited hadn't traded for several years and as there were no plans for it to trade again in the future, the company was voluntarily struck off on 8 May 2018 and so ceased to exist on that date.



Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law and charity law requires the directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law and charity law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

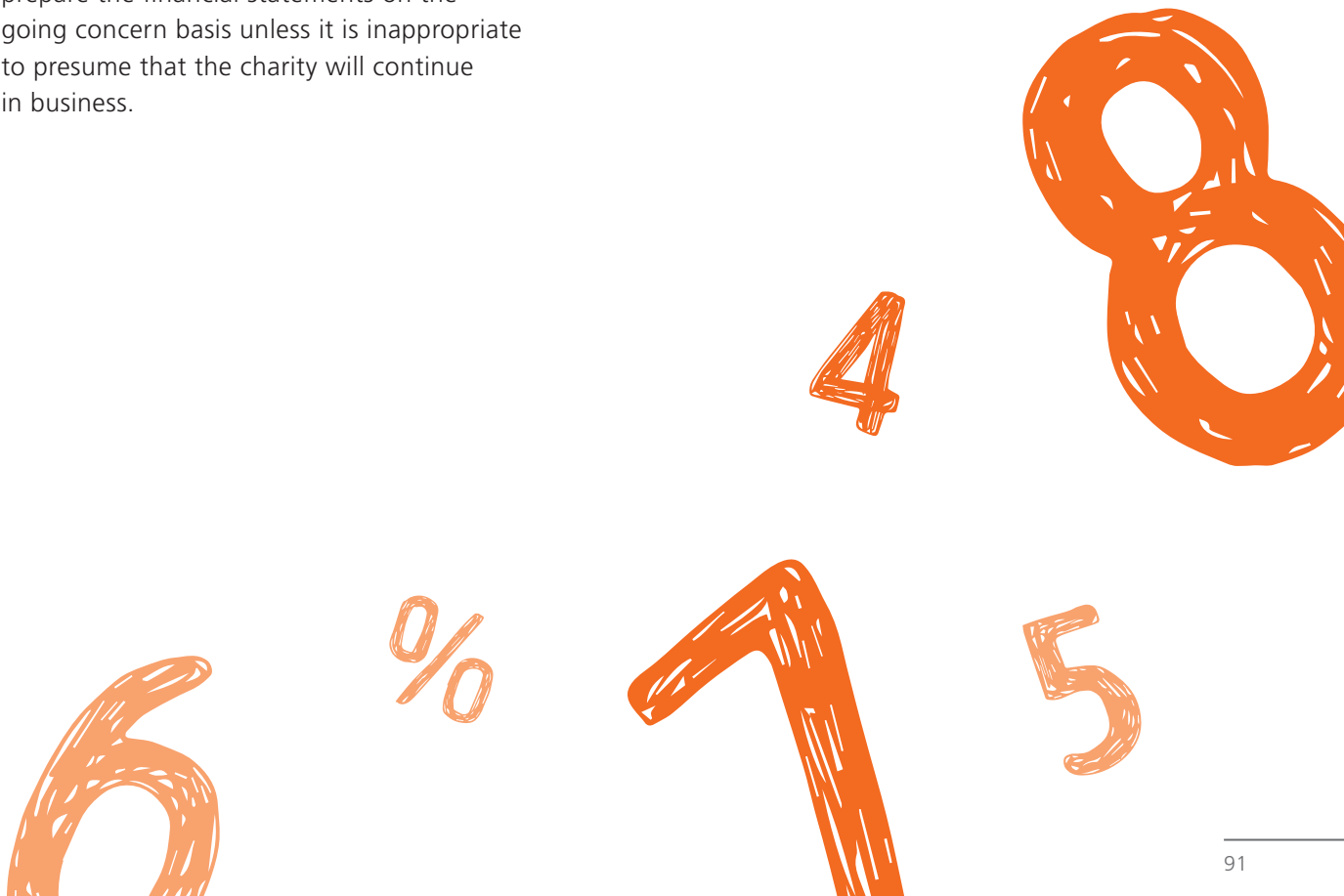
In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 and Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

In preparing this directors' report, advantage has been taken of the small companies' exemption.



Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006. BDO LLP has indicated its willingness to remain in office.

Statement as to disclosure of information to auditor

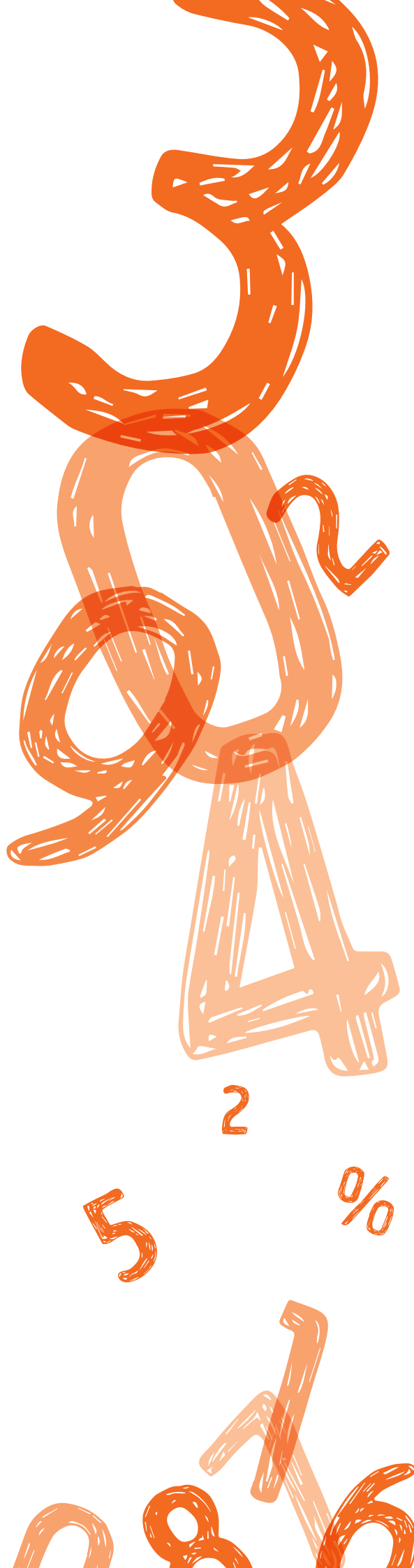
The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information (as defined by the Companies Act 2006) of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by the Board of Directors on and signed on its behalf by



Secretary
A Rowan

Date: 15/02/2019



Independent Auditor's Report to members of Furniture Resource Centre Limited

Opinion

We have audited the financial statements of Furniture Resource Centre Limited "the Parent Charitable Company and its subsidiaries ("the Group") for the year ended 31 March 2018 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2018 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or the Parent Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



Independent Auditor's Report to members of Furniture Resource Centre Limited

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises the Directors' Report. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

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

- adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Directors' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company'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 Charitable Company'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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Hamid Ghafoor (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor
Liverpool

Date *15/02/2019*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

FURNITURE RESOURCE CENTRE LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2018

	Note	Total Un- restricted Funds	Total Restricted Funds	Total Funds 31 March 2018	Total Funds 31 March 2017
		£	£	£	£
Income and endowments from:					
Donations and legacies	4	-	62,563	62,563	51,384
Charitable activities	5	6,629,422	-	6,629,422	4,575,493
Other trading activities	6	400	-	400	1,260,172
Investments		5,995	-	5,995	3,840
Other		36,668	-	36,668	46,833
Total		6,672,485	62,563	6,735,048	5,937,722
Expenditure on:					
Raising funds	7	75	-	75	888,462
Charitable activities	8	6,481,946	68,026	6,549,972	4,931,761
Total resources expended		6,482,021	68,026	6,550,047	5,820,223
Net resources before transfers		190,464	(5,463)	185,001	117,499
Taxation – UK corporation tax	14	-	-	-	-
Net incoming / (outgoing) resources		190,464	(5,463)	185,001	117,499
Balances brought forward at 1 April		1,602,573	36,159	1,638,732	1,521,233
Balances carried forward at 31 March		1,793,037	30,696	1,823,733	1,638,732

The notes on pages 99 to 138 form part of these financial statements.

FURNITURE RESOURCE CENTRE LIMITED
CONSOLIDATED BALANCE SHEETS
AT 31 MARCH 2018

	Notes	Group		Charity	
		2018	2017	2018	2017
		£	£	£	£
Fixed assets					
Intangible assets	15	-	-	-	-
Tangible assets	16	326,201	291,467	262,197	262,849
Investments	3	-	-	2	2
		326,201	291,467	262,199	262,851
Current assets					
Stock	17	252,634	194,107	252,634	194,107
Debtors: amounts falling due after more than one year	18	65,000	65,000	-	-
Debtors: amounts falling due within one year	18	1,192,533	1,098,400	1,215,816	1,006,766
Investments	19	36,167	352,138	36,167	352,138
Cash at bank and in hand		1,017,328	660,683	948,172	594,563
		2,563,662	2,370,328	2,452,789	2,147,574
Creditors: amounts falling due within one year	20	(1,066,130)	(1,023,063)	(942,021)	(824,246)
Net current assets		1,497,532	1,347,265	1,510,768	1,323,328
Net Assets		1,823,733	1,638,732	1,772,967	1,586,179
Funds					
Unrestricted		1,793,037	1,602,573	1,746,021	1,550,020
Restricted	22	30,696	36,159	26,946	36,159
Total Funds	23	1,823,733	1,638,732	1,772,967	1,586,179

The notes on pages 99 to 138 form part of these financial statements.

Exemption has been taken from presenting an unconsolidated parent charity profit and loss account under section 408 of the Companies Act 2006. The financial statements were approved by the Board of Directors and authorised for issue on and signed on their behalf by:

 15/02/2019

N Wilson
Director

Company Registration Number 2296329. A Charity registered in England and Wales (700731)

FURNITURE RESOURCE CENTRE LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018

	Note	2018	2017
		£	£
Cash flows from operating activities:			
Cash generated from operations	26	169,246	(170,126)
Interest received		5,995	3,840
Tax paid		-	-
Net cash (outflow)/inflow from operating activities		175,241	(166,286)
Cash flows from investing activities:			
Purchase of fixed assets		(122,567)	(150,268)
Purchase of cash investments		(12,000)	-
Transfer from / (purchase of) cash investments		315,971	(352,138)
Net cash disposed of		-	-
Net cash inflow (outflow) from investing activities		181,404	(502,406)
Cash flows from financing activities			
Net cash (outflows) / inflows from borrowing		-	-
Net cash (outflow)/inflow from financing activities		-	-
Increase/(decrease) in cash and cash equivalents in the year		356,645	(668,692)
Cash and cash equivalents at the beginning of the year		660,683	1,329,375
Cash and cash equivalents at the end of the year		1,017,328	660,683

The notes on pages 99 to 138 form part of these financial statements.

1 Accounting policies

a) General Information

Furniture Resource Centre Limited is a private charitable company limited by guarantee, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is shown on the company information page. The nature of the company's operating and financial activities are outlined in the Directors' Report.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The trustees confirm that the charity meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

c) Basis of consolidation

The financial statements consolidate the results of the charity, its wholly owned trading subsidiaries Bulky Bob's Limited and FRC Trading Limited and also Bulky Bob's Office and Commercial Waste and Bulky Bob's 2015, charities for which it is the sole member. The results of these companies are consolidated on a line-by-line basis. A separate Statement of Financial Activities for the charity itself has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

d) Going Concern

The financial position on pages 96 to 138 demonstrates that the group is operating within its available cash funds and has net current assets at the year end. The trustees believe the charity is well placed to manage its business risk despite the difficult economic climate.

After reviewing financial projections for the group and taking account of new contracts recently won, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The trustees have concluded that it is appropriate to prepare the accounts on a going concern basis.

e) Incoming resources

Voluntary income and donations are accounted for as received by the group. All other income is accounted for on an accruals basis.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

Income from charitable activities includes income received under contract (as the related goods and services are provided).

Investment income is recognised on a receivable basis.

Income from grants receivable which support people development is credited to the income and expenditure account in the period to which the grants relate.

f) Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Expenditure is directly attributable to specific activities and has been included in those cost categories.

Costs of generating funds are those costs incurred in the trading activities of the subsidiary companies that raise funds.

Charitable activities include expenditure associated with the supply of furniture and other household accessories to social landlords, the retailing of reused goods to economically disadvantaged groups, provision of bulky household waste collection services, logistics and other recycling services and the costs of providing training programmes to socially excluded groups. These include both the direct costs and support costs relating to those activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. property costs are apportioned on area utilised, ICT costs, staff costs, general office and depreciation are apportioned by income generated.

g) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

h) Operating leases

Where the group is lessee, rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are included in 'resources expended' on a straight line basis over the term of the lease. Where the group is lessor, and rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are included in 'incoming resources' on a straight line basis over the term of the lease.

i) Investments

Current asset investments concern cash held on deposit with a maturity date of less than one year from the maturity date. Investments are initially and subsequently measured at the amount of the cash deposit.

j) Tangible fixed assets and depreciation

Tangible fixed assets for use by the group are stated at cost less depreciation subject to impairment review in accordance with FRS 102. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Improvements to leasehold property	10% on cost
Plant & machinery	10%-25% on cost
Fixtures, fittings and equipment	25% on cost
Computer equipment	20%-33% on cost

k) Goodwill

On acquisition of a business, fair values are attributed to the assets, liabilities and contingent liabilities of the acquired business at the date of acquisition. Goodwill arises when the fair value of the consideration given for a business exceeds the fair value of the net assets. Goodwill is capitalised and amortised over its useful economic life. The useful economic life of goodwill is considered to be 5 years.

l) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

m) Pension costs

The charity and group operates a defined contribution pension scheme which all employees are eligible to join. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions are paid based upon the recommendations of a qualified actuary. Contributions in respect of the company's Group Personal Pension Plan are included in 'resources expended' for the year in which they are payable to the scheme.

n) Funds structure

The group's funds consist of unrestricted and restricted amounts. The group may use unrestricted amounts at its discretion. Restricted funds represent income contributions which are restricted to a particular purpose, in accordance with the donor's wishes.

o) Financial Instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group as lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the asset.

Other key sources of estimation uncertainty:

- Tangible fixed assets are depreciated over their useful lives taking into account residual lives, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors. In assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- Debtors are provided against when there is objective evidence that the debt will not be recoverable.
- The charity is required to test, on an annual basis, whether any goodwill recognised has suffered any impairment. Estimation is required in determining the recoverable amounts giving consideration to its value in use.



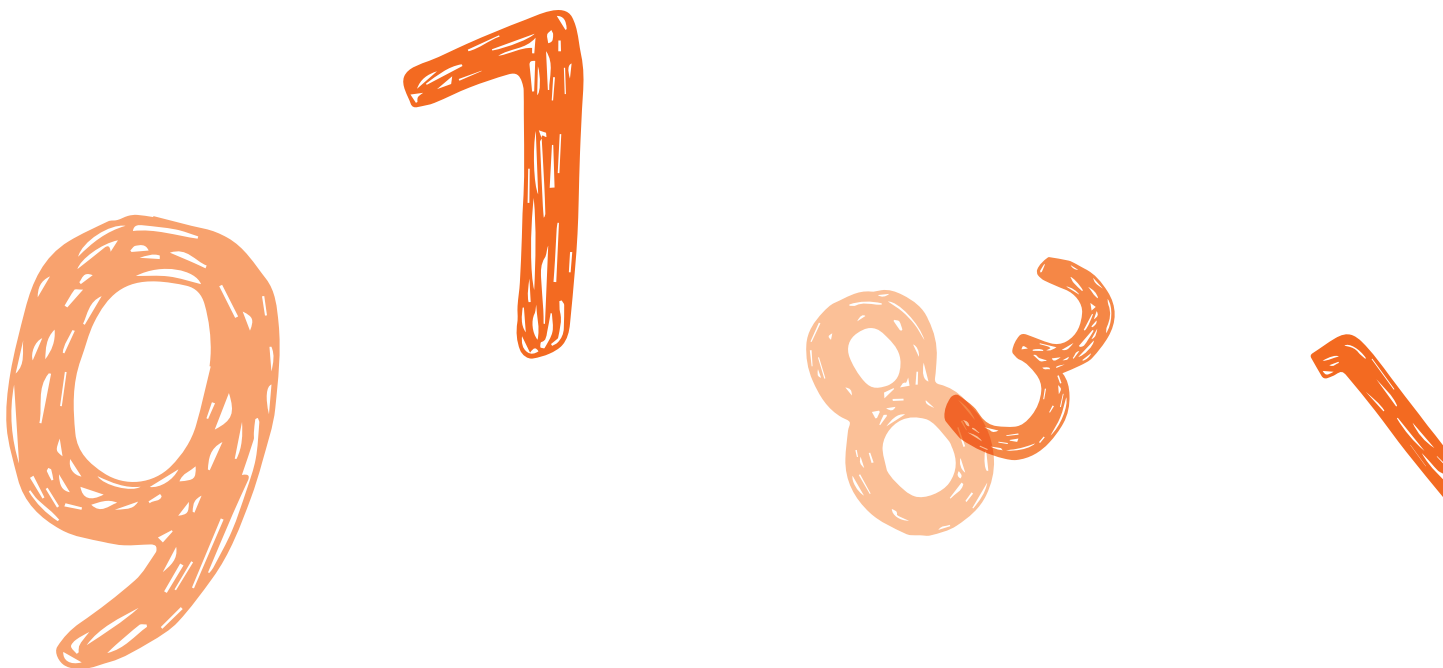
2 Financial activities of the charity

A summary of the financial activities undertaken by the charity is shown below.

	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Incoming Resources	5,764,873	33,986	5,798,859
Resources Expended	(5,568,873)	(43,199)	(5,612,072)
Net incoming / (outgoing) resources for the year	196,000	(9,213)	186,787

Legal Status

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 £1.



3 Subsidiary companies and other group charities

The financial activities shown in the consolidated financial statements include the results of Bulky Bob's 2015 and Bulky Bob's Office and Commercial Waste, charities for which Furniture Resource Centre Limited is the sole member. The results of the charity's wholly owned trading subsidiaries, Bulky Bob's Limited and FRC Trading are also included.

The information and financial data for each company is included below. The registered office of Bulky Bob's 2015, Bulky Bob's Office and Commercial Waste, Bulky Bob's Limited and FRC Trading is the same as stated on the company information page of these accounts.

(i) Bulky Bob's 2015

The charity is the sole member of Bulky Bob's 2015, a company limited by guarantee and registered in England. Bulky Bob's 2015 is also a registered charity (charity number 1167068) and operates contracts for various councils within the North West for the collection, reuse and recycling of bulky household waste and for the provision of training.

On 1 April 2017, the assets, liabilities and contracts of Bulky Bob's Limited were transferred to Bulky Bob's 2015 and Bulky Bob's Limited ceased trading on that date.

At 31 March 2018, the capital and reserves of Bulky Bob's 2015 were £123,941. The charity made a surplus of £123,941 in the year ended 31 March 2018 (2017: £nil).

(ii) Bulky Bob's Office and Commercial Waste

The charity is the sole member of Bulky Bob's Office and Commercial Waste, a company limited by guarantee and registered in England. Bulky Bob's Office and Commercial Waste is also a registered charity (charity number 1168088) and provides an office and commercial waste collection service, collecting and recycling waste items.

At 31 March 2018, the capital and reserves of Bulky Bob's Office and Commercial Waste were in deficit by £72,748. The charity made a deficit of £72,750 in the year ended 31 March 2018 (2017: surplus of £2).

Bulky Bob's Office and Commercial Waste changed its name from FRC Developments on 15 June 2017.

(iii) Bulky Bob's Limited (Company number 3759102)

The charity holds 1 £1 ordinary share in Bulky Bob's Limited, a company registered in England. This holding comprises the whole of the company's share capital. On 1 April 2017, the company's assets, liabilities and contracts were transferred to Bulky Bob's 2015 and Bulky Bob's Limited ceased trading on that date.

FURNITURE RESOURCE CENTRE LIMITED
 NOTES TO THE ACCOUNTS FOR
 THE YEAR ENDED 31 MARCH 2018

**3 Subsidiary companies and their activities
 (continued)**

At 31 March 2018, the capital and reserves of Bulky Bob's Limited were £1. A deficit of £47,759 was made in the year ended 31 March 2018 (2017: surplus of £75,198) and resulted from the transfer of the assets, liabilities and contracts to Bulky Bob's 2015 on 1 April 2017.

**(iv) FRC Trading Limited
 (Company number 05088520)**

The charity holds 1 £1 ordinary share in FRC Trading Limited, a company registered in England.

This holding comprises the whole of the company's share capital. FRC Trading Limited provides consultancy services in respect of advice on best practice within the Social Enterprise sector. At 31 March 2018, the capital and reserves of the subsidiary were £(425). The subsidiary made a loss before corporation tax of £3,612 in the year ended 31 March 2018.

As FRC Trading Limited hadn't traded for several years and as there were no plans for it to trade again in the future, the company was voluntarily struck off on 8 May 2018 and so ceased to exist on that date.

A summary of the results of Bulky Bob's 2015 for the year is shown below.

	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Incoming Resources	1,242,265	28,577	1,270,842
Resources Expended	(1,119,905)	(26,996)	(1,146,901)
Net incoming resources for the year	122,360	1,581	123,941

A summary of the results of Bulky Bob's Office and Commercial Waste for the year is shown below.

	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Incoming Resources	75,417	-	75,417
Resources Expended	(148,167)	-	(148,167)
Net incoming resources for the year	(72,750)	-	(72,750)

3 Subsidiary companies and their activities (continued)

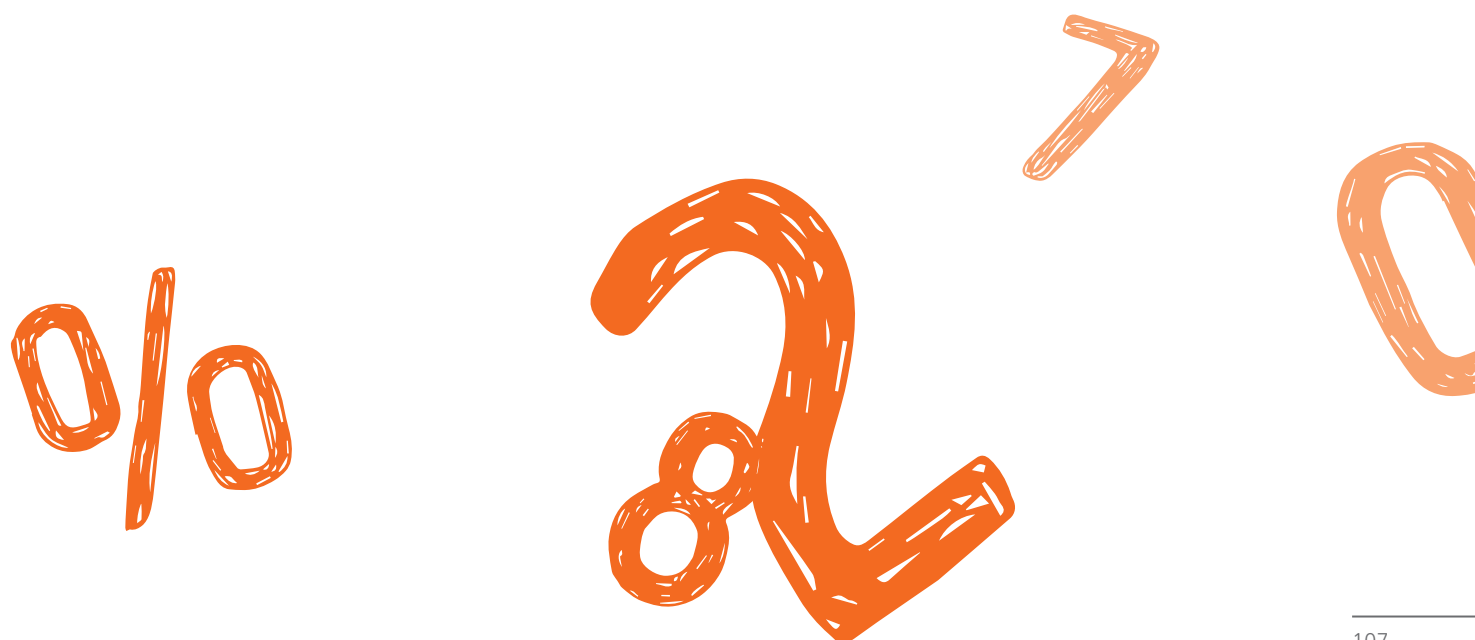
A summary of the results of the trading companies is shown below

	Bulky Bob's Limited	FRC Trading Limited
	£	£
Turnover	-	-
Cost of sales	-	-
Gross profit	-	-
Distribution costs	-	-
Administration expenses	-	(75)
Operating loss	-	(75)
Other income receivable	-	400
Donation to Bulky Bob's 2015	(47,759)	-
Donation to Furniture Resource Centre Limited	-	(3,937)
Loss on ordinary activities before taxation	(47,759)	(3,612)
Taxation – UK corporation tax	-	-
Retained loss for the year	(47,759)	(3,612)

The above income and expenditure headings include amounts that are eliminated on consolidation in the Consolidated Statement of Financial Activities.

4 Donations and legacies

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Sefton at Work	-	43,372	43,372	38,728
Liverpool City Council WEEE Local Project Fund	-	11,250	11,250	-
Knowsley Works	-	5,250	5,250	-
Donations for Bed for Kids Campaign	-	2,691	2,691	-
Liverpool City Council	-	-	-	2,400
Wirral MBC	-	-	-	256
Joseph Rowntree Foundation	-	-	-	10,000
Total donations and legacies	-	62,563	62,563	51,384



5 Charitable activities

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Provision of furniture / furniture packages	5,323,027	-	5,323,027	4,452,039
Provision of bulky household waste collection and recycling services	895,000	-	895,000	-
Provision of logistics services	125,804	-	125,804	-
Charity shop sales	106,478	-	106,478	123,454
Provision of other recycling services	157,594	-	157,594	-
Other income	21,519	-	21,519	-
Total charitable activities	6,629,422	-	6,629,422	4,575,493

6 Other trading activities

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Commercial trading operations	400	-	400	1,260,172
Total other trading activities	400	-	400	1,260,172

7 Expenditure on raising funds

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Commercial trading operations	75	-	75	888,462
Total other trading activities	75	-	75	888,462

8 Charitable activities

	Direct Costs	Support	Total 2018	Total 2017
	£	£	£	£
Provision of furniture / furniture packages	4,136,384	723,841	4,860,225	4,247,831
Charity shop sales	187,433	12,553	199,986	188,431
People Development	351,001	96,319	447,320	422,584
Provision of bulky household waste collection and recycling services	546,093	75,713	621,806	-
Provision of logistics services	85,447	10,642	96,089	-
Provision of other recycling services	188,587	70,023	258,610	-
Other	62,424	3,512	65,936	72,915
Total charitable activities expenditure	5,557,369	992,603	6,549,972	4,931,761

9 Allocation of support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Property costs are apportioned on area utilised. ICT costs, staff costs, general office and depreciation costs are apportioned by income generated.

	Provision of Furniture and furniture packages	Charity Shop Sales	People Development	Provision of bulky household waste collection and recycling services	Provision of logistics services	Provision of other recycling services	Other	2018 Total	2017 Total
Support Cost	£	£	£	£	£	£	£	£	£
Property cost	96,319	-	96,319	-	-	-	-	192,638	159,050
Staff costs	304,279	6,087	-	48,832	6,864	45,253	2,265	413,580	356,578
ICT costs	118,250	2,366	-	-	-	-	-	120,616	161,559
Governance	22,451	449	-	4,873	685	3,197	226	31,881	26,675
General office	114,553	2,291	-	22,008	3,093	21,573	1,021	164,539	96,497
Depreciation	67,989	1,360	-	-	-	-	-	69,349	43,367
	723,841	12,553	96,319	75,713	10,642	70,023	3,512	992,603	843,726

10 Governance costs

	2018	2017
	£	£
Social Audit	5,000	5,000
Audit and accountancy	24,276	25,393
Directors insurance	2,605	2,280
	31,881	32,673

11 Analysis of staff costs and the cost of key management personnel

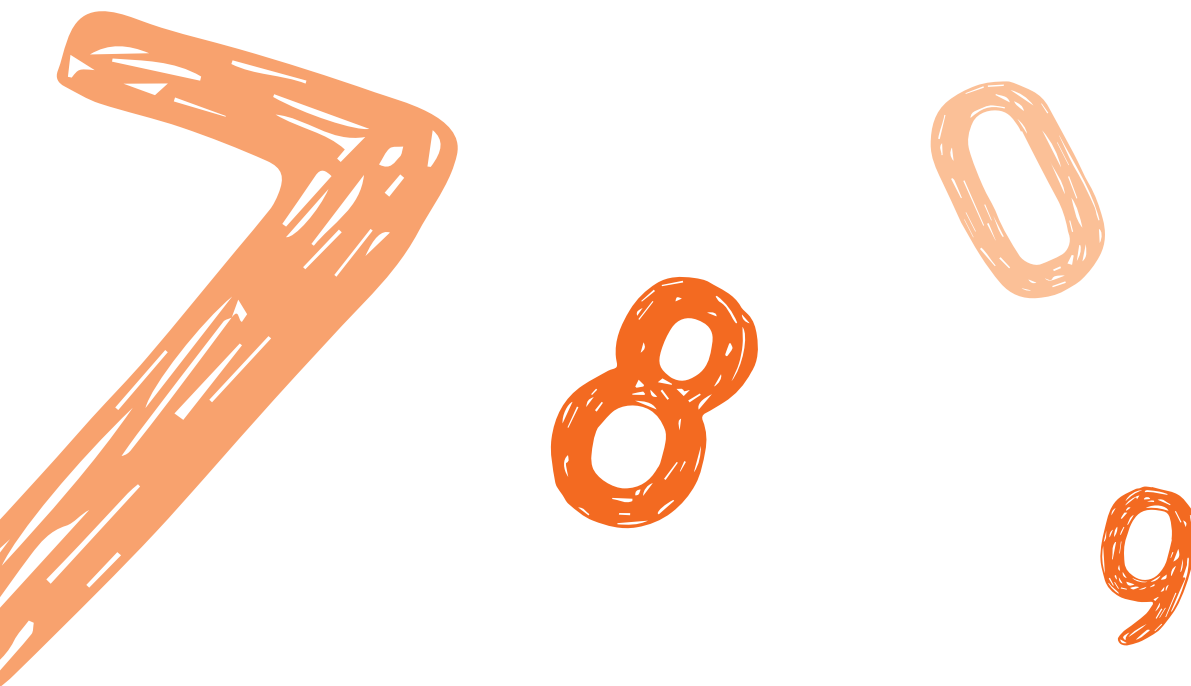
	2018	2017
	£	£
Staff costs		
Wages and salaries	1,836,311	1,760,784
Social security costs	137,954	128,914
Pension costs	49,974	45,385
	2,024,239	1,935,083

FURNITURE RESOURCE CENTRE LIMITED
NOTES TO THE ACCOUNTS FOR
THE YEAR ENDED 31 MARCH 2018

The emoluments of higher paid employees fell within the following ranges:

	2018	2017
	Number	Number
£60,000 - £70,000	1	1
£70,001 - £80,000	-	-
£90,001 - £100,000	1	1

2 employees had emoluments (excluding pension contributions) of more than £60,000 in the year (2017: 2).



FURNITURE RESOURCE CENTRE LIMITED
 NOTES TO THE ACCOUNTS FOR
 THE YEAR ENDED 31 MARCH 2018

The key management personnel of the charity and group comprise the trustees, Chief Executive Officer, Director of Finance and Social, Director of FRC and the Director of People and Culture. The total employee cost of the key management personnel was £294,766 (2017: £286,641).

During the year, redundancy costs of £8,250 (2017: £12,000) were paid by the charity and group.

The average number of employees analysed by function, was:

	2018	2017
	Number	Number
Furniture packages / LWP Sales	29	25
Training	13	16
Retail	5	5
Bulky Bob's	24	22
Bulky Bob's Office and Commercial Waste	3	-
Management, Finance, Administration and ICT	9	9
End Furniture Poverty	1	1
	84	78



12 Trustee Remuneration & Related Party Transactions

No director received any remuneration during the year ended 31 March 2018 (2017: £nil). Travel costs amounting to £117 (2017: £156) were reimbursed to 1 (2017: 1) trustee during the year. No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2017: Nil).

13 Net incoming / (outgoing) resources for the year

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
This is stated after charging/(crediting):				
Auditors' remuneration: Audit services	24,276	25,393	15,562	19,393
Non-audit services	5,000	4,191	5,000	5,000
Depreciation and amortisation	93,626	59,143	78,983	54,366
Impairment of goodwill	6,207	-	-	-
Operating lease rentals:-				
Other	354,851	288,336	250,262	204,905
Rents receivable on property sub-lease	16,771	28,414	16,771	28,414

14 Taxation

Reconciliation of tax charge

	Bulky Bob's Limited	FRC Trading Limited	Total 2018	Total 2017
	£	£	£	£
Profit on ordinary activities before tax	-	-	-	75,198
Tax on loss on ordinary activities at standard rate of 20.00% (2017: 20.00%)	-	-	-	15,039
Effects of:				
Adjustment in respect of gift aid donation to parent	-	-	-	(10,000)
Adjustments to tax charge in respect of previous periods – deferred tax	-	-	-	-
Adjust opening deferred tax to rate of 20.00%	-	-	-	(400)
Adjust closing deferred tax to rate of 20.00%	-	-	-	(155)
Deferred tax not recognised	-	-	-	(4,484)

15 Intangible Assets

	Group		Charity	
	Goodwill	Total	Goodwill	Total
	£	£	£	£
Cost or valuation				
At 1 April 2017	-	-	-	-
Additions	7,600	7,600	-	-
Disposals	-	-	-	-
At 31 March 2018	7,600	7,600	-	-
Amortisation				
At 1 April 2017	-	-	-	-
Charge for the year	1,393	1,393	-	-
Disposals				
Impairment	6,207	6,207	-	-
At 31 March 2018	7,600	7,600	-	-
Net book value				
At 31 March 2018	-	-	-	-
At 31 March 2017	-	-	-	-

All intangible fixed assets are used for or to support charitable purposes.

Goodwill arose on the acquisition presented in note 31.

The directors consider this goodwill to be fully impaired as at 31 March 2018.

16 Tangible fixed assets

Group	Improvements to leasehold property	Plant and machinery	Fixtures, fittings and equipment	Computer equipment	Assets Under Con- struction	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 April 2017	884,934	178,338	163,183	295,245	-	1,521,701
Adjustment re. transfer of assets from Bulky Bob's Limited to Bulky Bob's 2015	(37,102)	(83,324)	(2,754)	(3,113)	-	(126,293)
Additions	11,245	36,002	6,159	43,311	30,250	126,966
Disposals	-	-	-	-	-	-
At 31 March 2018	859,077	131,016	166,588	335,443	30,250	1,522,374
Accumulated Depreciation						
At 1 April 2017	771,627	153,975	126,394	178,237	-	1,230,233
Adjustment re. transfer of assets from Bulky Bob's Limited to Bulky Bob's 2015	(37,102)	(83,324)	(2,754)	(3,113)	-	(126,293)
Charge for the year	19,740	11,274	16,054	45,165	-	92,233
Disposals	-	-	-	-	-	-
At 31 March 2018	754,265	81,925	139,694	220,289	-	1,196,173
Net book value						
At 31 March 2018	104,812	49,091	26,894	115,154	30,250	326,201
At 31 March 2017	113,307	24,363	36,789	117,008	-	291,467

All tangible fixed assets are used for or to support charitable purposes.

16 Tangible fixed assets

Charity	Improvements to leasehold property	Plant and machinery	Fixtures, fittings and equipment	Computer equipment	Assets Under Construction	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 April 2017	840,933	75,250	159,974	290,633	-	1,366,790
Additions	8,785	-	3,163	36,133	30,250	78,331
Disposals	-	-	-	-	-	-
At 31 March 2018	849,718	75,250	163,137	326,766	30,250	1,445,121
Accumulated Depreciation						
At 1 April 2017	734,526	70,651	123,641	175,123	-	1,103,941
Charge for the year	18,901	625	15,764	43,693	-	78,983
Disposals	-	-	-	-	-	-
At 31 March 2018	753,427	71,276	139,405	218,816	-	1,182,924
Net book value						
At 31 March 2018	96,291	3,974	23,732	107,950	30,250	262,197
At 31 March 2017	106,407	4,599	36,333	115,510	-	262,849

All tangible fixed assets are used for or to support charitable purposes.

17 Stock

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Finished goods	252,634	194,107	252,634	194,107

Stock recognised as an expense in the year was £3,077,741 (2017: £2,609,419).
 There was no impairment loss recognised in the year due to slow moving and obsolete stock.

18 Debtors

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	992,931	874,248	899,616	629,005
Prepayments	192,380	215,745	139,916	155,640
Amounts due from subsidiary undertakings			169,174	214,176
Other debtors	7,222	8,407	7,110	7,945
	1,192,533	1,098,400	1,215,816	1,006,766
Other debtors due after more than one year	65,000	65,000		

18 Debtors (continued)

The total of £65,000 shown under debtors due after more than one year above relates to a bond issued by Bulky Bob's Limited to Liverpool City Council for £65,000 (2017: £65,000) which they can draw down from in the event that the company defaults on contracts with the Council. This bond transferred from Bulky Bob's Limited to Bulky Bob's 2015 on 1 April 2017. The bond remains in place until 7 November 2022 or 12 months after the contract ends, whichever is the earliest.

Included in amounts due from subsidiary undertakings is a balance of £135,708 due from Bulky Bob's Office and Commercial Waste. The balance is due on demand and incurs interest at a rate of 4% per annum, compounded daily. All other amounts due from group undertakings are interest free and due on demand.

The impairment loss recognised in the SOFA for the year in respect of bad and doubtful trade debtors was £nil (2017: £nil).

19 Investments

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Cash held on deposit	36,167	352,138	36,167	352,138
	36,167	352,138	36,167	352,138

The amount shown under cash held on deposit above relates to cash held in fixed term deposits maturing prior to 31 March 2019.

20 Creditors: amounts falling due within one year

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	698,572	696,046	666,682	647,444
Other taxation and social security	135,067	106,725	89,067	62,156
Other creditors	68,105	66,498	66,603	38,090
Accruals and deferred income	164,386	153,794	119,669	76,556
	1,066,130	1,023,063	942,021	824,246

21 Deferred Income

Deferred income comprises income received in advance of delivery of service or provision of training.

	Group	Charity
	£	£
Balance at 1 April 2017	50,855	-
Amount released to incoming resources	(459,876)	-
Amounts deferred in the year	426,375	-
		-
Balance at 31 March 2018	17,354	-



22 Restricted Funds

Group		Balance at 1 April 2017	Movement in resources		Balance at 31 March 2018
			Incoming	Outgoing	
		£	£	£	£
CSEP	(i)	9,591	-	(2,445)	7,146
LCBP	(i)	18,923	-	(4,870)	14,053
Foundation	(i)	7,645	-	(1,898)	5,747
Sefton at Work	(ii)	-	43,372	(43,372)	-
Knowsley Works	(ii)	-	5,250	(5,250)	-
Liverpool City Council – WEEE Local Project Fund	(iii)	-	11,250	(7,500)	3,750
Fundraising – Beds for Kids Campaign	(iv)	-	2,691	(2,691)	-
		36,159	62,563	(68,026)	30,696



22 Restricted Funds (continued)

Charity		Balance at 1 April 2017	Movement in resources		Balance at 31 March 2018
			Incoming	Outgoing	
		£	£	£	£
CSEP	(i)	9,591	-	(2,445)	7,146
LCBP	(i)	18,923	-	(4,870)	14,053
Foundation	(i)	7,645	-	(1,898)	5,747
Sefton at Work	(ii)	-	26,045	(26,045)	-
Knowsley Works	(ii)	-	5,250	(5,250)	-
Fundraising – Beds for Kids Campaign	(iv)	-	2,691	(2,691)	-
		36,159	33,986	(43,199)	26,946

Those funds with balances at 31 March 2018 or 31 March 2017 represent funds received and used for the following purposes.

- (i) Partial funding for solar panels at property occupied by the charity

Those funds which were received and defrayed in the year were received for the following purposes.

- (ii) Funding for staff development and training
- (iii) Funding for refurbishment of pre-loved electrical goods
- (iv) Funding raised to purchase and deliver beds for children without a bed of their own at Christmas

22 Restricted Funds (continued)

Movement in restricted funds for the year ended 31 March 2017 are shown below.

Group		Balance at 1 April 2016	Movement in resources		Balance at 31 March 2017
			Incoming	Outgoing	
		£	£	£	£
CSEP	(i)	12,036	-	(2,445)	9,591
LCBP	(i)	23,793	-	(4,870)	18,923
Foundation	(i)	9,589	-	(1,944)	7,645
Sefton at Work	(ii)	-	38,728	(38,728)	-
Liverpool City Council	(ii)	-	2,400	(2,400)	-
Joseph Rowntree Foundation	(iii)	-	10,000	(10,000)	-
Wirral MBC	(iv)	-	256	(256)	-
		45,418	51,384	(60,643)	36,159

22 Restricted Funds (continued)

Charity		Balance at	Movement		Balance at
		1 April 2016	in resources		31 March 2017
			Incoming	Outgoing	
		£	£	£	£
CSEP	(i)	12,036	-	(2,445)	9,591
LCBP	(i)	23,793	-	(4,870)	18,923
Foundation	(i)	9,589	-	(1,944)	7,645
Sefton at Work	(ii)	-	38,728	(38,728)	-
Liverpool City Council	(ii)	-	2,400	(2,400)	-
Joseph Rowntree Foundation	(iii)	-	10,000	(10,000)	-
Wirral MBC	(iv)	-	256	(256)	-
		45,418	51,384	(60,643)	36,159

Those funds with balances at 31 March 2017 or 31 March 2016 represent funds received and used for the following purposes.

- (v) Partial funding for solar panels at property occupied by the charity

Those funds which were received and defrayed in the year were received for the following purposes.

- (vi) Funding for staff development and training
- (vii) Funding for End Furniture Poverty Campaign
- (viii) Funding for purchase of bicycles

23 Analysis of net assets between funds

Group	Fixed assets	Net current assets	2018 Total	Fixed assets	Net current assets	2017 Total
	£	£	£	£	£	£
Restricted funds	30,696	-	30,696	36,159	-	36,159
Unrestricted funds	295,505	1,497,532	1,793,037	225,308	1,347,265	1,602,573
Net assets	326,201	1,497,532	1,823,733	291,467	1,347,265	1,638,732

The amount of £30,696 (2017: £36,159) included under Restricted Funds represents the following:

	2018 Total	2017 Total
	£	£
Net book value of solar panels, which was funded by grants	26,946	36,159
Liverpool City Council – WEEE Local Project Fund	3,750	-
Total	30,696	36,159

23 Analysis of net assets between funds (continued)

Charity	Fixed assets	Net current assets	2018 Total	Fixed assets	Net current assets	2017 Total
	£	£	£	£	£	£
Restricted funds	26,946	-	26,946	36,159	-	36,159
Unrestricted funds	235,253	1,510,768	1,746,021	226,692	1,323,328	1,550,020
Net assets	262,199	1,510,768	1,772,967	262,851	1,323,328	1,586,179

The amount of £26,946 (2017: £36,159) included under Restricted Funds represents the net book value of the solar panels, which was funded by grants.

24 Commitments

Operating leases commitments

At 31 March 2018, the commitments under non-cancellable operating leases are as follows:

	Land & build- ings	Other	2018 Total	2017 Total
	£	£	£	£
Charity				
Expiry within:				
Under one year	161,310	93,185	254,495	245,287
Two to five years	451,533	95,372	546,905	671,209
Over five years	117,675	1,507	119,182	211,815
	730,518	190,064	920,582	1,128,311
Group				
Expiry within:				
Under one year	189,097	100,296	289,393	283,487
Two to five years	527,947	102,483	630,430	761,209
Over five years	117,675	1,507	119,182	211,815
	834,719	204,286	1,039,005	1,256,511

At 31 March 2018, the rentals payable to the Charity and Group under non-cancellable operating leases are as follows:

24 Commitments (continued)

Operating leases commitments

	Land & buildings	2018 Total	2017 Total
	£	£	£
Charity			
Expiry within:			
Under one year	9,771	9,771	9,771
	9,771	9,771	9,771
Group			
Expiry within:			
Under one year	9,771	9,771	9,771
	9,771	9,771	9,771



25 Pension commitments

The charity and group operates a defined contribution pension scheme which all employees are eligible to join. The assets of the scheme are held separately from those of the charity and group in an independently administered fund. Contributions are paid based upon the recommendations of a qualified actuary. The annual contributions under this scheme were as follows:

	2018		2017	
	Group	Charity	Group	Charity
	£	£	£	£
Pension contributions	49,974	36,935	45,385	39,256

Contributions amounting to £8,614 (2017: £9,572) were payable at the year end and are included in creditors.



26 Related Parties

Group Undertakings

In the year ended 31 March 2018, the following transactions took place between Furniture Resource Centre and Bulky Bob's 2015, a charity for which Furniture Resource Centre Limited is the sole member.

Transactions from Furniture Resource Centre Limited to Bulky Bob's 2015:

- Recharge for staff costs: £100,507 (2017: £nil)
- Recharge for shared services: £232,433 (2017: £nil)
- Recharge for premises costs: £42,695 (2017: £nil)
- Recharge for logistics costs: £64,201 (2017: £nil)
- Recharge for general costs: £34,434 (2017: £nil)
- Recharge for fixed asset purchases: £13,506 (2017: £nil)
- Recharge for staff training costs: £742 (2017: £nil)
- Donation: £50,000 (2017: £nil)

Transactions from Bulky Bob's 2015 to Furniture Resource Centre Limited:

- Recharge for staff costs: £41,185 (2017: £nil)
- Recharge for logistics services: £12,284 (2017: £nil)
- Recharge for general costs: £1,650 (2017: £nil)
- Recharge for fixed asset purchases: £442 (2017: £nil)

The amount owed by Bulky Bob's 2015 to Furniture Resource Centre Limited at 31 March 2018 was £33,466 (2017: £nil).

In the year ended 31 March 2018, the following transactions took place between Furniture Resource Centre and Bulky Bob's Office and Commercial Waste, a charity for which Furniture Resource Centre is the sole member.

Transactions from Furniture Resource Centre Limited to Bulky Bob's Office and Commercial Waste:

- Recharge for staff costs: £19,160 (2017: £nil)
- Recharge for shared services: £13,646 (2017: £nil)
- Recharge for logistics costs: £5,896 (2017: £nil)
- Recharge for general costs: £12,743 (2017: £nil)
- Recharge for fixed asset purchases: £217 (2017: £nil)
- Recharge for staff training costs: £245 (2017: £nil)

26 Related Parties (continued)

Transactions from Bulky Bob's Office and Commercial Waste to Furniture Resource Centre Limited:

- Recharge for staff costs: £5,680 (2017: £nil)

The amount owed by Bulky Bob's Office and Commercial Waste to Furniture Resource Centre Limited at 31 March 2018 was £135,708 (2017: £nil).

In the year ended 31 March 2018, the following transactions took place between Bulky Bob's 2015 and Bulky Bob's Office and Commercial Waste. Both companies are charities for which Furniture Resource Centre is the sole member.

Transactions from Bulky Bob's 2015 to Bulky Bob's Office and Commercial Waste:

- Recharge for staff costs: £121 (2017: £nil)
- Recharge for logistics costs: £4,748 (2017: £nil)
- Recharge for general costs: £87 (2017: £nil)

Transactions from Bulky Bob's Office and Commercial Waste to Bulky Bob's 2015:

- Recharge for staff costs: £31,218 (2017: £nil)

The amount owed by Bulky Bob's 2015 to Bulky Bob's Office and Commercial Waste at 31 March 2018 was £7,383 (2017: £nil).

In the year ended 31 March 2018, the following transactions took place between Bulky Bob's 2015 and Bulky Bob's Limited. Bulky Bob's 2015 is a charity for which Furniture Resource Centre Limited is the sole member and Bulky Bob's Limited is a wholly owned trading subsidiary of Furniture Resource Centre Limited.

Transactions from Bulky Bob's Limited to Bulky Bob's 2015:

- Transfer of fixed assets £28,618 (2017: £nil)
- Transfer of debtors £373,570 (2017: £nil)
- Transfer of cash £52,450 (2017: £nil)
- Transfer of creditors £406,878 (2017: £nil)

26 Related Parties (continued)

There were no transactions between Furniture Resource Centre Limited and Bulky Bob's Limited (a wholly owned trading subsidiary of Furniture Resource Centre Limited) in the year ended 31 March 2018. Transactions in the year ended 31 March 2017 were as follows:

- Recharge for staff costs: £442,354
- Recharge for shared services: £247,579
- Recharge for premises costs: £64,239
- Recharge for logistics costs: £68,240
- Recharge for general costs: £22,543
- Recharge for fixed asset purchases: £14,899
- Recharge for staff training costs: £690

Transactions from Bulky Bob's Limited to Furniture Resource Centre Limited:

- Recharge for logistics services: £13,055
- Recharge for general costs: £1,818
- Recharge for staff training: £1,125
- Gift aid / donation payment of £50,000

In the year ended 31 March 2018, the following transactions took place between Furniture Resource Centre Limited, and FRC Trading Limited, a wholly owned trading subsidiary of Furniture Resource Centre Limited.

Transactions from FRC Trading Limited to Furniture Resource Centre Limited:

- Donation of £3,637 (2017: £nil)

27 Capital Commitments

There were no capital commitments at 31 March 2018 (2017: £nil).

28 Reconciliation of net incoming resources to net cash flow from operating activities

	Group	
	2018	2017
	£	£
Net incoming resources for the year	185,001	117,499
Depreciation and amortisation	93,626	59,143
Impairment	6,207	-
Financial income	(5,995)	(3,840)
(Increase) in stock	(58,527)	(57,863)
(Increase) in debtors	(94,133)	(410,400)
Increase in creditors	43,066	125,335
Cash generated from operations	169,246	(170,126)

29 Post Balance Sheet Events

As FRC Trading Limited hadn't traded for several years and as there were no plans for it to trade again in the future, the company was voluntarily struck off on 8 May 2018 and so ceased to exist on that date.

30 Ultimate Controlling Party

Furniture Resource Centre Limited has no controlling party.

31 Business Combinations

On 28 April 2017, Bulky Bob's Office and Commercial Waste acquired the trade and assets of CaraRecycling (Liverpool) Limited. The principal activity of Cara Recycling (Liverpool) Limited was the collection and disposal of confidential waste. The consideration of £12,000 was paid in cash for the trade and assets acquired. The acquisition was accounted for under acquisition accounting.

Details of the fair value of the identifiable assets and liabilities acquired are as follows.



31 Business Combinations (continued)

	Book Value	Fair Value
	£	£
Tangible fixed assets	4,400	4,400
Net identifiable assets	4,400	4,400
Goodwill on acquisition	7,600	7,600
Total consideration	12,000	12,000
Satisfied by		
Cash consideration and net cash outflow	12,000	12,000



32 Comparative Information

	Total Unrestricted Funds	Total Restricted Funds	Total Funds 31 March 2017
	£		£
Income and endowments from:			
Donations and legacies	-	51,384	51,384
Charitable activities	4,575,493	-	4,575,493
Other trading activities	1,260,172	-	1,260,172
Investments	3,840	-	3,840
Other	46,833	-	46,833
Total	5,886,338	51,384	5,937,722
Expenditure on:			
Raising funds	888,462		888,462
Charitable activities	4,871,118	60,643	4,931,761
Total resources expended	5,759,580	60,643	5,820,223
Net resources before transfers	126,758	(9,259)	117,499
Taxation – UK corporation tax	-	-	-
Net incoming / (outgoing) resources	126,758	(9,259)	117,499
Balances brought forward at 1 April	1,475,815	45,418	1,521,233
Balances carried forward at 31 March	1,602,573	36,159	1,638,732





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