TOOGOODTOWASTE LIMITED

England & Wales · Charity number 1064588

Details

Other names	VALLEYS FURNITURE RECYCLING LTD, TOOGOODTOWASTE
Status	Registered
Legal form	Charitable company
Company number	03286173
Registered	1997-09-25
Register	View on the Charity Commission register

Contact

Address	Too Good Too Waste Ynyshir Road Porth CF39 0AT
Phone	01443 680090
Email	enquiries@toogoodtowaste.co.uk
Website	www.toogoodtowaste.co.uk

Activities

Objects: 1) TO ASSIST WITH THE RELIEF OF POVERTY BY HELPING TO MEET THE FURNITURE AND HOUSEHOLD NEEDS OF PEOPLE ON LOW INCOME BY, BUT NOT LIMITED TO, RECYCLING FURNITURE WHICH WOULD OTHERWISE BE THROWN AWAY AND ADVANCING MORE SUSTAINABLE WASTE MANAGEMENT PRACTISES2) TO ADVANCE THE DEVELOPMENT AND EDUCATION OF PEOPLE BY PROVIDING OPPORTUNITIES TO VOLUNTEER AND TO TRAIN, SO AS TO DEVELOP WORK SKILLS AND SOCIAL SKILLS, GAIN WORK EXPERIENCE AND ENCOURAGE SOCIAL INTEGRATION

Activities: The charity exists to assist with the relief of poverty:1. Providing access to affordable household items.2. Reducing waste to landfill through recycling of items that would otherwise be thrown away and by advancing more sustainable waste management practices.3. Through training and work based learning.Community regeneration through waste minimisation

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Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, The Prevention Or Relief Of Poverty, Accommodation/housing, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Rhondda Cynon Taff

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,182,274	£1,256,913	£988,745	28
2023-12-31	£1,189,610	£1,298,315	£1,063,384	32
2022-12-31	£1,309,193	£1,377,477	£1,172,089	39
2021-12-31	£1,199,910	£1,309,376	£1,240,373	35
2020-12-31	£1,512,568	£1,394,838	£1,349,839	34

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Trustees

Name	Role	Appointed
MALCOLM GAY	Chair	2011-08-09
DAVE HENDERSON		
DAVID LEWIS		
Dr DAFYDD TRYSTAN DAVIES		2011-08-09
Jeffrey Matthews		2023-12-05
Kelvin Jones		2020-12-14
Martyn Birch		2023-08-15
Michael Haydn Bryan		2015-07-31
NATASHA Lewis		2017-09-12
Phillip John Moss		2015-07-31
Rowena Williams		2021-11-14
Theodore Clement Gray		2024-10-24

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TOOGOODTOWASTE LIMITED

England & Wales - Charity number 1064588

Accounts

REGISTERED COMPANY NUMBER: 03286173 (England and Wales)
REGISTERED CHARITY NUMBER: 1064588

REPORT OF THE TRUSTEES AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

FOR

TOOGOODTOWASTE LIMITED

Bevan Buckland LLP (Statutory Auditors)
Ground Floor Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

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FOR THE YEAR ENDED 31 DECEMBER 2024

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Objects & principal activities of the charity The charity is established to assist with the relief of poverty and operates with the following key objectives and principal activities:

Provision of Affordable Household Items:
Supplying low-cost or free essential household goods to individuals and families in need, helping to alleviate financial hardship and improve quality of life.

Advancement of Education and Personal Development:
Supporting individuals through volunteering and training opportunities aimed at developing work-related and social skills. These activities are designed to improve employability, build confidence, and promote social inclusion.

Environmental Sustainability through Recycling:
Promoting sustainable waste management by collecting and redistributing pre-owned furniture and household items that would otherwise go to landfill. This reduces waste and supports environmental responsibility within the community.

Providing access to affordable household items
The charity is committed to reducing financial hardship by making essential household items accessible and affordable for everyone in the community.

Across all showroom locations, donated goods are offered for sale at fair second-hand market value. Every item undergoes a robust process of quality control, sorting, cleaning, and safety checking to ensure it is safe, functional, and ready for reuse.

The organisation also operates a specialist domestic appliance re-use facility for electrical and gas items. This facility fully complies with all WEEE (Waste Electrical and Electronic Equipment) ensuring that refurbished appliances meet the highest standards of safety and environmental responsibility.

Providing opportunities to volunteer & train
The charity is dedicated to enhancing social inclusion, skill development and employability by offering a wide range of volunteering and training opportunities.

Volunteers play a vital role across all areas of the organisation, contributing to day-to-day operations as well as governance through participation on the Board of Trustees. These opportunities help individuals build work-based skills, improve confidence, and develop social interaction, laying the groundwork for future employment or further education.

In addition, we offer structured placement opportunities to support the rehabilitation and employability of ex-offenders, working in partnership with the Probation Service. These placements provide valuable real-world experience and contribute positively to individual growth and community reintegration.

Through these initiatives, the charity not only supports its own operational needs but also helps individuals achieve personal progress and social mobility.

Recycling and waste management
The charity plays a key role in promoting sustainable waste management and environmental responsibility across Rhondda Cynon Taf and beyond.

We offer a reliable, free household collection service for items that are suitable for reuse, ensuring that quality furniture and household goods are diverted from landfill. In addition, members of the public are welcome to drop off reusable items at our facilities. All donated goods are carefully sorted, cleaned, and tested before being made available for sale in our charity showrooms.

For commercial organisations, we provide a collection service for reusable goods, including end-of-line stock and returned items, supporting ethical disposal and reuse within the business sector.

The organisation also operates a professional Property Clearance Service for individuals, solicitors, landlords, and housing associations. This income-generating service aims to maximise reuse and recycling of cleared items, working in partnership with other organisations to minimise waste.

We are fully licensed to carry and process waste, holding status as a Waste Carrier, an Approved and Authorised Treatment Facility (AATF), T11 Exemption and an Approved Reuse Centre (ARC). These accreditations reflect our commitment to environmental compliance, safe handling of waste, and the promotion of a circular economy.

Organisation Overview and Impact Statement
Toogoodtowaste is committed to maximising the reuse of items and generating income to support its charitable objectives by ensuring all services-including access to charity showrooms-are open to everyone.

To further its mission, the organisation has established a hardship fund that enables it to provide essential items free of charge to individuals with no other means of financial support. These efforts are particularly focused on people in crisis situations, such as those fleeing domestic violence or dealing with life-altering circumstances, where timely practical help can make a significant difference.

We work collaboratively with a wide range of support services, including social services, Women's Aid, addiction support organisations, faith groups and mental health charities. Our practical support complements their work and strengthens the overall impact of assistance offered to vulnerable individuals.

Recognising high unemployment levels and limited opportunities in the local area, the organisation is also dedicated to supporting work-based learning. Through our training room and access to ICT equipment, we help volunteers and placement participants gain valuable, transferable skills to improve their employment prospects.

Our work is made possible by the invaluable contributions of our volunteers and the support of external grant funders. We actively seek match funding to sustain and grow our services, ensuring that both our customers and beneficiaries feel respected, supported, and empowered through our assistance.

ACHIEVEMENT AND PERFORMANCE
During the year, toogoodtowaste Limited delivered a wide range of community-facing initiatives, reflecting the organisation's continued commitment to environmental sustainability, social welfare, and community engagement.

Corporate Partnerships and donors
We recognise the importance of strategic partnerships to help us deliver our aims and are grateful to our commercial donors who donated stock. Notable contributors include:

- DHL/ Currys
- IKEA
- John Lewis
- Airsprung Beds
- Relyon Beds
- D&G Office interiors
- The Appliance Recycling Group
- NHS & Public Wales
- Maerdy gifting
- BBI Office Interiors

This collaboration has helped to divert large volumes of electrical items, furniture and other household items from landfill and provided quality, affordable items to individuals and families, while furthering our circular economy model.

Prison Partnership Programme
We continued to develop our successful working relationship with Parc Prisons workshops. Assistance via workshops included:
- Mattress cleaning and refurbishment
- PAT testing of electrical goods
- Furniture upcycling
- Assembly of flat-pack furniture
This partnership not only supports our reuse goals but also provides prisoners with valuable rehabilitation and transferrable skills linked to employability.

Commercial Office Clearances
- Commercial office clearances generate large volumes of reusable office furniture, which were made available to the local community at affordable prices.
- These efforts not only supported local people but significantly contributed to the diversion of waste from landfill, aligning with our sustainability goals.

Community Space Use
Our Treorchy Community Space served as a valuable local asset during the year:
- It was used by Rhondda Radio as a second recording studio.
- It also provided a base for the Pen-Y-Cymoedd Wind Farm Community Fund supporting their outreach activities.

Public Events and Family Engagement
A number of free events were held across our showrooms during the year:
- Free toys were distributed to children during half-term holidays.
- At Christmas, showrooms in Ynyshir and Aberdare featured festive Santa Sleighs next to 12ft Christmas Trees, Creating memorable photo opportunities for local families.

Referral Support, Essential Aid and Donations to local causes
- A total of 268 requests for assistance were received from referral partners throughout the year which assisted 583 individuals.
Beneficiaries included:
- Individuals moving out of temporary accommodation following homelessness.
- People entering first-time tenancies with limited or no financial resources.
- Families undergoing significant life changes requiring support with essential furniture and household items.
- Local groups requiring including a Fridge to Treorchy Comprehensive school, a Desk to Oasis Church, Furniture for the wellbeing room via Cwm Taf Morgannwg University and Furniture for the Hub at Ty Pentre Eglwys, Trivallis.

Volunteering and Training Opportunities
We deeply value the time, energy, and commitment our volunteers contribute to the organisation. Their support is essential to our mission and success.

Volunteers help in all areas of the organisation from Answering telephone calls to booking in collections, serving customers on the shop floor, sorting & cleaning items before they go for sale or out on our vans collecting & delivering items.

- 130 dedicated volunteers generously contributed more than 32,000 hours of service.

Recycling & waste management
Throughout the year our dedicated van teams worked within the local area, operating the free household collection service and also worked alongside multiple commercial organisations collecting items that are suitable for reuse.

- Over 179,000 items were collected equating to 1,264 tonnes.
- Over 152,000 items were selected by customers for reuse from out showrooms.
- 180 commercial and household clearance services were completed.

FINANCIAL REVIEW

Income from donations and legacies
General donations and membership subscriptions in the year totalled £1,559. The income generated from the Gift Aid Retail Scheme was £9,264.

Income from Charitable Activities
Income generated through our charity showrooms from the sales of electrical, furniture and other household items was £1,010,215. Our Treorchy branch re-opened in Spring 2024 with a completely new look, Vintage and Retro (V&R)

Social Enterprise projects raised income of £137,523 for the completion of the property clearances, items sold via auction and income from external recycling sources.

Other Income

£1,000 was received in the year from the Neighbourly under the 'Warm Communities Fund'.
£20,000 from RCT Environmental services for the Service level Agreement.
£1,465 received in office rentals for Treorchy
£1,248 in Interest for savings accounts.

Expenditure for Charitable Activities
The organisation continued to review its operational costs and made savings wherever possible. The total cost of providing Charitable activities in the year was £1,256,913, a decrease of 3% on the previous year.

- The organisation increased its salary rate for all employees to receive at least the National Living Wage.
- Van leases were renewed during the year providing a reliable fleet and controlled costs.
- A small number of new items were purchased to supply essential furniture & electrical items to our local council's Housing Advice Centre and other referral partners.
- Loan repayments continued during the year for the Government Bounce Back Loan Scheme.
- Included in the above costs for Charitable activities are depreciation costs of £60,495

Net movement in funds
The organisation shows a deficit on unrestricted funds for the year of £35,808, this includes depreciation of assets of £21,664. This had been anticipated with the increase in the hourly rate of pay for all employees and the closure of Treorchy.
A deficit of £38,831 in restricted funds this year is due to depreciation of capital assets.

Risk Review
The board of directors has a risk management strategy which comprises:
- An annual review of the principal risks and uncertainties that the charity faces.
- the establishment of new policies, systems and procedures to mitigate those risks identified in the annual review and the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Attention is also focused on non-financial risks by having a proactive approach to Health & Safety, which is managed by a qualified NEBOSH member of the organisation. As part of the induction process all new personnel (paid and unpaid) receive health & safety awareness and manual handling training.

Reserves Policy
The organisation aims to retain adequate reserves to fund both fixed assets, working capital and closure costs.
- Working Capital
It is the Trustees' view that a working capital reserve amounting to three months' expenditure is adequate, £300,000 (excluding depreciation). It is the intention to increase this to the desired level as soon as is feasible.
- Closure Costs
A designated reserve had been created in previous years to cover the costs that would arise if the organisation were to see a significant reduction in income that would cause it to close. The anticipated costs for this are £100,000 however this was released into the general fund in 2024 to cover the costs of the Treorchy renovations. It is the intention to increase this to the desired level as soon as is feasible.
- Free Reserves
The free reserves, i.e. those not tied up in fixed assets and designated funds held on 31st December 2024 amounted to £61,648.

The trustees are aware of the risks of not having sufficient reserves and the reserves policy will be reviewed as part of our future strategy planning.

Pay Policy for senior staff
The pay of senior staff is reviewed annually by the board of directors. The organisation, guided by the board of directors, has adopted a set of principles when setting charity staff remuneration so as to achieve a balance between fair pay to attract new staff and to keep appropriately qualified staff to lead, manage and support or deliver the charity's aims.

FUTURE PLANS
The trustees recognise that there is an ongoing cost-of-living crisis that affects the disposable income of our customers and as such, retail sales and donations of stock may be impacted in future years. Budgets and plans for 2025 will be regularly reviewed by the senior management team and the board of trustees.

Other future plans include -

- Continue to promote the re-branded Treorchy Showroom, 'Vintage & Retro'.
- Develop more commercial partnerships for End-of-line or discontinued stock
- Update the organisations ICT to safeguard against malware attacks.
- Increase Organisations Reserves

STRUCTURE, GOVERNANCE AND MANAGEMENT
The organisation by special resolution on 30th May 2017 changed its name to toogoodtowaste Limited. (Previous name Valleys Furniture Recycling Limited).

The organisation registered as a charity in September 1994 and incorporated on 2 December 1996.

On 19 June 2000 it registered as a company limited by guarantee and adopted its Memorandum and Articles of Association. It was resolved that a new set of Memorandum and Articles of Association were adopted in substitution for all existing Articles of Association on 10th November 2022.

The Trustees as charity trustees have control of the Charity and its property and funds. The number of Trustees shall be not less than three and not more than fifteen individuals.

The Trustees hold at least 4 Board Meetings each year. Committee meetings including Finance, Employment and Marketing are held quarterly, on alternate months (where possible).

Trustee Recruitment and Appointment

A third of trustees must retire by rotation (longest in office) at each AGM but may put themselves forward for re-election provided that no Trustee may serve more than 9 consecutive years in office unless otherwise determined by a resolution of the Trustees.

The trustees may at any time co-opt any individual. Such Trustees would only hold office until the next election of Trustees or until removed by the Trustees (whichever is earlier). The Chair of the Trustees is elected by the Board at the first full board meeting following the AGM.

Potential new trustees are provided with an information pack, asked to complete an application form and then invited to attend an informal meeting with representatives from existing Board members to discuss the Values, Aims and Objectives of the company and their obligations under Charity and Company Law.

New trustees undergo an induction process which includes familiarisation with key documents including Memorandum and Articles of Association, Business Plans and Financial Budgets. During the induction process, new trustees are encouraged to spend some time within the organization, meeting current paid and unpaid personnel, customers and stakeholders. Specific training on governance is also provided.

Organisational Structure
The Chief Executive Officer (CEO) is responsible for the strategic growth and vision of the organisation, reporting to the Board of Directors.

The Finance Manager is responsible for financial accountability and financial analysis, reporting to the CEO, Treasurer and Finance Committee.

The Operations Manager is responsible for the day-to-day operational processes in all the branches and assisted by an Assistant Retail Manager and an Assistant Warehouse Manager.

The management team is supported by a Finance Officer, Marketing Officer, Workshop Supervisor, Property Clearance Team Leader, 3 Domestic Appliance Engineers, 5 Van Drivers / supervisors, 6 Customer Service supervisors, Logistics Clerk, Bric a Brac supervisor, Call Centre supervisor and a Cleaner.

In addition to these 27 paid positions, the organisation relies on volunteer support from around 20 individuals each day.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03286173 (England and Wales)

Registered Charity number
1064588

Registered office
Toogoodtowaste
Ynyshir Road
Porth
CF39 0AT

Trustees
D Lewis
D J Henderson
M Gay
D T Davies
M H Bryan
P J Moss
N Lewis
K G Jones
M N Birch
J T Matthews
T C Gray (appointed 24.10.24)
R J Williams

Company Secretary
R Edwards

Auditors
Bevan Buckland LLP (Statutory Auditors)
Ground Floor Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

Solicitors
Geldards LLP,
4 Capital Quarter,
Tyndall Street, Cardiff.
CF10 4BZ

Bankers
Barclays Bank Plc,
1 Churchill Place,
London.
E14 5HP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Toogoodtowaste Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Bevan Buckland LLP (Statutory Auditors), will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 08/09/2025 and signed on its behalf by:

D J Henderson - Trustee

K G Jones - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TOOGOODTOWASTE LIMITED

Opinion
We have audited the financial statements of Toogoodtowaste Limited (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are 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 relating to going concern
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, 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 determine 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
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 a Report of the Independent Auditors 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. **Prior year Audit by Another Auditor**
The financial statements or the Charitable company for the period ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion. We have reviewed the predecessor auditor's report and considered its implications on the current year's financial statements.

Extent to which the audit was considered capable of detecting irregularities, including fraud
We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then, design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

We discussed our audit independence complying with the Revised Ethical Standard 2024 with the engagement team members whilst planning the audit and continually monitored our independence throughout the process.

Identifying and assessing potential risks related to irregularities.
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management, including obtaining and reviewing supporting documentation, concerning the Charity policies and procedures relating to;
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual. suspected or alleged fraud;
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- Discussing among the engagement team how and where fraud might occur in the Financial Statements and any potential indicators of fraud.
- obtaining an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that had a direct effect on the Financial Statements or that had a fundamental effect on the operations of the Charity, The key laws and regulations we considered in this context included the UK Companies Act and relevant tax legislation.

Audit response to risks identified
In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
- enquiring of management concerning actual and potential litigation and claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TOOGOODTOWASTE LIMITED

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 auditors' 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.

Michael Jones (Senior Statutory Auditor)
for and on behalf of Bevan Buckland LLP (Statutory Auditors)
Ground Floor Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

Date: 22nd September 2025

TOOGOODTOWASTE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	10,823	-	10,823	10,618
Charitable activities	4				
Charitable Activity		1,168,738	-	1,168,738	1,177,432
Investment income	3	2,713	-	2,713	1,560
Total		1,182,274	-	1,182,274	1,189,610
EXPENDITURE ON					
Charitable activities	5				
Charitable Activity		1,218,082	38,831	1,256,913	1,298,315
NET INCOME/(EXPENDITURE)		(35,808)	(38,831)	(74,639)	(108,705)
RECONCILIATION OF FUNDS					
Total funds brought forward		440,554	622,830	1,063,384	1,172,089
TOTAL FUNDS CARRIED FORWARD		404,746	583,999	988,745	1,063,384

The notes form part of these financial statements

TOOGOODTOWASTE LIMITED

BALANCE SHEET
31 DECEMBER 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds
FIXED ASSETS					
Tangible assets	11	343,101	583,999	927,100	943,000
CURRENT ASSETS					
Stocks	12	881		881	980
Debtors	13	42,309		42,309	38,759
Cash at bank and in hand		117,080		117,080	200,401
		160,270		160,270	240,140
CREDITORS					
Amounts falling due within one year	14	(69,609)		(69,609)	(69,870)
NET CURRENT ASSETS		90,661		90,661	170,270
TOTAL ASSETS LESS CURRENT LIABILITIES		433,762	583,999	1,017,761	1,113,270
CREDITORS					
Amounts falling due after more than one year	15	(4,167)		(4,167)	(14,167)
ACCRUALS AND DEFERRED INCOME	18	(24,849)		(24,849)	(35,719)
NET ASSETS		404,746	583,999	988,745	1,063,384
FUNDS	19				
Unrestricted funds				404,746	440,554
Restricted funds				583,999	622,830
TOTAL FUNDS				988,745	1,063,384

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

The financial statements were approved by the Board of Trustees and authorised for issue on 08/09/2025 and were signed on its behalf by:

D J Henderson - Trustee

K G Jones - Trustee

The notes form part of these financial statements

TOOGOODTOWASTE LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	(29,482)	(47,821)
Interest paid		(490)	(739)
Net cash used in operating activities		(29,972)	(48,560)
Cash flows from investing activities			
Purchase of tangible fixed assets		(44,597)	(19,162)
Interest received		1,248	-
Net cash used in investing activities		(43,349)	(19,162)
Cash flows from financing activities			
Loan repayments in year		(10,000)	(10,000)
Net cash used in financing activities		(10,000)	(10,000)
Change in cash and cash equivalents in the reporting period		(83,321)	(77,722)
Cash and cash equivalents at the beginning of the reporting period		200,401	278,123
Cash and cash equivalents at the end of the reporting period		117,080	200,401

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(74,639)	(108,705)
Adjustments for:		
Depreciation charges	60,497	63,003
Interest received	(1,248)	-
Interest paid	490	739
Decrease in stocks	99	1,962
(Increase)/decrease in debtors	(3,550)	6,780
Decrease in creditors	(11,131)	(11,600)
Net cash used in operations	(29,482)	(47,821)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.24 £	Cash flow £	At 31.12.24 £
Net cash			
Cash at bank and in hand	200,401	(83,321)	117,080
	200,401	(83,321)	117,080
Debt			
Debts falling due within 1 year	(10,000)	-	(10,000)
Debts falling due after 1 year	(14,167)	10,000	(4,167)
	(24,167)	10,000	(14,167)
Total	176,234	(73,321)	102,913

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or In the period of the revision and Mure periods where the revision affects both current and Mure periods.

Income
Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income consists of the invoiced value (excluding VAT of goods sold/supplied to third parties and members. No amounts are Included in the financial statement for services donated by volunteers.
Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Membership and Subscription income is credited to the Statement of Financial Activities in the year in which they are due. Income received in advance Is deferred to the appropriate financial year.

Sponsorship Income is credited to the Statement of Financial Activities in the year in which they are due.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the Income will be received and the and the amount can be measured reliably and Is not deferred. Capital grants are released to the SOFA in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from furniture supplied
A minimum fixed price is required for each item of furniture supplied and is accounted for on a receipts basis.

Furniture auction Income and other donations
These sources of income are accounted for on a receipts basis.

Income from donated goods is recognised when the donated goods are sold.

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable.

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.

- By helping to meet the furniture and household items needs of people on a low income, by, but not limited to, recycling household items which would otherwise be thrown away and by advancing more sustainable waste management practices.

continued...

1. ACCOUNTING POLICIES - continued

Expenditure
- By advancing the education and development of people, through providing opportunities to volunteer, train, develop work and social skills, gain work experience and encourage social integration.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs
Expenditure by the charity, in the year, has been split between unrestricted and restricted funds and analysed between charitable activities, governance costs and the cost of generating funds. Expenditure was allocated on the basis of staff time spent on the various activities.

Liabilities Policy
Liabilities are recognised In the Statement of Financial Activities as they become payable.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-	5% - 20% per annum
Plant and machinery	-	33% on cost
Computer equipment	-	25% on cost
Leasehold improvements	-	20% on cost

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Unsold donated items are not included in closing stock since their cost is nil and their value is uncertain until sold.

Taxation
As a registered charity, toogoodtowaste is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to Its charitable objects purposes only.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments
The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial Instruments.

Financial instruments are recognised In the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liability simultaneously.

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective Interest method unless the arrangement constitutes a financing transaction, where the transaction Is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

continued...

1. ACCOUNTING POLICIES - continued

Financial instruments

Impairment of financial assets
Financial assets, other than those held at fair value through Income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease In the Impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the Impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Basic financial liabilities
Basic financial liabilities, including creditors and bank loans are Initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of Interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective Interest rate method.
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Cash and Cash Equivalents
Cash and cash equivalents Include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings In current liabilities.

Going Concern
At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Debtors
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
Creditors and provisions are recognised where the company has a present obligation (legal and constructive) 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.

continued...

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	10,810	10,581
Memberships	13	37
	10,823	10,618

3. INVESTMENT INCOME

	2024	2023
	£	£
Rents received	1,465	1,560
Interest receivable	1,248	-
	2,713	1,560

4. INCOME

	Activity	2024	2023
		£	£
Grants	Charitable Activity	1,000	4,849
Household items supplied	Charitable Activity	1,010,215	982,464
Service level agreement	Charitable Activity	20,000	20,000
Social enterprise projects	Charitable Activity	137,523	170,119
		1,168,738	1,177,432

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Neighbourly Foundation	-	500
Pen Y Cymoedd Wind Farm	-	4,349
Warm Community Fund	1,000	-
	1,000	4,849

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Charitable Activity	1,054,435	202,478	1,256,913

continued...

6. SUPPORT COSTS

	Support Costs	Governance Costs	2024	Support Costs	Governance Costs	2023
	£	£	£	£	£	£
Depreciation	60,494	-	60,494	63,003	-	63,003
Advertising & meetings	5,883	-	5,883	11,420	-	11,420
Premises costs	50,358	-	50,358	53,932	-	53,932
Telephone & administration	45,272	-	45,272	45,919	-	45,919
Legal & professional fees	8,350	-	8,350	10,568	-	10,568
Insurances	14,510	-	14,510	12,716	-	12,716
Bank Charges	8,611	-	8,611	9,317	-	9,317
Audit fees	-	9,000	9,000	-	8,500	8,500
Analysed between charitable activities	193,478	9,000	202,478	206,875	8,500	15,375

Governance costs includes payments to the auditors of £9,000 of which £1,500 relates to accountancy fees. (2023: £8,500 of which £1,500 relates to accountancy fees).

7. NET INCOME/(EXPENDITURE)

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

	2024	2023
	£	£
Auditors' remuneration	9,000	8,500
Depreciation - owned assets	60,497	63,003

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2024 nor for the year ended 31 December 2023.

9. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	734,471	769,103
Social security costs	55,116	57,667
Other pension costs	14,428	14,836
	804,015	841,606

The remuneration of key management personnel is as follows.

	2024	2023
	£	£
Aggregate compensation	120,329	149,940

The key management personnel of the charity comprise of the Chief Executive Officer, Finance Manager and the Operations Manager.

continued...

9. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2024	2023
Charitable Activities	26	30
Governance	2	2
	28	32

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	10,618	-	10,618
Charitable activities			
Charitable Activity	1,173,083	4,349	1,177,432
Investment income	1,560	-	1,560
Total	1,185,261	4,349	1,189,610
EXPENDITURE ON			
Charitable activities			
Charitable Activity	1,249,344	48,971	1,298,315
NET INCOME/(EXPENDITURE)	(64,083)	(44,622)	(108,705)
RECONCILIATION OF FUNDS			
Total funds brought forward	504,637	667,452	1,172,089
TOTAL FUNDS CARRIED FORWARD	440,554	622,830	1,063,384

11. TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Plant and machinery £	Computer equipment £	Totals £
COST					
At 1 January 2024	1,683,482	14,339	49,607	9,657	1,757,085
Additions	44,597	-	-	-	44,597
At 31 December 2024	1,728,079	14,339	49,607	9,657	1,801,682
DEPRECIATION					
At 1 January 2024	746,520	11,362	47,821	8,382	814,085
Charge for year	56,825	1,273	1,786	613	60,497
At 31 December 2024	803,345	12,635	49,607	8,995	874,582
NET BOOK VALUE					
At 31 December 2024	924,734	1,704	-	662	927,100
At 31 December 2023	936,962	2,977	1,786	1,275	943,000

continued...

11. TANGIBLE FIXED ASSETS - continued

The big lottery fund has a legal charge dated 15 March 2012 over the charity's property Unit 1, Ynyshir and a legal charge dated 1 February 2018 over the charity's property previously known as the Treorchy Youth Centre, Horeb Street, Treorchy.

12. STOCKS

	2024	2023
	£	£
Stocks	881	980

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	4,445	3,490
Other debtors	963	4,705
VAT	4,954	4,705
Prepayments and accrued income	31,947	25,859
	42,309	38,759

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Bank loans and overdrafts (see note 16)	10,000	10,000
Trade creditors	20,742	22,464
Social security and other taxes	12,104	-
Other creditors	9,533	23,534
Accruals and deferred income	17,230	13,872
	69,609	69,870

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Bank loans (see note 16)	4,167	14,167

16. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year on demand:		
Bank loans	10,000	10,000
Amounts falling between one and two years:		
Bank loans - 1-2 years	4,167	14,167

continued...

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	105,394	86,953
Between one and five years	133,797	152,927
	239,191	239,880

18. ACCRUALS AND DEFERRED INCOME

	2024	2023
	£	£
Deferred income included within:		
Current liabilities	24,849	35,719
Movement in year		
Deferred income at 1 January 2024	35,719	19,841
Released from previous periods	(35,719)	(19,841)
Resources deferred in the year	24,849	35,719
Deferred income at 31 December 2024	24,849	35,719

19. MOVEMENT IN FUNDS

	At 1.1.24	Net movement in funds	At 31.12.24
	£	£	£
Unrestricted funds			
General fund	340,554	(35,808)	304,746
Project closure costs	100,000	-	100,000
	440,554	(35,808)	404,746
Restricted funds			
Big Lottery - Community Asset Transfer - Capital	287,890	(14,796)	273,094
Big Lottery - People & Places - Capital	233,322	(15,542)	217,780
Pen Y Cymoedd Wind Farm - Capital	100,416	(7,291)	93,125
Welsh Government - Welsh Towns	1,202	(1,202)	-
	622,830	(38,831)	583,999
TOTAL FUNDS	1,063,384	(74,639)	988,745

continued...

19. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,182,274	(1,218,082)	(35,808)
Restricted funds			
Big Lottery - Community Asset Transfer - Capital	-	(14,796)	(14,796)
Big Lottery - People & Places - Capital	-	(15,542)	(15,542)
Pen Y Cymoedd Wind Farm - Capital	-	(7,291)	(7,291)
Welsh Government - Welsh Towns	-	(1,202)	(1,202)
	-	(38,831)	(38,831)
TOTAL FUNDS	1,182,274	(1,256,913)	(74,639)

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	354,637	(14,083)	340,554
Project closure costs	100,000	-	100,000
Working capital	50,000	(50,000)	-
	504,637	(64,083)	440,554
Restricted funds			
Big Lottery - Community Asset Transfer - Capital	302,686	(14,796)	287,890
Big Lottery - People & Places - Capital	250,070	(16,748)	233,322
Pen Y Cymoedd Wind Farm - Capital	102,921	(2,505)	100,416
Welsh Government - Welsh Towns	11,775	(10,573)	1,202
	667,452	(44,622)	622,830
TOTAL FUNDS	1,172,089	(108,705)	1,063,384

continued...

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,185,261	(1,199,344)	(14,083)
Working capital	-	(50,000)	(50,000)
	1,185,261	(1,249,344)	(64,083)
Restricted funds			
Big Lottery - Community Asset Transfer - Capital	-	(14,796)	(14,796)
Big Lottery - People & Places - Capital	-	(16,748)	(16,748)
Pen Y Cymoedd Wind Farm - Capital	4,349	(6,854)	(2,505)
Welsh Government - Welsh Towns	-	(10,573)	(10,573)
	4,349	(48,971)	(44,622)
TOTAL FUNDS	1,189,610	(1,298,315)	(108,705)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.23 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General fund	354,637	(49,891)	304,746
Project closure costs	100,000	-	100,000
Working capital	50,000	(50,000)	-
	504,637	(99,891)	404,746
Restricted funds			
Big Lottery - Community Asset Transfer - Capital	302,686	(29,592)	273,094
Big Lottery - People & Places - Capital	250,070	(32,290)	217,780
Pen Y Cymoedd Wind Farm - Capital	102,921	(9,796)	93,125
Welsh Government - Welsh Towns	11,775	(11,775)	-
	667,452	(83,453)	583,999
TOTAL FUNDS	1,172,089	(183,344)	988,745

continued...

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,367,535	(2,417,426)	(49,891)
Working capital	-	(50,000)	(50,000)
	2,367,535	(2,467,426)	(99,891)
Restricted funds			
Big Lottery - Community Asset Transfer - Capital	-	(29,592)	(29,592)
Big Lottery - People & Places - Capital	-	(32,290)	(32,290)
Pen Y Cymoedd Wind Farm - Capital	4,349	(14,145)	(9,796)
Welsh Government - Welsh Towns	-	(11,775)	(11,775)
	4,349	(87,802)	(83,453)
TOTAL FUNDS	2,371,884	(2,555,228)	(183,344)

Designated Funds

Project Closure

The board recognise the need to maintain a reserve to cover the closure costs arising from a significant reduction in income.

Restricted Funds

Big Lottery
Community Asset Transfer for the Ynyshir building and extension to include a training room, additional offices and canteen.

Big Lottery- People & Places
Grant towards the renovations of the former Treorchy Youth Centre.

Pen y Cymoedd Wind Farm
This funding was received for the roof renovations of the former Treorchy Youth Centre. Funding towards Treorchy re-fit & EBay room in 2023

Welsh Government - Welsh Towns
Funding towards additional external storage to increase re-use.

Other Funds

DWP Kickstarts
Funding:towards employment for 11 young people and associated costs for 6 months.

continued...

20. CAPITAL COMMITMENTS

As at 31 December 2024, the charity did not have any capital commitments (2023: £nil).

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2024.

22. INDEMNITY INSURANCE

The charity has purchased insurance to protect it from loss arising from the neglect or defaults of its trustees and employees, and to indemnify the trustees against the consequences of any neglect or default on their part. The cost of this insurance is included within the overall cost of a specialist charity policy which includes property insurance and the employer's liability insurance and cannot therefore be separately identified.

23. MEMBERS' CONTRIBUTION

Contributions for membership for individuals were set at £1 for waged and £1 for unwaged. Organisations contributed £1 for memberships.

Each member's liability is limited £1. At 31 December 2024, there were 30 members of the company (2023: 43).

TOOGOODTOWASTE LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	10,810	10,581
Memberships	13	37
	10,823	10,618
Investment income		
Rents received	1,465	1,560
Interest receivable	1,248	-
	2,713	1,560
Charitable activities		
Grants	1,000	4,849
Household items supplied	1,010,215	982,464
Service level agreement	20,000	20,000
Social enterprise projects	137,523	170,119
	1,168,738	1,177,432
Total incoming resources	1,182,274	1,189,610
EXPENDITURE		
Charitable activities		
Wages	734,471	769,103
Social security	55,116	57,667
Pensions	14,428	14,836
Volunteer expenses	44,046	36,879
Transport Costs	137,166	121,828
Cost of goods sold	69,208	82,627
	1,054,435	1,082,940
Support costs		
Advertising	5,883	11,420
Bank charges	8,121	8,578
Freehold property depreciation	56,822	47,695
Short leasehold depreciation	1,273	1,276
Plant and machinery	2,399	14,032
Bank loan interest	490	739
Insurance	14,510	12,716
Premises Costs	50,358	53,932
Telephone and Administration	45,272	45,919
Legal and professional	8,350	10,568
Auditors' remuneration	9,000	8,500
Total resources expended	1,256,913	1,298,315
Net expenditure	(74,639)	(108,705)

TOOGOODTOWASTE LIMITED

England & Wales - Charity number 1064588

Accounts

Charity registration number 1064588

Company registration number 3286173 (England and Wales)

TOOGOODTOWASTE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

TOOGOODTOWASTE LIMITED

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TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 2019).

OBJECTIVES AND ACTIVITIES	
Objects & principal activities of the charity	The company is registered to assist with the relief of poverty: • Providing access to affordable household items. • To advance the development and education of people by providing opportunities to volunteer and to train, to develop work skills, social skills, gain work experiences and encourage social integration. • Recycling of furniture which would otherwise be thrown away and by advancing more sustainable waste management practices.
Providing access to affordable household items	Within all showrooms, donated goods are offered for sale at secondhand market value after they have been quality controlled, sorted, cleaned and safety checked. We also operate an electrical & gas domestic appliances re-use facility that complies with all WEEE & Gas Safe regulations. We offer free or discounted furniture packages to individuals referred to us for help and at times of crisis and support.
Providing opportunities to volunteer & train	We aim to increase social skills and employment opportunities by providing volunteers with work-based learning and training. Volunteers assist us with a range of activities throughout the organisation as well as management through our Board of Trustees. Placement opportunities are offered to enhance employability advancement and rehabilitation of ex-offenders via the Probation Service.
Recycling and waste management	We provide residents of Rhondda Cynon Taf with a reliable free collection service for household items that are toogoodtowaste. People can also drop items off for re-use. Items received are sorted, cleaned, and tested before being offered for sale within our charity showrooms. During the year we updated our website and incorporated a new collection form to make it easier and more convenient for customers wishing to donate. We also offer a collection service for re-useable household goods, to commercial organisations (end-of-line or returned goods). We operate a Property Clearance Service to the public, solicitors, landlords and housing associations. This professional, income generating service aims to recycle or re-use the products cleared by working with partner organisations. We hold a waste carriers' license, and we are an Approved and Authorised Transfer Facility (AATF) and an Approved Re-use Centre (ARC).

The Trustees have referred to the guidance contained in the Charity Commissions' general guidance on public benefit. The Trustees will continue to consider how planned activities will contribute to the aims and objectives they have set.	
Significant activities undertaken to further its charitable purposes for public benefit	All services, including buying from the charity showrooms, are open to everyone in order to maximise the volume of items re-used and income generated to support our charitable aims and objectives. We have also created our own hardship budget to cover the cost of stock provided free of charge to individuals who have no other means of financial support to cover the essential items they need.
	We work in partnership with other organisations that provide emotional or housing support (e.g. Social Services Departments, Housing Associations, Women's Aid, Drug & Alcohol Support Services, Churches, Mental Health Groups, etc.) The practical help we provide enhances the work of our partners, therefore increasing the overall impact of the assistance provided.
	Many of the people referred to us for help are in crisis situations without any financial support. We help immediately or as soon as possible to people affected by domestic violence and other life affecting crisis situations.
	We value the contribution received from our volunteers and strive to provide services that help customers and beneficiaries feel positive about the help received.
	With high levels of unemployment in the area and few opportunities for people to gain work experience, we are committed to developing our ability to deliver work-based learning. The training room and use of ICT equipment and software, gives us the opportunity to provide volunteers and placements with transferable skills to enhance their employment opportunities.
	External grants are sought to provide match funding for our activities.

ACHIEVEMENTS AND PERFORMANCE	
Below is some of the great work we have done, the difference made to the local community and some of the achievements of our staff and volunteers.	
Maintaining & increasing quality & quantity of goods available	The partnership working with DHL / Dixon Carphone Group has continued to provide access to re-usable domestic appliances WEEE. We received commercial donations from IKEA, John Lewis, Airsprung, Relyon, Merthyr Valley Homes, BBI, Harrods and The Appliance Recycling Group. We also worked with Parc Prison workshops where they provided mattress cleaning, electrical PAT Testing, upcycling of furniture as well as building flat pack furniture.
Local community support	Commercial office clearances completed during the year meant that we had large quantities of office furniture available for our local community at affordable prices whilst also diverting from landfill, this happened on nine different occasions through the year. Our Treorchy Community space was used during the year by Rhondda Radio as their second recording studio and Pen-Y-Cymoedd Wind Farm Community Fund. A number of free events were held during the year across all our showrooms including free toys for children at half term holidays. During the summer holidays we provided free children's books for all children visiting our showrooms, but we then made this a permanent offer (stock dependent). At Christmas, our showrooms in Ynyshir & Aberdare set up a Santa Sleigh around our 12ft Christmas Trees so Children could visit and have a lovely Christmas picture taken for free. We donated furniture and other items to local groups and causes, including two washing machines to Coedpenmaen Primary School and Mothers Matter to support the parents who were struggling to keep their children's clothes clean. We also provided various crockery & cutlery to a Flying Start in Cwmbach to kit out their kitchen area and a new men's Mental Health Group that was establishing in Penygraig. In total, over 148 requests for assistance from our referral partners were received during the year identifying local individuals and families in need. This included people leaving temporary accommodation following homelessness, individuals entering their first tenancy with no financial means or families requiring assistance with essential living furniture due to a change in circumstances. This year, we also started to work in partnership with Trivallis, the largest local housing association within RCT providing homes for thousands of people in the communities we serve, it is a great opportunity for us to try and assist more people.

ACHIEVEMENTS AND PERFORMANCE CONTINUED-	
Providing opportunities to volunteer & train	Volunteer numbers are still reduced since the Covid-19 pandemic, however, we greatly appreciate the time and support our volunteers give us. 123 Volunteers completed over 26,000 hours in the year with at least 8 of them finishing their volunteering placement with us to start paid employment. We also welcomed corporate volunteers from British Gas who volunteered with us to assist in Customer Services, House Clearances and they carried out some gardening work in our volunteer area. We thanked all our volunteers throughout the year with regular 'Fish & Chip' Fridays and thank you gifts during National Volunteers Week and we had a further celebration at Christmas where we went for a festive 3 course meal.
Recycling & waste management	916 Tonnes of waste (123,000 re-useable electrical and household items) was diverted from landfill in 2023. During the year our van teams collected over 143,000 items from local residents and commercial donators and also completed 211 commercial / household clearance services.

FINANCIAL REVIEW	
The Cost-of-Living crisis continued to affect the organisation during the year with donations of furniture being less than the previous year. Our Treorchy branch closed to the public in November 2023 to undergo some remedial structural & building works and is anticipated to reopen in Spring 2024 with a complete new look to become our Vintage & Retro showroom.	
Income from donations and legacies	General donations and membership subscriptions in the year totaled £1,442 and this included an amount from Neighbourly under the 'Warm Communities Fund' to continue to supply warm drinks to our volunteers. Income generated from Gift Aid Retail Scheme was £9,176.
Income from Charitable Activities	The Service level agreement with RCT Environmental services was maintained at £20,000 for the year. Income generated through our charity showrooms from the sales of electrical, furniture and other household items increased by 2% to £982,464. Income from Social Enterprise projects decreased to £170,119 (2022: £225,659) in the year, the previous year included some larger commercial clearances outside of the local area. The value of performance related grants was £4,849 which was from Pen Y Cymoedd to support the refit of Treorchy. (2022: £88,380).
Expenditure for Charitable Activities	We continued to review our operational costs and made savings wherever possible. The total cost of providing Charitable activities in the year was £1,298,315 (2022: £1,377,477). We increased our salary rate for all our employees in line with the National Living Wage. Only a small amount of new items were purchased in order to supply essential furniture and electrical items to our local council's Housing Advice Centre and other referral partners. Loan repayments continued during the year for the Government Bounce Back Loan Scheme. Included in the above costs for Charitable activities are depreciation costs of £63,003 (2022: £63,130).
Net movement in funds	We show a deficit on unrestricted funds for the year of £64,083, this includes depreciation of assets of £14,250. This had been anticipated with the increase in the hourly rate of pay for all employees and the closure of Treorchy. A deficit of £44,622 in restricted funds this year is due to depreciation of capital assets.

FINANCIAL REVIEW (continued)	
Reserves Policy	We aim to retain adequate reserves to fund both fixed assets, working capital and closure costs. **Working Capital** It is the Trustees view that a working capital reserve amounting to three months' expenditure is adequate, £300,000 (excluding depreciation). This fund in the previous year had been £50,000 however this has been released back into free reserves to cover the deficit in 2023. It is the intention to increase this to the desired level as soon as is feasible. **Closure Costs** A designated reserve has been created to cover the costs that would arise if we were to see a significant reduction in income that would cause us to close. The anticipated costs for this is £100,000 and it is now being held in a Designated Reserve Fund. **Free Reserves** The free reserves i.e. those not tied up in fixed assets and designated funds held on 31 December 2023 amounted to £20,384. The Trustees are aware of the risks of not having sufficient reserves and the reserves policy will be reviewed as part of our future strategy planning.
Pay Policy for senior staff	The pay of senior staff is reviewed annually by the board of Trustees. The organisation, guided by the board of Trustees, have adopted a set of principles when setting charity staff remuneration so as to achieve a balance between fair pay to attract new staff and to keep appropriately qualified staff to lead, manage and support or deliver our charitable aims.

RISK MANAGEMENT	
Risk Review	The board of Trustees have a risk management strategy which comprises: • An annual review of the principal risks and uncertainties that the charity faces • The establishment of new policies, systems, and procedures to mitigate those risks identified in the annual review; and • The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise. Attention is also focused on non-financial risks by having a proactive approach to Health & Safety which is managed by a NEBOSH qualified member of the organisation. As part of the induction process all new personnel (paid and unpaid) receive health & safety awareness and manual handling training.

FUTURE PLANS – POST BALANCE SHEET EVENTS

The Trustees recognise that there is an ongoing cost-of-living crisis that affects the disposable income of our customers and as such, retail sales and donations of stock may be impacted in future years.

The Treorchy showroom will re-open in spring 2024 with a new re-branded look of 'Vintage & Retro'.

Budgets and plans for 2024 will be regularly reviewed by the senior management team and the board of Trustees.

STRUCTURE, GOVERNANCE & MANAGEMENT

By special resolution, on 30 May 2017 we changed our name to toogoodtowaste Limited. (Previous name Valleys Furniture Recycling Limited).

We registered as a charity in September 1994 and incorporated on 2 December 1996. On 19 June 2000 we registered as a company limited by guarantee and adopted our Memorandum and Articles of Association.

It was resolved that a new set of Memorandum and Articles of Association were adopted in substitution for all existing Articles of Association on 10 November 2022.

The Trustees as charity Trustees have control of the charity and its property and funds. The number of Trustees shall be not less than three and not more than fifteen individuals.

The Trustees hold at least 4 Board Meetings each year. Committee meetings including Finance, Employment and Marketing are held quarterly, on alternate months (where possible).

Trustee Recruitment and Appointment
A third of Trustees must retire by rotation (longest in office) at each AGM but may put themselves forward for re-election provided that no Trustee may serve more than 9 consecutive years in office unless otherwise determined by a resolution of the Trustees.

The Trustees may at any time co-opt a further three individuals to fill specialist roles. Such Trustees would only hold office until the next election of Trustees or until removed by the Trustees (whichever is earlier).

The Chair of the Trustees is elected by the Board at the first full board meeting following the AGM.

Potential new Trustees are provided with an information pack and asked to complete an application form to the Trustees. They will then be invited to attend an informal meeting with representatives from existing Board members to discuss our Values, Aims and Objectives and their obligations under Charity and Company Law. Official checks are undertaken to ensure applicants meet the legal requirements of acting as a charity Trustee.

New Trustees undergo an induction process which includes familiarisation with key documents including: Memorandum and Articles of Association, Business Plans and Financial Budgets.
During the induction process, new Trustees are encouraged to spend some time within the organisation, meeting current paid and unpaid personnel, customers and stakeholders. Specific training on governance is also provided.

Company Members
Membership is open to any individual or Organisation interested in promoting the objects.

As of December 2023, we had 43 members.

The liability of the Members is limited to £1 each. Every member undertakes to contribute £1 to the Charity assets in the event of it being wound up.

STRUCTURE, GOVERNANCE & MANAGEMENT (continued)	
Vision Statement	Maximise Potential – Minimise Waste
Mission Statement	toogoodtowaste is committed to changing peoples' lives every day, through developing and implementing sustainable Social Enterprises that meet the changing needs of the communities we serve.
Organisational Structure	The Chief Executive Officer (CEO) is responsible for the strategic growth and vision of the organisation, reporting to the Board of Trustees. The Finance Manager is responsible for financial accountability and financial analysis, reporting to the CEO, Treasurer and Finance Committee. The Retail Manager and Operations Manager are responsible for the day-to-day sales activities and operational processes in all the branches, and they are assisted by an Assistant Retail Manager and an Assistant Warehouse Manager. The management team is supported by a Finance Officer, Marketing Officer, Workshop Supervisor, 4 Domestic Appliance Engineers, 6 Van Driver Supervisors, 5 Customer Service Supervisors, Logistics Clerk, 2 Bric a Brac Supervisors, Electrical Cleaning Supervisor, Call Centre Supervisor and a Cleaner. In addition to these 30 paid positions, we rely on volunteer support from around 20 individuals each day.
Related parties	To identify and assist those people in greatest need we work with other Charities, Housing Associations, Community Groups and Local Authority Social Services Departments, to accept referrals for free or discounted furniture packages. There is a Memorandum of Understanding with the Local Authority Environmental Services Department. As part of the Reuse Network, agreements have been established via commercial contracts with DHL and Dixon Group, Airsprung, IKEA and John Lewis. There is a legal charge on the property (Ynyshir Road, Ynyshir CF39 0AT) as part of the Big Lottery/WG Community Asset Transfer Grant. Dated 9 March 2012. There is a legal charge on the property (Horeb Street, Treorchy, CF42 6RU) as part of the Big Lottery People & Places Grant. Dated 1 February 2018.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

LEGAL AND ADMINISTRATIVE DETAILS		
Charity name	toogoodtowaste Limited	
Registered numbers	Company Number: 03286173 Charity Number: 1064588	
Registered office	Ynyshir Road, Porth, CF39 0AT.	
Other operating premises	Showroom: Unit 3 Aberaman Industrial Park, Aberaman, Aberdare, Rhondda Cynon Taf, CF44 6DA Showroom: Horeb Street, Treorchy, Rhondda Cynon Taf, CF42 6RU Warehouse: Ynyshir Road, Porth, Rhondda Cynon Taff, CF39 0AT	
Board of Directors and Trustees	Dave Henderson Malcolm Gay Kelvin Jones David Lewis Dr. Dafydd Trystan Davies Michael Bryan Philip Moss Natasha Lewis Rowenna Williams Martyn Birch Elizabeth Nicholas Jeffrey Matthews	Chairman Vice – Chairman Treasurer Appointed 15/08/2023 Appointed 15/08/2023 Appointed 05/12/2023
Advisors	**Auditors** Azets Audit Services, Chartered Accountants & Statutory Auditors, Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff CF23 8AB **Bankers** Barclays Bank Plc, Pontypridd, Rhondda Cynon Taf. CF37 4YA **Solicitors** Geldards LLP, 4 Capital Quarter, Tyndall Street, Cardiff. CF10 4BZ	
Key Management	Shaun England Rhian Edwards Miranda Way Geraint Davies	Chief Executive Officer Finance Manager & Company Secretary Retail Manager Operations Manager

The trustees report was approved by the Board of Trustees.

.....

Dave Henderson
(Chairman)
Dated: 23/9/24

.....

Kelvin Jones
(Treasurer)
Dated: 23/09/2024

TOOGOODTOWASTE LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also the directors of toogoodtowaste Limited for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

TOOGOODTOWASTE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF TOOGOODTOWASTE LIMITED

Opinion

We have audited the financial statements of toogoodtowaste Limited (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 2023 and of its 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 charity in accordance with the ethical requirements that are 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 relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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 charity'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 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 section 144 of the Charities Act 2011 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF TOOGOODTOWASTE LIMITED

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

14 October 2024

Azets Audit Services

Chartered Accountants
Statutory Auditor

Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

TOOGOODTOWASTE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	10,618	-	10,618	13,158	-	13,158
Charitable activities	4	1,173,083	4,349	1,177,432	1,206,105	88,380	1,294,485
Other trading activities	5	1,560	-	1,560	1,550	-	1,550
Total income		1,185,261	4,349	1,189,610	1,220,813	88,380	1,309,193
Expenditure on:							
Charitable activities	6	1,249,344	48,971	1,298,315	1,240,344	137,133	1,377,477
Net expenditure for the year/ Net movement in funds		(64,083)	(44,622)	(108,705)	(19,531)	(48,753)	(68,284)
Fund balances at 1 January 2023		504,637	667,452	1,172,089	524,168	716,205	1,240,373
Fund balances at 31 December 2023		440,554	622,830	1,063,384	504,637	667,452	1,172,089

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TOOGOODTOWASTE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	**11**		943,000		986,841
Current assets					
Stocks	**12**	980		2,942	
Debtors	**13**	38,759		45,539	
Cash at bank and in hand		200,401		278,123	
		240,140		326,604	
Creditors: amounts falling due within one year	**14**	(105,589)		(117,189)	
Net current assets			134,551		209,415
Total assets less current liabilities			1,077,551		1,196,256
Creditors: amounts falling due after more than one year	**16**		(14,167)		(24,167)
Net assets			1,063,384		1,172,089
Income funds					
Restricted funds	**19**		622,830		667,452
Unrestricted funds					
Designated funds	**18**	100,000		150,000	
General unrestricted funds		340,554		354,637	
			440,554		504,637
			1,063,384		1,172,089

TOOGOODTOWASTE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 24th September 2024

Dave Henderson (Chariman)

Kelvin Jones (Treasurer)

Company registration number 3286173

TOOGOODTOWASTE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**25**		(48,560)		1,533
Investing activities					
Purchase of tangible fixed assets		(19,162)		(2,450)	
Net cash used in investing activities			(19,162)		(2,450)
Financing activities					
Repayment of borrowing		(10,000)		(10,000)	
Net cash used in financing activities			(10,000)		(10,000)
Net decrease in cash and cash equivalents			(77,722)		(10,917)
Cash and cash equivalents at beginning of year			278,123		289,040
Cash and cash equivalents at end of year			200,401		278,123

1 Accounting policies

Charity information

toogoodtowaste Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Ynyshir Road, Porth, Mid Glamorgan, CF39 0AT, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention and to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the Board in furtherance of the general objectives of the Society and which have not been designated for other purposes.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose the aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Society for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income consists of the invoiced value (excluding VAT) of goods sold/supplied to third parties and members.

No amounts are included in the financial statement for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1 **Accounting policies** **(Continued)**

Membership and Subscriptions income is credited to the Statement of Financial Activities in the year in which they are due. Income received in advance is deferred to the appropriate financial year.

Sponsorship income is credited to the Statement of Financial Activities in the year in which they are due.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the and the amount can be measured reliably and is not deferred. Capital grants are released to the SOFA in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from furniture supplied
A minimum fixed price is required for each item of furniture supplied and is accounted for on a receipts basis.

Furniture auction income and other donations
These sources of income are accounted for on a receipts basis.

Income from donated goods is recognised when the donated goods are sold.

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable.

1.5 Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.
- By helping to meet the furniture and household items needs of people on a low income, by, but not limited to, recycling household items which would otherwise be thrown away and by advancing more sustainable waste management practices.
- By advancing the education and development of people, through providing opportunities to volunteer, train, develop work and social skills, gain work experience and encourage social integration.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs
Expenditure by the charity, in the year, has been split between unrestricted and restricted funds and analysed between charitable activities, governance costs and the cost of generating funds. Expenditure was allocated on the basis of staff time spent on the various activities.

Liabilities Policy
Liabilities are recognised in the Statement of Financial Activities as they become payable.

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Fixed assets purchased are included at cost. Assets donated to the company are included at market value. All fixed assets are held for the company's own use.

Depreciation or amortisation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives on an annual basis as follows:

Freehold property	5-20% per annum
Leasehold improvements	20% on cost
Office equipment	25% on cost
Tools and equipment	33.3% on cost

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Community asset transfer:

Land	not depreciated
CAT construction costs	5% on cost
Entrust	20% on cost
Rank	20% on cost
Welsh Church Act	20% on cost
Professional/other fees	100% on cost

Any tools or equipment costing less than £500 are immediately written off against revenue.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Unsold donated items are not included in closing stock since their cost is nil and their value is uncertain until sold.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

As a registered charity, toogoodtowaste is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

1 Accounting policies **(Continued)**

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	**2022**
	£	**£**
Donations and gifts	10,581	13,119
Members contributions	37	39

4 Charitable activities

	2023	2022
	£	£
Service level agreement	20,000	20,000
Performance related grants	4,849	88,380
Household items supplied	982,464	960,446
Social enterprise projects	170,119	225,659
	1,177,432	1,294,485
Analysis by fund		
Unrestricted funds	1,173,083	1,206,105
Restricted funds	4,349	88,380
	1,177,432	1,294,485
Performance related grants		
RCT Rates Grants	-	12,000
DWP - Kickstart	-	76,380
Neighbourly Foundation	500	-
Pen Y Cymoedd Wind Farm	4,349	-
	4,849	88,380

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Rental income	1,560	1,550

6 Charitable activities

	2023	2022
	£	£
Staff costs	841,606	871,616
Volunteer costs	36,879	42,287
Transport costs	121,828	149,024
Cost of goods	82,627	101,190
	1,082,940	1,164,117
Share of support costs (see note 7)	206,875	206,960
Share of governance costs (see note 7)	8,500	6,400
	1,298,315	1,377,477
Analysis by fund		
Unrestricted funds	1,249,344	1,240,344
Restricted funds	48,971	137,133
	1,298,315	1,377,477

7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Depreciation	63,003	-	63,003	63,130	-	63,130
Advertising and meetings	11,420	-	11,420	3,645	-	3,645
Premises costs	53,932	-	53,932	64,863	-	64,863
Telephone and administration	45,919	-	45,919	44,489	-	44,489
Legal and professional fees	10,568	-	10,568	9,710	-	9,710
Insurances	12,716	-	12,716	11,553	-	11,553
Bank charges	9,317	-	9,317	9,570	-	9,570
Audit fees	-	8,500	8,500	-	6,400	6,400
	206,875	8,500	215,375	206,960	6,400	213,360
Analysed between						
Charitable activities	206,875	8,500	215,375	206,960	6,400	213,360

Governance costs includes payments to the auditors of £8,500 of which £1,500 relates to accountancy fees (2022: £6,400 of which £1,200 relates to accountancy fees) for audit & accountancy services.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

Number of employees

The average number of employees, analysed by function was:

	2023 Number	2022 Number
Charitable activities	30	37
Governance	2	2
	32	39

Employment costs	2023 £	2022 £
Wages and salaries	762,622	797,274
Social security costs	57,667	55,322
Other pension costs	14,836	14,268
Staff training and expenses	6,481	4,752
	841,606	871,616

There were no employees whose annual remuneration was £60,000 or more.

10 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	149,940	143,763

The key management personnel of the charity comprise of the Chief Executive Officer, Retail Manager, Operations Manager and Finance Manager.

11 Tangible fixed assets

	Freehold property	Leasehold improvements	Office equipment	Tools and equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2023	1,664,320	14,339	49,607	9,657	1,737,923
Additions	19,162	-	-	-	19,162
At 31 December 2023	1,683,482	14,339	49,607	9,657	1,757,085
Depreciation and impairment					
At 1 January 2023	698,671	10,087	35,346	6,978	751,082
Depreciation charged in the year	47,849	1,275	12,475	1,404	63,003
At 31 December 2023	746,520	11,362	47,821	8,382	814,085
Carrying amount					
At 31 December 2023	936,962	2,977	1,786	1,275	943,000
At 31 December 2022	965,649	4,253	14,260	2,679	986,841

The Big Lottery Fund has a legal charge dated 15 March 2012 over the charity's property Unit 1, Ynyshir and a legal charge dated 1 February 2018 over the charity's property previously known as Treorchy Youth Centre, Horeb Street, Treorchy.

12 Stocks

	2023	2022
	£	£
Finished goods and goods for resale	980	2,942

13 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	3,490	17,515
Other debtors	4,705	2,809
Prepayments and accrued income	30,564	25,215
	38,759	45,539

14 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	15	10,000	10,000
Deferred income	17	35,719	19,841
Trade creditors		22,464	24,073
Other creditors		23,534	26,721
Accruals		13,872	36,554
		105,589	117,189

15 Loans and overdrafts

	2023 £	2022 £
Bank loans	24,167	34,167
Payable within one year	10,000	10,000
Payable after one year	14,167	24,167

The loan is repayable over 5 years with an interest rate of 2.5% pa.

16 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	15	14,167	24,167

17 Deferred income

	2023 £	2022 £
Other deferred income	35,719	19,841

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	35,719	19,841

Movements in the year:

17 Deferred income (Continued)

Deferred income at 1 January 2023	19,841	17,144
Released from previous periods	(19,841)	(17,144)
Resources deferred in the year	35,719	19,841
Deferred income at 31 December 2023	35,719	19,841

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

		Movement in funds			
	Balance at 1 January 2022	Incoming resources	1 January 2023	Transfers	Balance at 31 December 2023
	£	£	£	£	£
Project closure costs	100,000	-	100,000	-	100,000
Working capital	50,000	-	50,000	(50,000)	-
	150,000	-	150,000	(50,000)	100,000

Project closure - The board recognise the need to maintain a reserve to cover the closure costs arising from a significant reduction in income.

Working capital - The board have set aside funds to cover future working capital needs.

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds				Movement in funds		
	Balance at 1 January 2022	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 1 January 2023	Incoming resources	Resources expended	Balance at 31 December 2023
	£	£	£	£	£	£	£	£
Big Lottery - Community Asset Transfer - Capital	317,482	-	(14,796)	-	302,686	-	(14,796)	287,890
Welsh Government - NDR	-	12,000	(12,000)	-	-	-	-	-
Big Lottery - People & Places - Capital	266,818	-	(16,748)	-	250,070	-	(16,748)	233,322
Pen y Cymoedd Wind Farm - Capital	109,557	-	(6,636)	-	102,921	4,349	(6,854)	100,416
Welsh Government - Welsh Towns	22,348	-	(10,573)	-	11,775	-	(10,573)	1,202
DWP Kickstart	-	76,380	(76,380)	-	-	-	-	-
	716,205	88,380	(137,133)	-	667,452	4,349	(48,971)	622,830

The following funds represent **capital items** purchased that are being depreciated over their useful lives:

Big Lottery - Community Asset Transfer for the Ynyshir building and extension to include a training room, additional offices and canteen.

Big Lottery - People & Places - Grant towards the renovations of former Treorchy Youth Centre.

Pen y Cymoedd Wind Farm - This funding was received for the roof renovations of the former Treorchy Youth Centre. Funding towards Treorchy re-fit & EBay room in 2023.

Welsh Government - Welsh Towns - Funding towards additional external storage to increase re-use.

19 Restricted funds **(Continued)**

Other funds:

DWP Kickstart - Funding towards employment for 11 young people and associated costs for 6 months.

20 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2023 are represented by:						
Tangible assets	320,170	622,830	943,000	319,389	667,452	986,841
Current assets/(liabilities)	134,551	-	134,551	209,415	-	209,415
Long term liabilities	(14,167)	-	(14,167)	(24,167)	-	(24,167)
	440,554	622,830	1,063,384	504,637	667,452	1,172,089

21 Members' Contributions

Contributions for membership for individuals were set at £1 for waged and £1 for unwaged. Organisations contributed £1 for membership.

Each member's liability is limited to £1. At 31 December 2023, there were 43 members of the company (2022: 39).

22 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	86,953	51,082
Between two and five years	152,927	33,666
	239,880	84,748

23 Capital commitments

As at 31 December 2023, the charity did not have any capital commitments (2022: £nil).

24 Indemnity Insurance

The charity has purchased insurance to protect it from loss arising from the neglect or defaults of its trustees and employees, and to indemnify the trustees against the consequences of any neglect or default on their part. The cost of this insurance is included within the overall cost of a specialist charity policy which includes property insurance and employer's liability insurance and cannot therefore be separately identified.

25	**Cash generated from operations**	**2023**	**2022**
		£	**£**
	Deficit for the year	(108,705)	(68,284)
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	63,003	63,130
	Movements in working capital:		
	Decrease in stocks	1,962	4,837
	Decrease in debtors	6,780	7,733
	(Decrease) in creditors	(27,478)	(8,580)
	Increase in deferred income	15,878	2,697
	Cash (absorbed by)/generated from operations	(48,560)	1,533

26 Analysis of changes in net funds

	At 1 January 2023	**Cash flows**	**At 31 December 2023**
	£	**£**	**£**
Cash at bank and in hand	278,123	(77,722)	200,401
Loans falling due within one year	(10,000)	-	(10,000)
Loans falling due after more than one year	(24,167)	10,000	(14,167)
	243,956	(67,722)	176,234

TOOGOODTOWASTE LIMITED

England & Wales - Charity number 1064588

Accounts

Charity registration number 1064588

Company registration number 3286173 (England and Wales)

TOOGOODTOWASTE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

TOOGOODTOWASTE LIMITED

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TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "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 2019).

OBJECTIVES AND ACTIVITIES	
Objects & principal activities of the charity	The company is registered to assist with the relief of poverty: • Providing access to affordable household items. • To advance the development and education of people by providing opportunities to volunteer and to train, to develop work skills, social skills, gain work experiences and encourage social integration. • Recycling of furniture which would otherwise be thrown away and by advancing more sustainable waste management practices.
Providing access to affordable household items	Within all showrooms, donated goods are offered for sale at secondhand market value after they have been quality controlled, sorted, cleaned and safety checked. The company also operates an electrical & gas domestic appliances re-use facility that complies with all WEEE & Gas Safe regulations. The company offers free or discounted furniture packages to individuals referred to them for help and at times of crisis and support.
Providing opportunities to volunteer & train	We aim to increase social skills and employment opportunities by providing volunteers with work-based learning and training. Volunteers assist us with a range of activities throughout the organisation as well as management through our Board of Trustees. Placements opportunities are offered to enhance employability advancement and rehabilitation of ex-offenders via the Probation Service.
Recycling and waste management	The company provides residents of Rhondda Cynon Taf with a reliable free collection service for household items that are toogoodtowaste. People can also drop items off for re-use. Items received are sorted, cleaned, and tested before being offered for sale within their charity showrooms. The company also offers a collection service for re-useable household goods, to commercial organisations (end-of-line or returned goods). The company operates a Property Clearance Service to the public, solicitors, landlords and housing associations. This professional, income generating service aims to recycle or re-use the products cleared by working with partner organisations. The organisation holds a waste carriers' license and is an Approved and Authorised Transfer Facility (AATF) and an Approved Re-use Centre (ARC).

PUBLIC BENEFIT	
The trustees have referred to the guidance contained in the Charity Commissions' general guidance on public benefit. The trustees will continue to consider how planned activities will contribute to the aims and objectives they have set.	
Significant activities undertaken to further its charitable purposes for public benefit	All services, including buying from the charity showrooms are open to everyone in order to maximise the volume of items re-used and income generated to support the charitable aims and objectives of this organisation. The organisation has also created its own hardship budget to cover the costs of stock provided free of charge to individuals who have no other means of financial support to cover the essential items they need. We work in partnership with other organisations that provide emotional or housing support (e.g. social services departments, Women's Aid, drug & alcohol support services, churches, mental health groups, etc.) The practical help provided by this organisation enhances the work of its partners, therefore increasing the overall impact of the assistance provided. Many of the people referred to this organisation for help are in crisis situations without any financial support. The organisation helps immediately or as soon as possible to people affected by domestic violence and other life affecting crisis situations. The organisation values the contribution received from its volunteers and strives to provide services that help customers and beneficiaries feel positive about the help received. With high levels of unemployment in the area and few opportunities for people to gain work experience, the organisation is committed to developing its ability to deliver work-based learning. The training room and use of ICT equipment and software, gives us the opportunity to provide volunteers and placements with transferable skills to enhance their employment opportunities. External grants are sought to provide match funding for our activities.

ACHIEVEMENTS AND PERFORMANCE	
Below is some of the great work we have done, the difference made to the local community and some of the achievements of our staff and volunteers.	
Maintaining & increasing quality & quantity of goods available	The partnership working with DHL / Dixon Carphone Group has continued to provide access to re-usable domestic appliances WEEE. We received commercial donations from IKEA, John Lewis, Airsprung, Relyon, Asda, Bo Concept, David Phillips and Spectrum Healthcare. We also worked with Parc Prisons workshops where they provided mattress cleaning, electrical PAT Testing, upcycling of furniture as well as building flat pack furniture.
Local community support-	Commercial office clearances completed for Halfords, Reach, BBI and others during the year meant that we could supply office furniture to our local community at affordable prices whilst also diverting from landfill. Our connection with Treorchy Primary school continued where we supplied them with free books during the year and pupils attended our Treorchy showroom to sing Carols around the Christmas tree in the courtyard. Our Treorchy Community space was used during the year by: - Rhondda Radio as their second recording studio - Love Treorchy as office space and additional storage space within our warehouse - Rhondda Foodbank to sort and store the foodbank items - Pen-Y-Cymoedd Wind Farm Community Fund. A number of free events were held during the year across all our showrooms including free toys for children at half term holidays. At Christmas, all our showrooms set up a Santa Sleigh around our 12ft Christmas Trees so Children could visit and have a lovely Christmas picture taken. We donated furniture and other items to local groups and causes, including the Rhondda Radio, Aberkenfig Welfare Society Foodbank, Penygraig Boys and Girls club, Arts Community Church, Repair Café Cardiff, Bethel Baptist Church, Ysgol Gynradd Gymraeg Ferndale, Cefn Forest Primary School and Ysgol Nantgwyn Tonypandy. Over 170 requests for assistance from our referral partners were also received during the year identifying local individuals and families in need. This included people leaving temporary accommodation following homelessness, individuals entering their first tenancy with no financial means or families requiring assistance with essential living furniture due to change in circumstances. Support was also given to refugees being housed within the local area.

ACHIEVEMENTS AND PERFORMANCE CONTINUED-	
Providing opportunities to volunteer & train	Volunteer numbers are still reduced since the Covid-19 pandemic however the organisation greatly appreciates the time and support our volunteers give to the organisation. 119 Volunteers completed over 26,000 hours in the year with 7 of them finishing their volunteering placement with us to start paid employment. In 2022, we also welcomed 11 young people aged between 16-24 into the organisation to complete 6 months paid employment. 5 Customer Services assistants and 6 Warehouse assistants were able to gain valuable work experience as part of Governments Kickstart Scheme. We thanked all our volunteers throughout the year with regular 'Fish & Chip' Fridays and thank you gifts during National Volunteers Week and had a further celebration at Christmas.
Recycling & waste management	1,065 Tonnes of waste (161,000 re-useable electrical and household items) was diverted from landfill in 2022 an increase of 397 tonnes on the previous year. During the year our van teams collected over 180,000 items from local residents and commercial donators. We also completed 214 commercial/household Clearance services which collected over 6,000 items.

FINANCIAL REVIEW	
Following on from a few challenging and unsettling years since Covid-19, the organisation was then affected by a cost of living crisis during the year however we are pleased to report that we were able to complete a full trading year in 2022.	
Income from donations and legacies	A donation from Barratt Developments for £1,500 was used to purchase 2 defibrillators. Income generated from Gift Aid Retail Scheme was £8,550
Income from Charitable Activities	The Service level agreement with RCT Environmental services was maintained at £20,000 for the year. Income generated through our charity showrooms from the sales of electrical and household items increased by 30% to £960,446 as the result of a full trading year and no imposed lockdowns for Covid-19. Income from Social Enterprise projects increased to £225,659 (2021: £185,503) in the year due to more staff being able to undertake the additional commercial and local household property clearances. The value of performance related grants was £88,380 (2021: £239,767). • £12,000 Welsh Government Non-Domestic Rates Support • £76,380 Government Kickstart Scheme to provide paid work experience for 11 young people.
Expenditure for Charitable Activities	The organisation continued to review its operational costs and made savings wherever possible. The total cost of providing Charitable activities in the year was £1,377,477 (2021: £1,309,376). The organisation increased its salary rate in line with the National Living Wage and with support from the Government's Kickstart Scheme, was able to give paid employment to 11 young people for 6 months. New items continued to be purchased in order to supply essential furniture & electrical items to our local council's Housing Advice Centre and other referral partners. During the Covid-19 pandemic, the Charity took the opportunity to apply for a loan under the Government backed Bounce Back Scheme and repayments of this loan started in 2022. Included in the above costs for Charitable activities are depreciation costs of £63,130 an decrease on the previous year of £106,052 as some capital assets are now fully depreciated.
Net movement in funds	The organisation shows a deficit on unrestricted funds for the year of £19,531, this includes depreciation of assets of £14,377. A deficit of £48,753 in restricted funds this year is due to depreciation of capital assets.

FINANCIAL REVIEW (continued)	
Reserves Policy	The organisation aims to retain adequate reserves to fund both fixed assets, working capital and closure costs. **Working Capital** It is the Trustees view that a working capital reserve amounting to three months' expenditure is adequate, £300,000 (excluding depreciation). This fund currently stands at £50,000 and was not increased in 2022. It is the intention to increase this to the desired level as soon as is feasible. **Closure Costs** A designated reserve has been created to cover the costs that would arise if the organisation were to see a significant reduction in income that would cause it to close. The anticipated costs for this is £100,000 and is now being held in a Designated Reserve Fund. **Free Reserves** The free reserves i.e., those not tied up in fixed assets and designated funds held on 31st December 2022 amounted to £35,248. The trustees are aware of the risks of not having sufficient reserves and the reserves policy will be reviewed as part of our future strategy planning.
Pay Policy for senior staff	The pay of senior staff is reviewed annually by the board of directors. The organisation, guided by the board of directors, have adopted a set of principles when setting charity staff remuneration so as to achieve a balance between fair pay to attract new staff and to keep appropriately qualified staff to lead, manage and support or deliver the charity's aims.

RISK MANAGEMENT	
Risk Review	The board of directors have a risk management strategy which comprises: • An annual review of the principal risks and uncertainties that the charity faces; • the establishment of new policies, systems and procedures to mitigate those risks identified in the annual review; and • The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise. Attention is also focused on non-financial risks by having a proactive approach to Health & Safety which is managed by a NEBOSH qualified member of the organisation. As part of the induction process all new personnel (paid and unpaid) receive health & safety awareness and manual handling training.

FUTURE PLANS - POST BALANCE SHEET EVENTS
The trustees recognise that there is an ongoing cost-of-living crisis that affects the disposable income of our customers and as such, retail sales may be impacted in future years. Budgets and plans for 2023 will be regularly reviewed by the senior management team and the board of trustees however, at the time of approving these accounts, the organisation is still doing well.

STRUCTURE, GOVERNANCE & MANAGEMENT

The organisation by special resolution on 30th May 2017 changed its name to toogoodtowaste Limited. (Previous name Valleys Furniture Recycling Limited).

The organisation registered as a charity in September 1994 and incorporated on 2 December 1996. On 19 June 2000 it registered as a company limited by guarantee and adopted its Memorandum and Articles of Association.
It was resolved that a new set of Memorandum and Articles of Association were adopted in substitution for all existing articles of association on 10th November 2022.

The Trustees as charity trustees have control of the Charity and its property and funds. The number of Trustees shall be not less than three and not more than fifteen individuals, all of whom must be members.

The Trustees hold at least 4 Board Meetings each year. Committee meetings including Finance, Employment and Marketing Committee meetings are held quarterly, on alternate months (where possible).

Trustee Recruitment and Appointment
A third of trustees must retire by rotation (longest in office) at each AGM, but may put themselves forward for re-election provided that no Trustee may serve more than 9 consecutive years in office unless otherwise determined by a resolution of the Trustees.

The trustees may at any time co-opt a further three individuals to fill specialist roles. Such Trustees would only hold office until the next election of Trustees or until removed by the Trustees (whichever is earlier)

The Chair of the Trustees is elected by the Board at the first full board meeting following the AGM.

Potential new trustees are provided with an information pack and asked to complete an application form to the Trustees. They will then be invited to attend an informal meeting with representatives from existing Board members to discuss the Values, Aims and Objectives of the company and their obligations under Charity and Company Law. Official checks are undertaken to ensure applicants meet the legal requirements of acting as a charity trustee.

New trustees undergo an induction process which includes familiarisation with key documents including: Memorandum and Articles of Association, Business Plans and Financial Budgets.
During the induction process, new trustees are encouraged to spend some time within the organisation, meeting current paid and unpaid personnel, customers and stakeholders. Specific training on governance is also provided.

Company Members
Membership of the Charity is open to any individual or Organisation interested in promoting the objects.

As of December 2022 the Charity had 53 members.

The liability of Members is limited to £1 each. Every member of the company undertakes to contribute £1 to the Charity assets in the event of its being wound up.

STRUCTURE, GOVERNANCE & MANAGEMENT (continued)	
Vision Statement	Maximise potential – Minimise waste
Mission Statement	toogoodtowaste is committed to changing peoples' lives every day, through developing and implementing sustainable Social Enterprises that meet the changing needs of the communities we serve.
Organisational Structure	The Chief Executive Officer (CEO) is responsible for the strategic growth and vision of the organisation, reporting to the Board of Directors. The Finance Manager is responsible for the financial accountability and financial analysis, reporting to the CEO, Treasurer and Finance Committee. The Retail Manager and Operations Manager are responsible for the day to day sales activities and operational processes in all of the branches. The management team is supported a Finance Officer, Marketing Officer, Workshop Supervisor, Finance Assistant, 4 Domestic Appliance Engineers, 7 Van Drivers supervisors, 8 customer service supervisors, Warehouse Supervisor, Logistics Clerk, 2 Bric a Brac supervisors, Electrical cleaning supervisor, call centre supervisor and a cleaner. In addition to these 33 paid positions, the organisation relies on volunteer support from around 15 individuals each day.
Related parties	To identify and assist those people in greatest need the organisation works with other Charities, Housing Associations, Community groups and Local Authority Social Services Departments, to accept referrals for free or discounted furniture packages. There is a Memorandum of Understanding with the Local Authority (L.A) Environmental Services Department and a partnership agreement with the Children's Services Department. As part of Reuse Network agreements have been established via commercial contracts with DHL and Dixon Group, irsprung, IKEA and John Lewis. There is a legal charge on the property (Ynyshir Road, Ynyshir CF390AT) as part of the Big Lottery/WG Community Asset Transfer Grant. Dated 9th March 2012 There is a legal charge on the property (Horeb Street, Treorchy, CF42 6RU) as part of the Big Lottery People & Places Grant. Dated 1st February 2018

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

LEGAL AND ADMINISTRATIVE DETAILS		
Charity name	toogoodtowaste Limited	
Registered numbers	Company Number: 03286173 Charity Number: 1064588	
Registered office	Ynyshir Road, Porth, CF39 0AT.	
Other operating premises	Unit 3 Aberaman Ind. Park, Aberaman, Aberdare, Rhondda Cynon Taf, CF44 6DA Units 1 & 2 Ynyshir Road. Ynyshir, Porth, Rhondda Cynon Taf, CF39 0AT Horeb Street, Treorchy, Rhondda Cynon Taf, CF42 6RU	
Board of Directors and Trustees	Dave Henderson Malcolm Gay Kelvin Jones David Lewis Dr. Dafydd Trystan Davies Michael Bryan Philip Moss Natasha Lewis Rowenna Williams Rhiannon Holtham	Chairman Vice – Chairman Treasurer Resigned 25th July 2023
Advisors	**Auditors** Azets Audit Services, Chartered Accountants & Statutory Auditors, Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff CF23 8AB **Bankers** Barclays Bank Plc, Pontypridd, Rhondda Cynon Taf. CF37 4YA **Solicitors** Geldards LLP, 4 Capital Quarter, Tyndall Street, Cardiff. CF10 4BZ	
Key Management	Shaun England Rhian Edwards Miranda Way Geraint Davies	Chief Executive Officer Finance Manager & Company Secretary Retail Manager Operations Manager

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

The trustees report was approved by the Board of Trustees.

Dave Henderson
(Chair)
Dated: 15/08/2023

Kelvin Jones
(Treasurer)
Dated: 15/08/2023

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees (who are also directors of toogoodtowaste Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).
Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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 charitable company will continue in business.

Auditors
The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Small company exemptions
This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

TOOGOODTOWASTE LIMITED

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF TOOGOODTOWASTE LIMITED

Opinion
We have audited the financial statements of toogoodtowaste Limited (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 2022 and of its 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 charity in accordance with the ethical requirements that are 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 relating to going concern
In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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
We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:
- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF TOOGOODTOWASTE LIMITED

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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 charity'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 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 section 144 of the Charities Act 2011 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

25 September 2023

Azets Audit Services

Chartered Accountants
Statutory Auditor

Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

TOOGOODTOWASTE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	13,158	-	13,158	13,698	-	13,698
Charitable activities	4	1,206,105	88,380	1,294,485	946,345	239,767	1,186,112
Other trading activities	5	1,550	-	1,550	100	-	100
Total income		1,220,813	88,380	1,309,193	960,143	239,767	1,199,910
Expenditure on:							
Charitable activities	6	1,240,344	137,133	1,377,477	908,799	400,577	1,309,376
Net expenditure for the year/ Net movement in funds		(19,531)	(48,753)	(68,284)	51,344	(160,810)	(109,466)
Fund balances at 1 January 2022		524,168	716,205	1,240,373	472,824	877,015	1,349,839
Fund balances at 31 December 2022		504,637	667,452	1,172,089	524,168	716,205	1,240,373

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TOOGOODTOWASTE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	10		986,841		1,047,521
Current assets					
Stocks	11	2,942		7,779	
Debtors	12	45,539		53,272	
Cash at bank and in hand		278,123		289,040	
		326,604		350,091	
Creditors: amounts falling due within one year	13	(117,189)		(123,072)	
Net current assets			209,415		227,019
Total assets less current liabilities			1,196,256		1,274,540
Creditors: amounts falling due after more than one year	16		(24,167)		(34,167)
Net assets			1,172,089		1,240,373
Income funds					
Restricted funds	17		667,452		716,205
Unrestricted funds					
Designated funds	18	150,000		150,000	
General unrestricted funds		354,637		374,168	
			504,637		524,168
			1,172,089		1,240,373

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 15/08/2023

Dave Henderson (Chair)

Kelvin Jones (Treasurer)

Company registration number 3286173

TOOGOODTOWASTE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash generated from operations	25		1,533		1,080
Investing activities					
Purchase of tangible fixed assets		(2,450)		(46,477)	
Net cash used in investing activities			(2,450)		(46,477)
Financing activities					
Repayment of borrowing		(10,000)		(5,833)	
Net cash used in financing activities			(10,000)		(5,833)
Net decrease in cash and cash equivalents			(10,917)		(51,230)
Cash and cash equivalents at beginning of year			289,040		340,270
Cash and cash equivalents at end of year			278,123		289,040

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

toogoodtowaste Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Ynyshir Road, Porth, RCT, CF39 0AT, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention and to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the Board in furtherance of the general objectives of the Society and which have not been designated for other purposes.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose the aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Society for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income consists of the invoiced value (excluding VAT) of goods sold/supplied to third parties and members. No

amounts are included in the financial statement for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1 Accounting policies (Continued)

Membership and Subscriptions income is credited to the Statement of Financial Activities in the year in which they are due. Income received in advance is deferred to the appropriate financial year.

Sponsorship income is credited to the Statement of Financial Activities in the year in which they are due.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the and the amount can be measured reliably and is not deferred. Capital grants are released to the SOFA in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from furniture supplied
A minimum fixed price is required for each item of furniture supplied and is accounted for on a receipts basis.

Furniture auction income and other donations
These sources of income are accounted for on a receipts basis.

Income from donated goods is recognised when the donated goods are sold.

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable.

1.5 Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.
- By helping to meet the furniture and household items needs of people on a low income, by, but not limited to, recycling household items which would otherwise be thrown away and by advancing more sustainable waste management practices.
- By advancing the education and development of people, through providing opportunities to volunteer, train, develop work and social skills, gain work experience and encourage social integration.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs
Expenditure by the charity, in the year, has been split between unrestricted and restricted funds and analysed between charitable activities, governance costs and the cost of generating funds. Expenditure was allocated on the basis of staff time spent on the various activities.

Liabilities Policy
Liabilities are recognised in the Statement of Financial Activities as they become payable.

1 Accounting policies (Continued)

1.6 Tangible fixed assets

Fixed assets purchased are included at cost. Assets donated to the company are included at market value. All fixed assets are held for the company's own use.

Depreciation or amortisation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives on an annual basis as follows:

Freehold property	5-20% per annum
Leasehold improvements	20% on cost
Office equipment	25% on cost
Tools and equipment	33.3% on cost

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Community asset transfer:	
Land	not depreciated
CAT construction costs	5% on cost
Entrust	20% on cost
Rank	20% on cost
Welsh Church Act	20% on cost
Professional/other fees	100% on cost

Any tools or equipment costing less than £500 are immediately written off against revenue.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.
Unsold donated items are not included in closing stock since their cost is nil and their value is uncertain until sold.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (Continued)

1.11 Taxation

As a registered charity, toogoodtowaste is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Debtors

Basic financial assets

Basic financial assets, which include cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

1.15 Creditors and provisions

Basic financial liabilities

Basic financial liabilities, including creditors and are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.16 Taxation

As a registered charity, toogoodtowaste Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	13,119	13,698
Members contributions	39	-

4 Charitable activities

	2022	2021
	£	£
Service level agreement	20,000	20,000
Performance related grants	88,380	239,767
Household items supplied	960,446	740,843
Social enterprise projects	225,659	185,502
	1,294,485	1,186,112
Analysis by fund		
Unrestricted funds	1,206,105	946,345
Restricted funds	88,380	239,767
	1,294,485	1,186,112
Performance related grants		
Job Retention Scheme	-	124,247
Lloyds Bank Foundation	-	25,000
RCT Rates Grants	12,000	54,000
DWP - Kickstart	76,380	-
RCT CBC Welsh Towns	-	36,520
Other	-	-
	88,380	239,767

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Rental income	1,550	100

6 Charitable activities

	2022	2021
	£	£
Staff costs	871,616	737,989
Volunteer costs	42,287	38,003
Transport costs	149,024	154,560
Cost of goods	101,190	110,237
	1,164,117	1,040,789
Share of support costs (see note 7)	206,960	262,892
Share of governance costs (see note 7)	6,400	5,695
	1,377,477	1,309,376
Analysis by fund		
Unrestricted funds	1,240,344	908,799
Restricted funds	137,133	400,577
	1,377,477	1,309,376
For the year ended 31 December 2021		
Unrestricted funds	908,799	
Restricted funds	400,577	
	1,309,376	

7 Support costs

	Support costs	Governance costs	2022	2021	Basis of allocation
	£	£	£	£	
Depreciation	63,130	-	63,130	106,053	Staff costs
Advertising and meetings	3,645	-	3,645	3,727	Staff costs
Premises costs	64,863	-	64,863	87,458	Staff costs
Telephone and administration	44,489	-	44,489	42,521	Staff costs
Legal and professional fees	9,710	-	9,710	4,535	Staff costs
Insurances	11,553	-	11,553	11,595	Staff costs
Bank charges	9,570	-	9,570	7,003	Staff costs
Audit fees	-	6,400	6,400	5,695	Governance
	206,960	6,400	213,360	268,587	
Analysed between					
Charitable activities	206,960	6,400	213,360	268,587	

Governance costs includes payments to the auditors of £6,400 (2021: £5,695) for audit fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

Number of employees

The average number of employees, analysed by function was:

	2022 Number	2021 Number
Charitable activities	37	33
Governance	2	2
	39	35

Employment costs	2022 £	2021 £
Wages and salaries	797,507	672,210
Social security costs	55,322	48,623
Other pension costs	14,268	12,404
Staff training and expenses	4,519	4,752
	871,616	737,989

There were no employees whose annual remuneration was £60,000 or more.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Tangible fixed assets

	Freehold property	Leasehold improvements	Office equipment	Tools and equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2022	1,664,320	14,339	49,607	7,207	1,735,473
Additions	-	-	-	2,450	2,450
At 31 December 2022	1,664,320	14,339	49,607	9,657	1,737,923
Depreciation and impairment					
At 1 January 2022	651,647	8,810	22,275	5,219	687,951
Depreciation charged in the year	47,024	1,276	13,072	1,759	63,131
At 31 December 2022	698,671	10,086	35,347	6,978	751,082
Carrying amount					
At 31 December 2022	965,649	4,253	14,260	2,679	986,841
At 31 December 2021	1,012,672	5,528	27,333	1,988	1,047,521

The Big Lottery Fund has a legal charge dated 1 February 2018 over the charity's property previously known as Treorchy Youth Centre, Horeb Street, Treorchy.

11 Stocks

	2022	2021
	£	£
Finished goods and goods for resale	2,942	7,779

12 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Trade debtors	17,515	2,952
Other debtors	2,809	2,454
Prepayments and accrued income	25,215	47,866
	45,539	53,272

13 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	15	10,000	10,000
Deferred income	14	19,841	17,144
Trade creditors		24,073	34,170
Other creditors		26,721	23,147
Accruals		36,554	38,611
		117,189	123,072

14 Deferred income

	2022 £	2021 £
Other deferred income	19,841	17,144

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	19,841	17,144
Movements in the year:		
Deferred income at 1 January 2022	17,144	16,715
Released from previous periods	(17,144)	(16,715)
Resources deferred in the year	19,841	17,144
Deferred income at 31 December 2022	19,841	17,144

15 Loans and overdrafts

	2022 £	2021 £
Bank loans	34,167	44,167
Payable within one year	10,000	10,000
Payable after one year	24,167	34,167

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	15	24,167	34,167

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds				Movement in funds		
	Balance at 1 January 2021	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£	£	£
Welsh Church Act	2,000	-	(2,000)	-	-	-	-	-
Big Lottery - Community Asset Transfer	332,278	-	(14,796)	-	317,482	-	(14,796)	302,686
SEWCED Electrical	2,629	-	(2,629)	-	-	-	-	-
Welsh Government CFAP	40,349	-	(40,349)	-	-	-	-	-
Big Lottery - People & Places	283,566	-	(16,748)	-	266,818	-	(16,748)	250,070
Pen y Cymoedd Wind Farm	116,193	-	(6,636)	-	109,557	-	(6,636)	102,921
Barclays Bank	100,000	-	(100,000)	-	-	-	-	-
Welsh Government - Welsh Towns	-	36,520	(14,172)	-	22,348	-	(10,573)	11,775
Lloyds Bank Foundation	-	25,000	(25,000)	-	-	-	-	-
Welsh Government	-	54,000	(54,000)	-	-	12,000	(12,000)	-
Job Retention Scheme	-	124,247	(124,247)	-	-	-	-	-
DWP - Kickstart	-	-	-	-	-	76,380	(76,380)	-
Barratt Developments	-	-	-	-	-	1,500	(1,500)	-
	877,015	239,767	(400,577)	-	716,205	89,880	(138,633)	667,452

17 **Restricted funds (Continued)**

The following funds represent **capital items** purchased that are being depreciated over their useful lives:

Welsh Church Act – Grant towards the purchase of Ynyshir Warehousing building.

Big Lottery – Community Asset Transfer for the Ynyshir building and extension to include a training room, additional offices and canteen.

SEWCED Electrical – Grant towards the purchase of Ynyshir Warehousing building.

Welsh Government CFAP - Grant to complete the refurbishment works at the Treorchy site.

Big Lottery - People & Places - Grant towards the renovations of former Treorchy Youth Centre.

Pen y Cymoedd Wind Farm – Funding towards the roof renovations of the former Treorchy Youth Centre.

Welsh Government - Welsh Towns - Funding towards additional external storage to increase re-use.

Other funds:

Lloyds Bank Foundation - Funding towards the salary costs during COVID-19 pandemic.

Job Retention Scheme - Funding towards the salary costs during COVID-19 pandemic.

Barclays Bank - Funding towards support during COVID-19 pandemic.

Welsh Government - Funding towards support during COVID-19 pandemic.

Welsh Government - Welsh Towns - Funding towards staffing costs to increase re-use.

DWP Kickstart – Funding towards employment for 11 young people and associated costs for 6 months.

Barratt Developments – Funding towards 2 defibulators.

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021	Transfers	Balance at 1 January 2022	Movement in funds: Incoming resources	Balance at 31 December 2022
	£	£	£	£	£
Project closure costs	100,000	50,000	150,000	-	150,000
	100,000	50,000	150,000	-	150,000

Project closure - The board recognise the need to maintain a reserve to cover the closure costs arising from a significant reduction in income. The amount has been increased by £50,000 in 2021 as a result of the surplus position at the year end.

19 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:						
Tangible assets	319,389	667,452	986,841	353,664	693,857	1,047,521
Current assets/(liabilities)	209,415	-	209,415	204,671	22,348	227,019
Long term liabilities	(24,167)	-	(24,167)	(34,167)	-	(34,167)
	504,637	667,452	1,172,089	524,168	716,205	1,240,373

20 Members' Contributions

Contributions for membership for individuals were set at £1 for waged and £1 for unwaged. Organisations contributed £1 for membership.

Each member's liability is limited to £1. At 31 December 2022, there were 39 members of the company (2021: 63).

21 Capital commitments

As at 31 December 2022, the charity did not have any capital commitments (2021: £nil).

22 Indemnity Insurance

The charity has purchased insurance to protect it from loss arising from the neglect or defaults of its trustees and employees, and to indemnify the trustees against the consequences of any neglect or default on their part. The cost of this insurance is included within the overall cost of a specialist charity policy which includes property insurance and employer's liability insurance and cannot therefore be separately identified.

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	143,763	136,833

The key management personnel of the charity comprise of the Chief Executive Officer, Retail Manager, Operations Manager and Finance Manager.

24 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	5,182	90,513
Between two and five years	33,666	84,748
	38,848	175,261

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

25 Cash generated from operations

	2022	2021
	£	£
Deficit for the year	(68,284)	(109,466)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	63,130	106,053
Movements in working capital:		
Decrease in stocks	4,837	10,253
Decrease/(increase) in debtors	7,733	(8,614)
(Decrease)/increase in creditors	(8,580)	2,425
Increase in deferred income	2,697	429
Cash generated from operations	1,533	1,080

26 Analysis of changes in net funds

	At 1 January 2022	Cash flows	At 31 December 2022
	£	£	£
Cash at bank and in hand	289,040	(10,917)	278,123
Loans falling due within one year	(10,000)	-	(10,000)
Loans falling due after more than one year	(34,167)	10,000	(24,167)
	244,873	(917)	243,956

TOOGOODTOWASTE LIMITED

England & Wales - Charity number 1064588

Accounts

Charity Registration No. 1064588

Company Registration No. 3286173 (England and Wales)

TOOGOODTOWASTE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

TOOGOODTOWASTE LIMITED

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TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum & Articles of Association, the Companies Act 2006 and "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 2019)".

OBJECTIVES AND ACTIVITIES	
Objects & principal activities of the charity	The company is registered to assist with the relief of poverty: • Providing access to affordable household items. • To advance the development and education of people by providing opportunities to volunteer and to train, to develop work skills, social skills, gain work experiences and encourage social integration. • Recycling of furniture which would otherwise be thrown away and by advancing more sustainable waste management practices.
Providing access to affordable household items	Within all showrooms, donated goods are offered for sale at secondhand market value after they have been quality controlled, sorted, cleaned and safety checked. The company also operates an electrical & gas domestic appliances re-use facility that complies with all WEEE & Gas Safe regulations. The company offers free or discounted furniture packages to individuals referred to them for help and at times of crisis and support.
Providing opportunities to volunteer & train	We aim to increase social skills and employment opportunities by providing volunteers with work-based learning and training. Volunteers assist us with a range of activities throughout the organisation as well as management through our Board of Trustees. Placements opportunities are offered to enhance employability advancement and rehabilitation of ex-offenders via the Probation Service.
Recycling & waste management	The company provides residents of Rhondda Cynon Taf with a reliable free collection service for household items that are toogoodtowaste. People can also drop items off for re-use. Items received are sorted, cleaned, and tested before being offered for sale within our charity showrooms. The company also offers a collection service for re-useable household goods, to commercial organisation (end-of-line or returned goods). The company operates a House Clearance Service to the public, solicitors, landlords and housing associations. This professional, income generating service aims to recycle or re-use the products cleared by working with partner organisations. The organisation holds a waste carriers licence and is an Approved and Authorised Transfer Facility (AATF) and an Approved Re-use Centre (ARC).

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

PUBLIC BENEFIT	
The trustees have referred to the guidance contained in the Charity Commissions general guidance on public benefit. The trustees will continue to consider how planned activities will contribute to the aims and objectives they have set.	
Significant activities undertaken to further its charitable purposes for public benefit	All services, including buying from the charity showrooms are open to everyone in order to maximise the volume of items re-used and income generated to support the charitable aims and objectives of this organisation. The organisation has also created its own hardship budget to cover the costs of stock provided free of charge to individuals who have no other means of financial support to cover the essential items they need. We work in partnership with other organisations that provide emotional or housing support (e.g. social services departments, Women's Aid, drug & alcohol support services, churches, mental health groups, etc.) The practical help provided by this organisation enhances the work of its partners, therefore increasing the overall impact of the assistance provided. Many of the people referred to this organisation for help are in crisis situations without any financial support. The organisation helps immediately or as soon as possible to people affected by domestic violence and other life affecting crisis situations. The organisation values the contribution received from its volunteers and strives to provide services that help customers and beneficiaries feel positive about the help received. With high levels of unemployment in the area and few opportunities for people to gain work experience, the organisation is committed to developing its ability to deliver work-based learning. The training room and use of ICT equipment and software, gives us the opportunity to provide volunteers and placements with transferable skills to enhance their employment opportunities. External grants are sought to provide match funding for our activities.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW

The impact of Covid-19 continued into 2021 with Government imposed restrictions meaning that the organisation was placed into further lockdown for the first 14 weeks of the year.

During this lockdown, all charity showrooms closed to the public and commercial contracts also ceased. We were however able to continue some partnership working to provide essential furniture and electrical items on a referral basis to help those still in need.

All retail and operational staff were placed on furlough and the organisation made use of the Government's Employment retention scheme to cover these salary costs. The organisation also benefitted from Welsh Government Grants for non-domestic Rates Relief on our buildings.

The organisation procured additional commercial and local household clearances which coupled with external selling agencies boosted the income for our social enterprise projects for the year.

Income from donations, legacies and grants	A donation from Barclays COVID-19 Community Relief Fund of £100,000 received in 2020 was used during the year to assist the organisation through the pandemic. Income generated from Gift Aid Retail Scheme was £8,612.
Income from Charitable Activities	The Service level agreement with RCT Environmental services was maintained at £20,000 for the year. Income generated through our charity showrooms from the sales of electrical and household items was reduced by a further 5% to £737,903 (2020: £776,740) due to reduced trading days in the year because of imposed lockdowns. Income from Social Enterprise projects increased to £185,503 (2020: £80,264) in the year due to more staff being able to undertake the additional commercial and local household property clearances. The value of performance related grants was £239,767 (2020: £480,265). • £25,000 Lloyds Bank Foundation to support volunteering. • £54,000 Welsh Government Non-Domestic Rates Support • £124,247 Government Job Retention Scheme • £36,520 RCT Towns Capital Grant
Expenditure for Charitable Activities	The organisation completed a review of all its operational costs and made savings wherever possible. The total cost of providing Charitable activities reduced in the year to £1,309,376 (2020: £1,394,838). The organisation increased its salary rate in line with the National Living Wage and with support from the Government's Employment retention scheme, all staff were able to be retained during the year. New items continued to be purchased in order to supply essential furniture & electrical items to our local council's Housing Advice Centre and also to ensure a selection of items were available to purchase to our customers in-store. Included in the above costs for Charitable activities are depreciation costs of £106,053 an increase on the previous year of £96,343 due to the capital purchase of additional on-site Storage Containers.

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW (continued)	
Net movement in funds	Grant and donation support received during the year enabled the organisation to show an overall operating surplus on unrestricted funds of £51,341. A deficit of £60,807 in restricted funds this year is after depreciation has been deducted of £92,847. A £100,000 donation from Barclays Bank in 2020 has been fully allocated against expenditure in 2021. The unrestricted surplus for the year has enabled the organisation to increase its Designated Fund by a further £50,000. The remainder will be retained within the General Fund.
Reserves Policy	The organisation aims to retain adequate reserves to fund both fixed assets, working capital and closure costs. Working Capital It is the Trustees view that a working capital reserve amounting to three months' expenditure is adequate, £300,000 (excluding depreciation). £50,000 of the 2021 unrestricted surplus has been allocated to this new designated fund. It is the intention to increase this to the desired level as soon as is feasible. Closure Costs A designated reserve has been created to cover the costs that would arise if the organisation were to see a significant reduction in income that would cause it to close. The anticipated costs for this is £100,000 and is now being held in a Designated Reserve Fund. Free Reserves The free reserves i.e., those not tied up in fixed assets and designated funds held on 31st December 2021 amounted to £42,843. The trustees are aware of the risks of not having sufficient reserves and the reserves policy will be reviewed as part of our future strategy planning.
Pay Policy for senior staff	The pay of senior staff is reviewed annually by the board of directors. The organisation, guided by the board of directors, have adopted a set of principles when setting charity staff remuneration so as to achieve a balance between fair pay to attract new staff and to keep appropriately qualified staff to lead, manage and support or deliver the charity's aims.

ACHIEVEMENTS AND PERFORMANCE	
Although the Covid-19 pandemic significantly impacted how we operated again in 2021, below is some of the great work we have done, the difference made to the local community and some of the achievements of our staff and volunteers.	
Maintaining & increasing quality & quantity of goods available	The partnership working with DHL / Dixon Carphone Group has continued to provide access to re-usable domestic appliances WEEE. We received commercial donations from IKEA, John Lewis, Airsprung, Starbucks, Bo Concept and Gainsborough Beds. We also worked with Parc Prison providing Mattresses and flat pack furniture to their workshops so that they could be constructed and cleaned ready for sale. We continued working in partnership with Play it Again Sport enabling us to have a large selection of bargain sports kit available in our Ynyshir showroom.
Local community support	Office clearances completed during the year meant that we could supply affordable office furniture to other community groups including Cynon Link and Afan Lodge. Our connection with Treorchy Primary school continued with pupils attending our Treorchy showroom to sing Carols around the Christmas tree in the courtyard. We also donated to them a full-size Billy Bones, Build yourself skeleton. Our Treorchy Community space was used during the year by the Rhondda Foodbank to give them space to sort and store the foodbank items and also by the Ystradyfodwg Art Society when they held their Annual Art Exhibition. Free events held during the year were run across all our showrooms including Starbucks Cakes, Children's Toys and Children's clothing and wellies. £180 was raised for BBC Children in Need when we donated the sales of all deliveries on the day to the cause. At Christmas, all our showrooms set up a Santa Sleigh around our 12ft Christmas Trees so Children could visit and have a lovely Christmas picture taken. We donated furniture and other items to local groups and causes, including the Rhondda Foodbank, a local Flying Start group, Friends of Treorchy Paddling Pool, the RCT Santa appeal, Treorchy Primary School and the Owl Sancuary in Ebbw Vale. Over 200 requests for assistance from our referral partners were received during the year identifying local individuals and families in need. This included people leaving temporary accommodation following homelessness, individuals entering their first tenancy with no financial means, help to a family after a tragic house fire and support to ex-offenders from Parc Prison who had worked within the workshops with our stock to be rehabilitated back into the community. In total, 300 people benefitted with over 1,000 household items supplied from toogoodtowaste.

ACHIEVEMENTS AND PERFORMANCE CONTINUED-	
Providing opportunities to volunteer & train	Volunteer numbers were severely affected by the pandemic however the organisation greatly appreciates the time and support our volunteers give to the organisation. 86 Volunteers completed over 23,000 hours in the year with 6 of them finishing their volunteering placement with us to start paid employment. We thanked our volunteers throughout the year with regular 'Fish & Chip' Fridays and thank you gifts during National Volunteers Week and at Christmas.
Recycling & waste management	668 Tonnes of waste was diverted from landfill in 2021 which equalled over 110,000 re-usable electrical and household items. Over 128,000 items were collected from local residents and commercial donators. We completed 144 commercial/household Clearance services which collected over 5,000 items.

RISK MANAGEMENT	
Risk Review	The board of directors have a risk management strategy which comprises: • An annual review of the principal risks and uncertainties that the charity faces; • the establishment of new policies, systems and procedures to mitigate those risks identified in the annual review; and • The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise. Attention is also focused on non-financial risks by having a proactive approach to Health & Safety which is managed by a NEBOSH qualified member of the organisation. As part of the induction process all new personnel (paid and unpaid) receive health & safety awareness and manual handling training.

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

FUTURE PLANS - POST BALANCE SHEET EVENTS	
COVID – 19	The trustees recognise that Covid-19 will still have an impact on the organisation at least for another year. Budgets and plans for 2022 will be regularly reviewed by the senior management team and the board of trustees however, at the time of approving these accounts, the organisation is still doing well. The risk register has been updated and still includes Covid-19 as a high-rated risk incorporating potential reduction in income sources, impact on staff attendance and how our volunteers/staff and general public react to life during and after the current crises.
Increase Accessibility	Look to reopen our Ynyshir store on Saturdays from January 2022
Volunteering	Look to re-establish our connections with the local community and organisations that have potential volunteers and placements looking for work based experience or to learn new skills. Renewing our Investors in Volunteers Award
Waste Minimisation	Continue to maintain a free collection service for re-useable electrical and household items from properties within RCT. Look to expand our collection service into areas that neighbor with RCT.
Reserves	Continue to build the organisations reserves

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE & MANAGEMENT

The organisation by special resolution on 30th May 2017 changed its name to toogoodtowaste Limited. (Previous name Valleys Furniture Recycling Limited).

The organisation registered as a charity in September 1994 and incorporated on 2 December 1996. On 19 June 2000 it registered as a company limited by guarantee and adopted its Memorandum and Articles of Association. The business of the company is managed and administered by a Board of Directors (trustees) who are accountable to the members of the company. The Board of Trustees can have up to 15 members (12 elected at the Annual General Meeting [AGM]) and 3 co-opted members.

Full Board Meetings, Finance, Employment and Marketing Committee meetings are held quarterly, on alternate months (where possible).

Appointment of Trustees
As set out in the Articles of Association, new trustees are nominated and seconded by FULL members of the company prior to the Annual General Meeting. Only a FULL member can be proposed for nomination. A third of trustees must retire by rotation (longest in office) at each AGM, but may put themselves forward for re-election provided they are nominated and seconded by FULL members. The trustees have the power to co-opt a further three individuals to fill specialist roles. Co-opted Trustees must retire prior to the next AGM but may present themselves for nomination. The Chair of the Trustees is elected by the Board at the first full board meeting following the AGM.

Trustee recruitment: Induction and training
Potential new trustees are provided with an induction pack and encouraged to attend an informal meeting with representatives from existing Board members to discuss the Values, Aims and Objectives of the company and their obligations under Charity and Company Law, prior to nomination. Official checks are undertaken to ensure applicants meet the legal requirements of acting as a charity trustee. Following appointment, new trustees undergo an induction process which includes familiarisation with key documents including: Memorandum and Articles of Association, Business Plan and Financial Budgets. During the induction process, new trustees are encouraged to spend some time within the organisation, meeting current paid and unpaid personnel, customers and stakeholders. Specific training on governance his also provided.

Company Members
The directors may admit to 'FULL' membership, individuals over the age of 18 years and/or any society, unincorporated association or company, who are in agreement with the objects of the company. The directors may also accept employees of the company or their immediate family as an 'ASSOCIATE' Member (an associate member cannot be nominated as a trustee).

As of December 2021, there were 63 paid up members of the company (70 in 2020) (19 Full members, 17 Organisations, 27 Associate members)

The liability of the members of the company is limited to £1 each. Every member of the company undertakes to contribute £1 to the company assets, if the company should be dissolved whilst they are a member.

STRUCTURE, GOVERNANCE & MANAGEMENT (continued)	
Vision Statement	Maximise potential – Minimise waste
Mission Statement	toogoodtowaste is committed to changing peoples' lives every day, through developing and implementing sustainable Social Enterprises that meet the changing needs of the communities we serve.
Organisational Structure	The Chief Executive Officer (CEO) is responsible for the strategic growth and vision of the organisation, reporting to the Board of Directors. The Finance Manager is responsible for the financial accountability and financial analysis, reporting to the CEO, Treasurer and Finance Committee. Other core staff include Retail Manager, Operations Manager, Marketing Officer, Workshop Supervisor, Finance Assistant, 4 Domestic Appliance Engineers, 7 Van Drivers supervisors, 8 customer service supervisors, Warehouse Supervisor, Logistics Clerk, 2 Bric a Brac supervisors, Electrical cleaning supervisor, call centre supervisor and a cleaner. In addition to these 33 paid positions, the organisation relies on volunteer support from around 15 individuals each day.
Related parties	To identify and assist those people in greatest need the organisation works with other Charities, Housing Associations, Community groups and Local Authority Social Services Departments, to accept referrals for free or discounted furniture packages. There is a Memorandum of Understanding with the Local Authority (L.A) Environmental Services Department and a partnership agreement with the Children's Services Department. As part of Reuse Network agreements have been established via commercial contracts with DHL and Dixon Group, Airsprung, IKEA and John Lewis. There is a legal charge on the property (Ynyshir Road, Ynyshir CF390AT) as part of the Big Lottery/WG Community Asset Transfer Grant. There is a legal charge on the property (Horeb Street, Treorchy, CF42 6RU) as part of the Big Lottery People & Places Grant.

LEGAL AND ADMINISTRATIVE DETAILS		
Charity name	toogoodtowaste Limited	
Registered numbers	Company Number: 03286173 Charity Number: 1064588	
Registered office	Ynyshir Road, Porth, CF39 0AT.	
Other operating premises	Unit 3 Aberaman Ind. Park, Aberaman, Aberdare, Rhondda Cynon Taf, CF44 6DA Units 1 & 2 Ynyshir Road. Ynyshir, Porth, Rhondda Cynon Taf, CF39 0AT Horeb Street, Treorchy, Rhondda Cynon Taf, CF42 6RU	
Board of Directors and Trustees	Dave Henderson Malcolm Gay David Lewis Dr. Dafydd Trystan Davies Rhiannon Holtham Michael Bryan Lee Foulkes Philip Moss Kelvin Jones Natasha Lewis Rowenna Williams	Chairman Vice – Chairman Resigned 14th November 2021 Treasurer Appointed 14th November 2021
Advisors	**Auditors** Azets Audit Services, Chartered Accountants & Statutory Auditors, Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff CF23 8AB **Bankers** Barclays Bank Plc, Pontypridd, Rhondda Cynon Taf. CF37 4YA **Solicitors** Eversheds Sutherland, 1 Callaghan Square, Cardiff. CF10 5BT	
Key Management	Shaun England Rhian Edwards Miranda Keen Geraint Davies	Chief Executive Officer Finance Manager & Company Secretary Retail Manager Operations Manager

The trustees report was approved by the Board of Trustees.

Dave Henderson
(Chairman)
Dated: 26/9/22

Kelvin Jones
(Treasurer)
Dated: 26/9/2022

TOOGOODTOWASTE LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees (who are also directors of toogoodtowaste Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).
Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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 charitable company will continue in business.

Auditors
The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Small company exemptions
This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

TOOGOODTOWASTE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF TOOGOODTOWASTE LIMITED

Opinion

We have audited the financial statements of toogoodtowaste Limited (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 December 2021 and of its 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 charity in accordance with the ethical requirements that are 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 relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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 charity'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 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 section 145 of the Charities Act 2011 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report
This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

29-9-2022

Azets Audit Services

Chartered Accountants
Statutory Auditor

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

TOOGOODTOWASTE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income and endowments from:							
Donations and legacies	3	13,698	-	13,698	18,580	125,000	143,580
Charitable activities	5	946,345	239,767	1,186,112	877,004	480,265	1,357,269
Other trading activities	4	100	-	100	1,479	-	1,479
Sale of assets	6	-	-	-	10,240	-	10,240
Total income		960,143	239,767	1,199,910	907,303	605,265	1,512,568
Expenditure on:							
Charitable activities	7	908,799	400,577	1,309,376	805,994	588,844	1,394,838
Net income/(expenditure) for the year/ Net movement in funds		51,344	(160,810)	(109,466)	101,309	16,421	117,730
Fund balances at 1 January 2021		472,824	877,015	1,349,839	371,515	860,594	1,232,109
Fund balances at 31 December 2021		524,168	716,205	1,240,373	472,824	877,015	1,349,839

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TOOGOODTOWASTE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**11**		1,047,521		1,107,097
Current assets					
Stocks	**12**	7,779		18,032	
Debtors	**13**	53,272		44,658	
Cash at bank and in hand		289,040		340,270	
		350,091		402,960	
Creditors: amounts falling due within one year	**14**	(123,072)		(160,218)	
Net current assets			227,019		242,742
Total assets less current liabilities			1,274,540		1,349,839
Creditors: amounts falling due after more than one year	**16**		(34,167)		-
Net assets			1,240,373		1,349,839
Income funds					
Restricted funds	**18**		716,205		877,015
Unrestricted funds					
Designated funds	**19**	150,000		100,000	
General unrestricted funds		374,168		372,824	
			524,168		472,824
			1,240,373		1,349,839

TOOGOODTOWASTE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The accounts were approved by the Trustees on 26/9/22

Dave Henderson (Chairman)

Kelvin Jones (Treasurer)

Company registration number 3286173

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the Board in furtherance of the general objectives of the Society and which have not been designated for other purposes.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose the aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Society for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income consists of the invoiced value (excluding VAT) of goods sold/supplied to third parties and members.

No amounts are included in the financial statement for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1 Accounting policies **(Continued)**

Membership and Subscriptions income is credited to the Statement of Financial Activities in the year in which they are due. Income received in advance is deferred to the appropriate financial year.

Sponsorship income is credited to the Statement of Financial Activities in the year in which they are due.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the and the amount can be measured reliably and is not deferred. Capital grants are released to the SOFA in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from furniture supplied
A minimum fixed price is required for each item of furniture supplied and is accounted for on a receipts basis.

Furniture auction income and other donations
These sources of income are accounted for on a receipts basis.

Income from donated goods is recognised when the donated goods are sold.

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable.

1.5 Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.
- By helping to meet the furniture and household items needs of people on a low income, by, but not limited to, recycling household items which would otherwise be thrown away and by advancing more sustainable waste management practices.
- By advancing the education and development of people, through providing opportunities to volunteer, train, develop work and social skills, gain work experience and encourage social integration.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs
Expenditure by the charity, in the year, has been split between unrestricted and restricted funds and analysed between charitable activities, governance costs and the cost of generating funds. Expenditure was allocated on the basis of staff time spent on the various activities.

Liabilities Policy
Liabilities are recognised in the Statement of Financial Activities as they become payable.

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Fixed assets purchased are included at cost. Assets donated to the company are included at market value. All fixed assets are held for the company's own use.

Depreciation or amortisation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives on an annual basis as follows:

Freehold property	5-20% per annum
Leasehold improvements	20% on cost
Office equipment	25% on cost
Tools and equipment	33.3% on cost

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Community asset transfer:

Land	not depreciated
CAT construction costs	5% on cost
Entrust	20% on cost
Rank	20% on cost
Welsh Church Act	20% on cost
Professional/other fees	100% on cost

Any tools or equipment costing less than £500 are immediately written off against revenue.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Unsold donated items are not included in closing stock since their cost is nil and their value is uncertain until sold.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.10 Financial instruments

The charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.11 Taxation

As a registered charity, toogoodtowaste is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Debtors

Basic financial assets

Basic financial assets, which include cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

1.15 Creditors and provisions

Basic financial liabilities

Basic financial liabilities, including creditors and are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1 Accounting policies **(Continued)**

1.16 Taxation

As a registered charity, toogoodtowaste Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

TOOGOODTOWASTE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	**26**		1,080		248,288
Investing activities					
Purchase of tangible fixed assets		(46,477)		(1,247)	
Proceeds on disposal of tangible fixed assets		-		10,240	
Net cash (used in)/generated from investing activities			(46,477)		8,993
Financing activities					
Bank financing		(5,833)		50,000	
Net cash (used in)/generated from financing activities			(5,833)		50,000
Net (decrease)/increase in cash and cash equivalents			(51,230)		307,281
Cash and cash equivalents at beginning of year			340,270		32,989
Cash and cash equivalents at end of year			289,040		340,270

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021	2020	2020	2020
	£	£	£	£
Donations and gifts	13,698	18,580	125,000	143,580

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Sundry income	-	581
Rental income	100	898
Other trading activities	100	1,479

5 Charitable activities

	2021	2020
	£	£
Service level agreement	20,000	20,000
Performance related grants	239,767	480,265
Household items supplied	740,843	776,740
Social enterprise projects	185,502	80,264
	1,186,112	1,357,269
Analysis by fund		
Unrestricted funds	946,345	877,004
Restricted funds	239,767	480,265
	1,186,112	1,357,269
Performance related grants		
Big Lottery - Revenue Grant	-	31,051
Job Retention Scheme	124,247	175,564
Lloyds Bank Foundation	25,000	25,000
Blaenau Gwent	-	20,000
RN WEEE Fund	-	25,000
RCT Rates Grants	54,000	162,000
Miscellaneous Grants	-	1,650
Community Foundation Wales	-	15,000
RCT CBC Welsh Towns	36,520	-
Pen Y Cymoedd Wind Farm	-	25,000
Other	-	-
	239,767	480,265

6 Sale of assets

	Total	Unrestricted funds
	2021	2020
	£	£
Net gain on disposal of tangible fixed assets	-	10,240

7 Charitable activities

	2021 £	2020 £
Staff costs	737,989	790,299
Volunteer costs	38,003	37,345
Transport costs	154,560	133,210
Cost of goods	110,237	138,360
	1,040,789	1,099,214
Share of support costs (see note 8)	262,892	290,311
Share of governance costs (see note 8)	5,695	5,313
	1,309,376	1,394,838
Analysis by fund		
Unrestricted funds	908,799	805,994
Restricted funds	400,577	588,844
	1,309,376	1,394,838
For the year ended 31 December 2020		
Unrestricted funds	805,994	
Restricted funds	588,844	
	1,394,838	

8 Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Depreciation	106,053	-	106,053	96,343	Staff costs
Advertising and meetings	3,727	-	3,727	5,377	Staff costs
Premises costs	87,458	-	87,458	124,356	Staff costs
Telephone and administration	42,521	-	42,521	43,625	Staff costs
Legal and professional fees	4,535	-	4,535	4,183	Staff costs
Insurances	11,595	-	11,595	10,424	Staff costs
Bank charges	7,003	-	7,003	6,003	Staff costs
Audit fees	-	5,695	5,695	5,313	Governance
	262,892	5,695	268,587	295,624	
Analysed between					
Charitable activities	262,892	5,695	268,587	295,624	

Governance costs includes payments to the auditors of £5,695 (2020: £5,313) for audit fees.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

Number of employees

The average number of employees, analysed by function was:

	2021 Number	2020 Number
Charitable activities	33	32
Governance	2	2
	35	34

Employment costs	2021 £	2020 £
Wages and salaries	672,443	728,024
Social security costs	48,623	46,208
Other pension costs	12,404	11,315
Staff training and expenses	4,519	4,752
	737,989	790,299

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Freehold property £	Leasehold improvements £	Office equipment £	Tools and equipment £	Total £
Cost					
At 1 January 2021	1,662,024	7,960	11,805	7,207	1,688,996
Additions	2,296	6,379	37,802	-	46,477
At 31 December 2021	1,664,320	14,339	49,607	7,207	1,735,473
Depreciation and impairment					
At 1 January 2021	559,686	7,960	10,231	4,022	581,899
Depreciation charged in the year	91,962	851	12,043	1,197	106,053
At 31 December 2021	651,648	8,811	22,274	5,219	687,952
Carrying amount					
At 31 December 2021	1,012,672	5,528	27,333	1,988	1,047,521
At 31 December 2020	1,102,338	-	1,574	3,185	1,107,097

The Big Lottery Fund has a legal charge dated 1 February 2018 over the charity's property previously known as Treorchy Youth Centre, Horeb Street, Treorchy.

12 Stocks

	2021	2020
	£	£
Finished goods and goods for resale	7,779	18,032

13 Debtors

Amounts falling due within one year:	2021 £	2020 £
Trade debtors	2,952	12,383
Other debtors	2,454	5,554
Prepayments and accrued income	47,866	26,721
	53,272	44,658

14 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	17	10,000	50,000
Deferred income		17,144	16,715
Trade creditors		34,170	27,268
Other creditors		23,147	19,455
Accruals		38,611	46,780
		123,072	160,218

15 Deferred income

Deferred income relates to perfromance related grant funding received in advance and which relates to future financial periods.

	2021 £	2020 £
Balance brought forward	16,715	11,227
Income received in the year	17,144	16,715
Released to income	(16,715)	(11,227)
Balance carried forward	17,144	16,715

16 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	17	34,167	-

17 Loans and overdrafts

	2021	2020
	£	£
Bank loans	44,167	50,000
Payable within one year	10,000	50,000
Payable after one year	34,167	-

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds					Movement in funds		
	Balance at 1 January 2020	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£	£
Welsh Church Act - Capital	4,000	-	(2,000)	-	2,000	-	(2,000)	-
Big Lottery - Community Asset Transfer - Capital	347,075	-	(14,797)	-	332,278	-	(14,796)	317,482
SEWCED Electrical - Capital	5,255	-	(2,626)	-	2,629	-	(2,629)	-
Welsh Government CFAP - Capital	80,697	-	(40,348)	-	40,349	-	(40,349)	-
Big Lottery - People & Places - Capital	300,725	-	(17,159)	-	283,566	-	(16,748)	266,818
Miscellaneous - Capital	14	-	(14)	-	-	-	-	-
Pen y Cymoedd Wind Farm - Capital	122,828	-	(6,635)	-	116,193	-	(6,636)	109,557
Welsh Government - Welsh Towns	-	-	-		-	36,520	(14,172)	22,348
Groundwork UK (Tesco)	-	500	(500)	-	-	-	-	-
Lloyds Bank Foundation	-	25,000	(25,000)	-	-	25,000	(25,000)	-
Moondance Foundation	-	25,000	(25,000)	-	-	-	-	-
Miscellaneous	-	1,150	(1,150)	-	-	-	-	-
Big Lottery - People & Places	-	31,051	(31,051)	-	-	-	-	-
Welsh Government	-	182,000	(182,000)	-	-	54,000	(54,000)	-
Job Retention Scheme	-	175,564	(175,564)	-	-	124,247	(124,247)	-
Barclays Bank	-	100,000	-	-	100,000	-	(100,000)	-
Pen y Cymoedd Wind Farm	-	25,000	(25,000)	-	-	-	-	-
Reuse Network	-	25,000	(25,000)	-	-	-	-	-
Community Foundation Wales	-	15,000	(15,000)	-	-	-	-	-
	860,594	605,265	(588,844)	-	877,015	239,767	(400,577)	716,205

18 Restricted funds **(Continued)**

The following funds represent **capital items** purchased that are being depreciated over their useful lives:

Welsh Church Act – Grant towards the purchase of Ynyshir Warehousing building.
Grant to complete the preliminary groundworks at Ynyshir site before the extension.

Big Lottery – Community Asset Transfer for the Ynyshir building and extension to include a training room, additional offices and canteen.

SEWCED Electrical – Grant towards the purchase of Ynyshir Warehousing building. Grant to purchase a new vehicle and equipment for electrics department.

WRAP – Grant to complete the preliminary groundworks at the Ynyshir site before the extension.

Welsh Government CFAP - Grant to complete the refurbishment works at the Treorchy site.

Big Lottery - People & Places - Grant towards the renovations of former Treorchy Youth Centre.

Pen y Cymoedd Wind Farm - This funding was received for the roof renovations of the former Treorchy Youth Centre.

Welsh Government - Welsh Towns - Funding towards additional external storage to increase re-use.

18 Restricted funds **(Continued)**

Other funds:

Big Lottery People & Places - Funding towards support during COVID-19 pandemic.

Lloyds Bank Foundation - Funding towards the salary costs during COVID-19 pandemic.

Job Retention Scheme - Funding towards the salary costs during COVID-19 pandemic.

Community Foundation Wales - Funding towards support during COVID-19 pandemic.

Barclays Bank - Funding towards support during COVID-19 pandemic.

Moondance Foundation - Funding towards support during COVID-19 pandemic.

Pen Y Cymoedd - Funding towards support during COVID-19 pandemic.

Welsh Government - Funding towards support during COVID-19 pandemic.

Reuse Network - Funding towards support during COVID-19 pandemic.

Co-op - Funding towards support during COVID-19 pandemic.

Groundworks UK (Tesco) - Funding towards support during COVID-19. pandemic

Miscellaneous funds in the prior year related to Charities Aid- Co-op £1,575 and Constructing Excellence in Wales £800 towards specific projects. In the current year the funding was from Wales Co-op £500, Network Interlink £400 and Neighbourly £400 for support during the COVID 19 pandemic.

Welsh Government - Welsh Towns - Funding towards staffing costs to increase re-use.

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020	Movement in funds: Incoming resources	Balance at 1 January 2021	Transfers	Balance at 31 December 2021
	£	£	£	£	£
Project closure costs	20,000	80,000	100,000	50,000	150,000
	20,000	80,000	100,000	50,000	150,000

Project closure - The board recognise the need to maintain a reserve to cover the closure costs arising from a significant reduction in income. The amount has been increased by £50,000 in 2021 as a result of the surplus position at the year end.

20 Analysis of net assets between funds

	Unrestricted funds 2021	Restricted funds 2021	Total 2021	Unrestricted funds 2020	Restricted funds 2020	Total 2020
	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:						
Tangible assets	353,664	693,857	1,047,521	330,082	777,015	1,107,097
Current assets/ (liabilities)	204,671	22,348	227,019	142,742	100,000	242,742
Long term liabilities	(34,167)	-	(34,167)	-	-	-
	524,168	716,205	1,240,373	472,824	877,015	1,349,839

21 Members' Contributions

Contributions for membership for individuals were set at £1 for waged and £1 for unwaged. Organisations contributed £1 for membership.

Each member's liability is limited to £1. At 31 December 2021, there were 63 members of the company (2020: 68).

22 Capital commitments

As at 31 December 2021, the charity did not have any capital commitments (2020: £nil).

23 Indemnity Insurance

The charity has purchased insurance to protect it from loss arising from the neglect or defaults of its trustees and employees, and to indemnify the trustees against the consequences of any neglect or default on their part. The cost of this insurance is included within the overall cost of a specialist charity policy which includes property insurance and employer's liability insurance and cannot therefore be separately identified.

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	136,833	131,879

The key management personnel of the charity comprise of the Chief Executive Officer, Retail Manager, Operations Manager and Finance Manager.

During the current year the charity received grant funding from Pen Y Cymoedd Wind Farm Community Interest Company to the value of £nil (2020: £25,000).

Mr D J Henderson, trustee is also a Director of Pen Y Cymoedd Wind Farm Community Interest Company.

25 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	90,513	98,768
Between two and five years	84,748	117,112
	175,261	215,880

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

26	**Cash generated from operations**	**2021**	**2020**
		£	**£**
	(Deficit)/surpus for the year	(109,466)	117,730
	Adjustments for:		
	Gain on disposal of tangible fixed assets	-	(10,240)
	Depreciation and impairment of tangible fixed assets	106,053	96,343
	Movements in working capital:		
	Decrease/(increase) in stocks	10,253	(9,402)
	(Increase)/decrease in debtors	(8,614)	13,563
	Increase in creditors	2,425	34,806
	Increase in deferred income	429	5,488
	Cash generated from operations	1,080	248,288

27 **Analysis of changes in net funds**

	At 1 January 2021	**Cash flows**	**At 31 December 2021**
	£	**£**	**£**
Cash at bank and in hand	340,270	(51,230)	289,040
Loans falling due within one year	(50,000)	40,000	(10,000)
Loans falling due after more than one year	-	(34,167)	(34,167)
	290,270	(45,397)	244,873

TOOGOODTOWASTE LIMITED

England & Wales - Charity number 1064588

Accounts

Charity Registration No. 1064588

Company Registration No. 3286173 (England and Wales)

TOOGOODTOWASTE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

TOOGOODTOWASTE LIMITED

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TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "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 2019)".

OBJECTIVES AND ACTIVITIES	
Objects & principal activities of the charity	The company is registered to assist with the relief of poverty: • Providing access to affordable household items. • To advance the development and education of people by providing opportunities to volunteer and to train, to develop work skills, social skills, gain work experiences and encourage social integration. • Recycling of furniture which would otherwise be thrown away and by advancing more sustainable waste management practices.
Providing access to affordable household items	Within all showrooms, donated goods are offered for sale at secondhand market value after they have been quality controlled, sorted, cleaned and safety checked. The company also operates an electrical & gas domestic appliances re-use facility that complies with all WEEE & Gas Safe regulations. The company offers free or discounted furniture packages to individuals referred to them for help and at times of crisis and support.
Providing opportunities to volunteer & train	We aim to increase social skills and employment opportunities by providing volunteers with work-based learning and training. Volunteers assist us with a range of activities throughout the organisation as well as management through our Board of Trustees. Placements opportunities are offered to enhance employability advancement and rehabilitation of ex-offenders via the Probation Service. School placements are also supported for work-based experience taster sessions.
Recycling & waste management	The company provides residents of Rhondda Cynon Taf with a reliable free collection service for household items that are toogoodtowaste. People can also drop items off for re-use. Items received are sorted, cleaned, and tested before being offered for sale within their charity showrooms. The company also offers a collection service for re-useable household goods, to commercial organisation (end-of-line or returned goods). The company operates a House Clearance Service to the public, solicitors, landlords and housing associations. This professional, income generating service aims to recycle or re-use the products cleared by working with partner organisations. The organisation holds a waste carriers' licence and is an Approved and Authorised Transfer Facility (AATF) and an Approved Re-use Centre (ARC).

PUBLIC BENEFIT	
The trustees have referred to the guidance contained in the Charity Commissions' general guidance on public benefit. The trustees will continue to consider how planned activities will contribute to the aims and objectives they have set.	
Significant activities undertaken to further its charitable purposes for public benefit	All services, including buying from the charity showrooms are open to everyone in order to maximise the volume of items re-used and income generated to support the charitable aims and objectives of this organisation. The organisation has also created its own hardship budget, to cover the costs of stock provided free of charge to individuals who have no other means of financial support to cover the essential items they need. We work in partnership with other organisations that provide 'emotional or housing support' (e.g. social services departments, Women's Aid, drug & alcohol support services, churches, mental health groups, etc.) The practical help provided by this organisation enhances the work of its partners, therefore increasing the overall impact of the assistance provided. Many of the people referred to this organisation for help are in crisis situations without any financial support. The organisation helps immediately to people affected by domestic violence and other life affecting crisis situations. The organisation values the contribution received from its volunteers and strives to provide services that help customers and beneficiaries feel positive about the help received. With high levels of unemployment in the area and few opportunities for people to gain work experience, the organisation is committed to developing its ability to deliver work-based learning. The training room and use of ICT equipment and software gives us the opportunity to provide volunteers and placements with transferable skills to enhance their employment opportunities. Items are quality control checked. Minor repairs and cleaning is provided where necessary before being resold through our charity shops. External grants are sought to provide match funding for our activities.

ACHIEVEMENTS AND PERFORMANCE	
Although the Covid-19 pandemic significantly impacted how we operated in 2020, below is some of the great work we have done, the difference made to the local community and some of the achievements of our staff & volunteers.	
Maintaining & increasing quality & quantity of goods available	The partnership working with DHL/Dixon Carphone Group has continued providing access to re-usable domestic appliances WEEE. We received commercial donations from IKEA, John Lewis, Airsprung, David Phillips, Starbucks, Asda and Ecover. Partnership working with Play it Again Sport has enabled the supply of a selection of bargain sports kit which is available to buy in our Ynyshir showroom. We also worked with Parc Prison, Bridgend to deliver flat pack furniture and pick up assembled furniture.
Helping low-income households	We continued to work closely with referral partners to identify individuals and families in need. Over 400 individuals benefitted in 2020, this included over 120 households affected by flooding.
Providing opportunities to volunteer & train	In total, 226 people supported us, and they provided the organisation with over 26,000 hours in an unpaid capacity. 6 people finished their volunteering/work placement with us to start paid employment.
Recycling & waste management	632 Tonnes of waste was diverted from landfill in 2020 which equalled over 70,000 re-usable items. Over 82,000 items were collected from local residents and commercial donators.

FINANCIAL REVIEW

The organisation had a very challenging year in 2020. The coronavirus Covid-19 and consequential restrictions imposed by the government meant that the majority of our income sources ceased on 23rd March 2020 until we safely re-opened in July 2020 and another firebreak lockdown in October 2020.

During these lockdowns, all charity showrooms closed to the public and commercial contracts also ceased. We were, however, able to continue some partnership working to provide essential furniture and electrical items, on a referral basis, to help those still in need.

All retail and operational staff were placed on furlough and the organisation made use of the Government's Employment retention scheme to cover these salary costs. As well as this, a review of our operational costs was conducted to mitigate the impact on the charity's finances and make savings wherever possible. It has also benefitted from Welsh Government Grants for non-domestic Rates relief on our buildings.

Income from donations and legacies	Donations were received from Moondance Foundation £25,000,Barclays COVID-19 Community Relief Fund £100,000 and Admiral Group £2,500. Income generated from Gift Aid Retail Scheme was £8,066.
Income from Charitable Activities	The Service level agreement with RCT Environmental services was maintained at £20,000 for the year. Income generated through our charity showrooms from the supply of household items was reduced by 23% to £776,740 (2019: £1,008,120) due to reduced trading days in the year. The value of performance related grants was £482,265 (2019: £133,402). These were to support the organisation through the Covid-19 pandemic. These included funding from Pen y Cymoedd Wind Farm Community Fund £25,000, Community Foundation Wales £15,000, RCT rates relief £162,000, Government Job Retention Scheme £175,564, Lottery People & Places Community Fund £31,000, WEEE Fund £25,000, Lloyds Bank Foundation £25,000, Tesco £500, Co-operative food £500, and Neighbourly £400.
Expenditure for Charitable Activities	The cost of providing Charitable activities decreased in the year to £1,394,838 (£1,418,959 in 2019). The organisation had increased its staff numbers and external storage facilities at the beginning of 2020. With support from the Government's Employment retention scheme, all staff were able to be retained during the year. During the pandemic, new items were purchased in order to supply essential furniture & electrical items to our local council's Housing Advice Centre. Following our re-opening in July 2020, the number of volunteers & placements that we are able to safely accommodate was reduced in order to comply with social distancing regulations. Included in the above costs for Charitable activities are depreciation costs of £96,343 a decrease on the previous year of £194,022 due to the completion of the Treorchy renovations.

FINANCIAL REVIEW (continued)	
Net movement in funds	With Grant and donation support received during the year enabled the organisation to show an overall operating surplus on unrestricted funds of £101,309. A surplus of £16,421 is in restricted funds this year is after depreciation has been deducted of £83,581. A £100,000 donation from Barclays Bank has been retained at the year-end to support the organisation during 2021 as another lockdown was planned. The unrestricted surplus for the year has enabled the organisation to increase its Designated fund by £80,000. The remainder will be retained within the General Fund. We are very grateful to the Trusts & Organisations who have donated grants to us during the year, this shows how much the work of toogoodtowaste is valued.
Reserves Policy	The organisation aims to retain adequate reserves to fund both fixed assets and working capital. It is the Trustees' view that working capital reserves amounting to three months' expenditure are adequate, £300,000 (excluding depreciation). The organisation also aims to retain an adequate designated reserve to cover the closure costs arising from a significant reduction in income amounting to £100,000. This designated reserve has now been met. The free reserves i.e., those not tied up in fixed assets and designated funds held on 31st December 2020 amounted to £42,742. While this is significantly below the £300,000 figure set by the trustees, the intention remains to rebuild reserves to the desired level as soon as feasible. The trustees are aware of the risks of not having sufficient reserves and the reserves policy will be reviewed as part of our future strategy planning.
Pay Policy for senior staff	The pay of senior staff is reviewed annually by the board of directors. The organisation, guided by the board of directors, have adopted a set of principles when setting charity staff remuneration, so as to achieve a balance between fair pay to attract and keep appropriately qualified staff to lead, manage and support or deliver the charity's aims.

RISK MANAGEMENT	
Risk review	The board of directors have a risk management strategy which comprises: • An annual review of the principal risks and uncertainties that the charity faces; • the establishment of new policies, systems and procedures to mitigate those risks identified in the annual review; and • The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise. Attention is also focused on non-financial risks by having a proactive approach to Health & Safety, which is managed by a NEBOSH qualified member of the organisation. As part of the induction process all new personnel (paid and unpaid) receive health & safety awareness and manual handling training.

FUTURE PLANS – POST BALANCE SHEET EVENTS

COVID – 19

The trustees recognise that 2021 may prove to be another challenging year for the organisation due to the impact of Covid-19 and the ongoing government-imposed restrictions.

The risk register has been updated to include Covid-19 as a high-rated risk incorporating potential reduction in income sources and how our volunteers/staff and general public react to life during and after the current crisis.

Budgets and plans for 2021 have been regularly reviewed by the senior management team and the board of trustees.

At the time of approving these accounts, the organisation is thriving following the safe re-opening of its three showrooms in April 2021. Our priority remains the safety of our staff, volunteers and customers.

Taking this into account, we are satisfied that with the funding support received in 2020 and the stores re-opening are sufficient to ensure that the financial statements for 31st December 2020 can be prepared on a 'going concern' basis.

STRUCTURE, GOVERNANCE & MANAGEMENT

The organisation by special resolution on 30th May 2017 changed its name to toogoodtowaste Limited. (Previous name Valleys Furniture Recycling Limited).

The organisation registered as a charity in September 1994 and incorporated on 2 December 1996. On 19 June 2000 it registered as a company limited by guarantee and adopted its Memorandum and Articles of Association. The business of the company is managed and administered by a Board of Directors (trustees) who are accountable to the members of the company. The Board of Trustees can have up to 15 members (12 elected at the Annual General Meeting [AGM]) and 3 co-opted members.

Full Board Meetings, Finance, Employment and Marketing Sub Committee meetings are held quarterly, on alternate months (where possible).

Appointment of Trustees
As set out in the Articles of Association, new trustees are nominated and seconded by FULL members of the company prior to the Annual General Meeting. Only a FULL member can be proposed for nomination. A third of trustees must retire by rotation (longest in office) at each AGM, but may put themselves forward for re-election provided they are nominated and seconded by FULL members. The trustees have the power to co-opt a further three individuals to fill specialist roles. Co-opted Trustees must retire prior to the next AGM but may present themselves for nomination. The Chair of the Trustees is elected by the Board at the first full board meeting following the AGM.

Trustee recruitment: Induction and training
Potential new trustees are provided with an induction pack and encouraged to attend an informal meeting with representatives from existing Board members to discuss the Values, Aims and Objectives of the company and their obligations under Charity and Company Law, prior to nomination. Official checks are undertaken to ensure applicants meet the legal requirements of acting as a charity trustee. Following appointment, new trustees undergo an induction process which includes familiarisation with key documents including: Memorandum and Articles of Association, Business Plan and Financial Budgets.

During the induction process, new trustees are encouraged to spend some time within the organisation, meeting current paid and unpaid personnel, customers and stakeholders. Specific training on governance is also provided.

Company Members
The directors may admit to 'FULL' membership, individuals over the age of 18 years and/or any society, unincorporated association or company, who are in agreement with the objects of the company. The directors may also accept employees of the company or their immediate family as an 'ASSOCIATE' Member (an associate member cannot be nominated as a trustee).

As of December 2020, there were 70 paid up members of the company (70 in 2019) (25 Full members, 25 Organisations, 20 Associate members)

The liability of the members of the company is limited to £1 each. Every member of the company undertakes to contribute £1 to the company assets, if the company should be dissolved whilst she/he is a member.

STRUCTURE, GOVERNANCE & MANAGEMENT (continued)	
Vision Statement	Maximise potential – Minimise waste
Mission Statement	toogoodtowaste is committed to changing people's lives every day, through developing and implementing sustainable Social Enterprises that meet the changing needs of the communities we serve.
Organisational Structure	The Chief Executive Officer (CEO) is responsible for the strategic growth and vision of the organisation, reporting to the Board of Directors. The Finance Manager is responsible for the financial accountability and financial analysis, reporting to the CEO and Finance Sub Committee. Other core staff include Retail Manager, Operations Manager, Marketing Officer, Trainer/Volunteer Co-Ordinator, Workshop Supervisor, Finance Assistant, 4 Domestic Appliance Engineers, 7 Van Supervisors, 8 Customer Service Supervisors, Warehouse Supervisor, Logistics Clerk, 2 Bric a Brac supervisors, Electrical Cleaning Supervisor, Call Centre Supervisor and a Cleaner. In addition to these 34 paid positions, the organisation relies on volunteer support from around 30 individuals each day.
Related parties	To identify and assist those people in greatest need the organisation works with other Charities, Housing Associations, Community groups and Local Authority Social Services Departments, to accept referrals for free or discounted furniture packages. There is a Memorandum of Understanding with the Local Authority Environmental Services Department and a partnership agreement with the Children's Services Department. As part of Reuse Network, agreements have been established via commercial contracts with DHL and Dixon Group, Airsprung, IKEA and John Lewis. There is a legal charge on the property (Ynyshir Road, Ynyshir CF39 0AT) as part of the Big Lottery/WG Community Asset Transfer Grant. There is a legal charge on the property (Horeb Street, Treorchy, CF42 6RU) as part of the Big Lottery People & Places Grant.

LEGAL AND ADMINISTRATIVE DETAILS		
Charity name	toogoodtowaste Limited	
Registered numbers	Company Number: 03286173 Charity Number: 1064588	
Registered office	Ynyshir Road, Porth, CF39 0AT.	
Other operating premises	Unit 3 Aberaman Ind. Park, Aberaman, Aberdare, Rhondda Cynon Taf CF44 6DA Units 1 & 2 Ynyshir Road. Ynyshir, Porth, Rhondda Cynon Taf CF39 0AT Horeb Street, Treorchy, Rhondda Cynon Taf, CF42 6RU Unit 2, Parc Busnes Treorci, Abergorki Industrial Estate, Treorchy. CF42 6DL Units 15a & 16 Gwent Shopping Centre, Tredegar. NP22 3EJ	
Board of Directors and Trustees	Dave Henderson David Lewis Dr. Dafydd Trystan Davies Malcolm Gay Rhiannon Holtham Michael Bryan Lee Foulkes Philip Moss Natasha Lewis Stephen Merritt Kelvin Jones	Chairman Vice – Chairman Resigned 12/1/2020 Appointed 14/12/2020
Advisors	**Auditors** Azets Audit Services, Chartered Accountants & Statutory Auditors, Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff CF23 8AB **Bankers** Barclays Bank Plc, Pontypridd, Rhondda Cynon Taf. CF37 4YA **Solicitors** Eversheds Sutherland, 1 Callaghan Square, Cardiff. CF10 5BT	
Key Management	Shaun England Rhian Edwards Miranda Keen Geraint Davies	Chief Executive Officer Finance Manager & Company Secretary Retail Manager Operations Manager

The trustees report was approved by the Board of Trustees.

.....

Dave Henderson
(Chairman)
Dated: 10/8/21

.....

Kelvin Jones
(Treasurer)
Dated: ...23/8/2021

TOOGOODTOWASTE LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees (who are also directors of toogoodtowaste Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).
Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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 charitable company will continue in business.

Auditors
The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Small company exemptions
This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

TOOGOODTOWASTE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF TOOGOODTOWASTE LIMITED

Opinion

We have audited the financial statements of toogoodtowaste Limited (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 December 2020 and of its 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 charity in accordance with the ethical requirements that are 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 relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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 charity'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 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 section 145 of the Charities Act 2011 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report
This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sarah Case FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

24-8-2021

Chartered Accountants
Statutory Auditor

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

TOOGOODTOWASTE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income and endowments from:							
Donations and legacies	3	18,580	125,000	143,580	11,376	-	11,376
Charitable activities	4	877,004	480,265	1,357,269	1,134,053	133,402	1,267,455
Other trading activities	5	1,479	-	1,479	3,870	-	3,870
Sale of assets	6	10,240	-	10,240	-	-	-
Total income		907,303	605,265	1,512,568	1,149,299	133,402	1,282,701
Expenditure on:							
Charitable activities	7	805,994	588,844	1,394,838	1,145,895	273,064	1,418,959
Net income/(expenditure) for the year/ Net movement in funds		101,309	16,421	117,730	3,404	(139,662)	(136,258)
Fund balances at 1 January 2020		371,515	860,594	1,232,109	368,111	1,000,256	1,368,367
Fund balances at 31 December 2020		472,824	877,015	1,349,839	371,515	860,594	1,232,109

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TOOGOODTOWASTE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	**11**		1,107,097		1,202,194
Current assets					
Stocks	**12**	18,032		8,629	
Debtors	**13**	44,658		58,221	
Cash at bank and in hand		340,270		32,989	
		402,960		99,839	
Creditors: amounts falling due within one year	**14**	(160,218)		(69,924)	
Net current assets			242,742		29,915
Total assets less current liabilities			1,349,839		1,232,109
Income funds					
Restricted funds	**17**		877,015		860,594
Unrestricted funds					
Designated funds	**18**	100,000		20,000	
General unrestricted funds		372,824		351,515	
			472,824		371,515
			1,349,839		1,232,109

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The accounts were approved by the Trustees on ...10/08/2021

.....
Dave Henderson (Chairman)

.....
Kelvin Jones (Treasurer)

Company Registration No. 3286173

TOOGOODTOWASTE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	**25**		248,288		57,588
Investing activities					
Purchase of tangible fixed assets		(1,247)		(79,997)	
Proceeds on disposal of tangible fixed assets		10,240		-	
Net cash generated from/(used in) investing activities			8,993		(79,997)
Financing activities					
Bank financing		50,000		-	
Net cash generated from/(used in) financing activities			50,000		-
Net increase/(decrease) in cash and cash equivalents			307,281		(22,409)
Cash and cash equivalents at beginning of year			32,989		55,398
Cash and cash equivalents at end of year			340,270		32,989

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the Board in furtherance of the general objectives of the Society and which have not been designated for other purposes.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose the aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Society for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income consists of the invoiced value (excluding VAT) of goods sold/supplied to third parties and members.

No amounts are included in the financial statement for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1 Accounting policies **(Continued)**

Membership and Subscriptions income is credited to the Statement of Financial Activities in the year in which they are due. Income received in advance is deferred to the appropriate financial year.

Sponsorship income is credited to the Statement of Financial Activities in the year in which they are due.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the and the amount can be measured reliably and is not deferred. Capital grants are released to the SOFA in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from furniture supplied
A minimum fixed price is required for each item of furniture supplied and is accounted for on a receipts basis.

Furniture auction income and other donations
These sources of income are accounted for on a receipts basis.

Income from donated goods is recognised when the donated goods are sold.

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable.

1.5 Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.
- By helping to meet the furniture and household items needs of people on a low income, by, but not limited to, recycling household items which would otherwise be thrown away and by advancing more sustainable waste management practices.
- By advancing the education and development of people, through providing opportunities to volunteer, train, develop work and social skills, gain work experience and encourage social integration.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs
Expenditure by the charity, in the year, has been split between unrestricted and restricted funds and analysed between charitable activities, governance costs and the cost of generating funds. Expenditure was allocated on the basis of staff time spent on the various activities.

Liabilities Policy
Liabilities are recognised in the Statement of Financial Activities as they become payable.

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Fixed assets purchased are included at cost. Assets donated to the company are included at market value. All fixed assets are held for the company's own use.

Depreciation or amortisation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives on an annual basis as follows:

Freehold property	5-20% per annum
Leasehold improvements	20% on cost
Office equipment	25% on cost
Tools and equipment	33.3% on cost
Motor vehicles	25% per annum

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Community asset transfer:

Land	not depreciated
CAT construction costs	5% on cost
Entrust	20% on cost
Rank	20% on cost
Welsh Church Act	20% on cost
Professional/other fees	100% on cost

Any tools or equipment costing less than £500 are immediately written off against revenue.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Unsold donated items are not included in closing stock since their cost is nil and their value is uncertain until sold.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.10 Financial instruments

The charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.11 Taxation

As a registered charity, toogoodtowaste is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Debtors

Basic financial assets

Basic financial assets, which include cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

1.15 Creditors and provisions

Basic financial liabilities

Basic financial liabilities, including creditors and are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1 Accounting policies **(Continued)**

1.16 Taxation

As a registered charity, toogoodtowaste Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	**Restricted funds**	**Total**	Unrestricted funds
	2020	**2020**	**2020**	2019
	£	**£**	**£**	£
Donations and gifts	18,580	125,000	143,580	10,800
Members contributions	-	-	-	526
Other	-	-	-	50

4 Charitable activities

	2020 £	2019 £
Service level agreement	20,000	20,000
Performance related grants	480,265	133,402
Household items supplied	776,740	1,008,120
Social enterprise projects	80,264	105,933
	1,357,269	1,267,455
Analysis by fund		
Unrestricted funds	877,004	
Restricted funds	480,265	
	1,357,269	
For the year ended 31 December 2019		
Unrestricted funds		1,134,053
Restricted funds		133,402
		1,267,455
Performance related grants		
Big Lottery - Revenue Grant	31,051	92,270
Job Retention Scheme	175,564	-
Lloyds Bank Foundation	25,000	25,000
Blaenau Gwent	20,000	-
RN WEEE Fund	25,000	-
RCT Rates Grants	162,000	-
Miscellaneous Grants	1,650	800
Community Foundation Wales	15,000	-
Co-op Community Fund	-	1,576
Pen Y Cymoedd Wind Farm	25,000	13,756
	480,265	133,402

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Sundry income	581	-
Rental income	898	3,870
Other trading activities	1,479	3,870

6 Sale of assets

	Unrestricted funds	Total
	2020	2019
	£	£
Net gain on disposal of tangible fixed assets	10,240	-

7 Charitable activities

	2020 £	2019 £
Staff costs	790,299	698,859
Volunteer costs	37,345	82,993
Transport costs	133,210	140,332
Cost of goods	138,360	114,652
	1,099,214	1,036,836
Share of support costs (see note 8)	290,311	376,623
Share of governance costs (see note 8)	5,313	5,500
	1,394,838	1,418,959
Analysis by fund		
Unrestricted funds	805,994	1,145,895
Restricted funds	588,844	273,064
	1,394,838	1,418,959
For the year ended 31 December 2019		
Unrestricted funds	1,145,895	
Restricted funds	273,064	
	1,418,959	

8 Support costs

	Support costs	Governance costs	2020	2019	Basis of allocation
	£	£	£	£	
Depreciation	96,343	-	96,343	194,022	Staff costs
Advertising and meetings	5,377	-	5,377	9,704	Staff costs
Premises costs	124,356	-	124,356	106,416	Staff costs
Telephone and administration	43,625	-	43,625	45,250	Staff costs
Legal and professional fees	4,183	-	4,183	4,398	Staff costs
Insurances	10,424	-	10,424	10,655	Staff costs
Bank charges	6,003	-	6,003	6,178	Staff costs
Audit fees	-	5,313	5,313	5,500	Governance
	290,311	5,313	295,624	382,123	
Analysed between					
Charitable activities	290,311	5,313	295,624	382,123	

Governance costs includes payments to the auditors of £5,313 (2019: £5,500) for audit fees.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

Number of employees

The average number of employees, analysed by function was:

	2020 Number	2019 Number
Charitable activities	32	29
Governance	2	2
	34	31

Employment costs	2020 £	2019 £
Wages and salaries	728,257	640,221
Social security costs	46,208	43,862
Other pension costs	11,315	10,024
Staff training and expenses	4,519	4,752
	790,299	698,859

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Freehold property	Leasehold improvements	Office equipment	Tools and equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2020	1,660,777	7,960	11,805	7,207	43,518	1,731,267
Additions	1,247	-	-	-	-	1,247
Disposals	-	-	-	-	(43,518)	(43,518)
At 31 December 2020	1,662,024	7,960	11,805	7,207	-	1,688,996
Depreciation and impairment						
At 1 January 2020	466,144	7,960	8,627	2,825	43,518	529,074
Depreciation charged in the year	93,542	-	1,604	1,197	-	96,343
Eliminated in respect of disposals	-	-	-	-	(43,518)	(43,518)
At 31 December 2020	559,686	7,960	10,231	4,022	-	581,899
Carrying amount						
At 31 December 2020	1,102,338	-	1,574	3,185	-	1,107,097
At 31 December 2019	1,194,631	-	3,181	4,382	-	1,202,194

11 Tangible fixed assets (Continued)

The Big Lottery Fund has a legal charge dated 1 February 2018 over the charity's property previously known as Treorchy Youth Centre, Horeb Street, Treorchy.

12 Stocks

	2020	2019
	£	£
Finished goods and goods for resale	18,032	8,629

13 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Trade debtors	12,383	14,068
Other debtors	5,554	8,762
Prepayments and accrued income	26,721	35,391
	44,658	58,221

14 Creditors: amounts falling due within one year

	Notes	2020	2019
		£	£
Bank loans	15	50,000	-
Deferred income		16,715	11,227
Trade creditors		27,268	37,438
Other creditors		19,455	15,879
Accruals		46,780	5,380
		160,218	69,924

15 Loans and overdrafts

	2020	2019
	£	£
Bank loans	50,000	-
Payable within one year	50,000	-

16 Deferred income

Deferred income relates to perfromance related grant funding received in advance and which relates to future financial periods.

	2020	2019

16 Deferred income (Continued)

	£	£
Balance brought forward	11,227	38,756
Income received in the year	16,715	38,756
Released to income	(11,227)	(66,285)
Balance carried forward	16,715	11,227

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds			Movement in funds		
	Balance at 1 January 2019	Incoming resources	Resources expended	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 31 December 2020
	£	£	£	£	£	£	£
Welsh Church Act - Capital	6,000	-	(2,000)	4,000	-	(2,000)	2,000
Big Lottery - Community Asset Transfer - Capital	361,872	-	(14,797)	347,075	-	(14,797)	332,278
SEWCED Electrical - Capital	7,881	-	(2,626)	5,255	-	(2,626)	2,629
WRAP - Capital	573	-	(573)	-	-	-	-
RCT Together - Capital	9,450	-	(9,450)	-	-	-	-
Welsh Government CFAP - Capital	121,045	-	(40,348)	80,697	-	(40,348)	40,349
Big Lottery - People & Places - Capital	368,038	31,775	(99,088)	300,725	-	(17,159)	283,566
Miscellaneous - Capital	476	-	(462)	14	-	(14)	-
Pen y Cymoedd Wind Farm - Capital	123,921	13,756	(14,849)	122,828	-	(6,635)	116,193
Groundwork UK (Tesco)	1,000	-	(1,000)	-	500	(500)	-
Lloyds Bank Foundation	-	25,000	(25,000)	-	25,000	(25,000)	-

17 Restricted funds **(Continued)**

Moondance Foundation	-	-	-	-	25,000	(25,000)	-
Miscellaneous	-	2,376	(2,376)	-	1,150	(1,150)	-
Big Lottery - People & Places	-	60,494	(60,494)	-	31,051	(31,051)	-
Welsh Government	-	-	-	-	182,000	(182,000)	-
Job Retention Scheme	-	-	-	-	175,564	(175,564)	-
Barclays Bank	-	-	-	-	100,000	-	100,000
Pen y Cymoedd Wind Farm	-	-	-	-	25,000	(25,000)	-
Reuse Network	-	-	-	-	25,000	(25,000)	-
Community Foundation Wales	-	-	-	-	15,000	(15,000)	-
	1,000,256	133,401	(273,063)	860,594	605,265	(588,844)	877,015

The following funds represent **capital items** purchased that are being depreciated over their useful lives:

Welsh Church Act – Grant towards the purchase of Ynyshir Warehousing building.
Grant to complete the preliminary groundworks at Ynyshir site before the extension.

Big Lottery – Community Asset Transfer for the Ynyshir building and extension to include a training room, additional offices and canteen.

SEWCED Electrical – Grant towards the purchase of Ynyshir Warehousing building. Grant to purchase a new vehicle and equipment for electrics department.

WRAP – Grant to complete the preliminary groundworks at the Ynyshir site before the extension.

Welsh Government CFAP - Grant to complete the refurbishment works at the Treorchy site.

Big Lottery - People & Places - Grant towards the renovations of former Treorchy Youth Centre.

Pen y Cymoedd Wind Farm - This funding was received for the roof renovations of the former Treorchy Youth Centre.

17 Restricted funds **(Continued)**

Other funds:

Big Lottery People & Places - Funding towards support during COVID-19 pandemic.

Lloyds Bank Foundation - Funding towards the salary costs during COVID-19 pandemic.

Job Retention Scheme - Funding towards the salary costs during COVID-19 pandemic.

Community Foundation Wales - Funding towards support during COVID-19 pandemic.

Barclays Bank - Funding towards support during COVID-19 pandemic.

Moondance Foundation - Funding towards support during COVID-19 pandemic.

Pen Y Cymoedd - Funding towards support during COVID-19 pandemic.

Welsh Government - Funding towards support during COVID-19 pandemic.

Reuse Network - Funding towards support during COVID-19 pandemic.

Co-op - Funding towards support during COVID-19 pandemic.

Groundworks UK (Tesco) - Funding towards support during COVID-19. pandemic

Miscellaneous funds in the prior year related to Charities Aid- Co-op £1,575 and Constructing Excellence in Wales £800 towards specific projects. In the current year the funding was from Wales Co-op £500, Network Interlink £400 and Neighbourly £400 for support during the COVID 19 pandemic.

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

				Movement in funds	
	Balance at 1 January 2019	Transfers	Balance at 1 January 2020	Incoming resources	Balance at 31 December 2020
	£	£	£	£	£
Project closure costs	30,000	(10,000)	20,000	80,000	100,000
	30,000	(10,000)	20,000	80,000	100,000

Project closure - The board recognise the need to maintain a reserve to cover the closure costs arising from a significant reduction in income. The amount was reduced in 2019 by £10,000 to allow for the investment into Tredegar. The amount was then increased by £80,000 in 2020 as a result of the increased level of funding received in the year.

19 Analysis of net assets between funds

	Unrestricted funds 2020 £	**Restricted funds 2020 £**	**Total 2020 £**	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	330,082	777,015	1,107,097	341,600	860,594	1,202,194
Current assets/ (liabilities)	142,742	100,000	242,742	29,915	-	29,915
	472,824	877,015	1,349,839	371,515	860,594	1,232,109

20 Members' Contributions

Contributions for membership for individuals were set at £5 for waged and £1 for unwaged. Organisations contributed £25 for membership.

However, during 2020 no income was received from members as the premises was closed during the year due to the lockdown restrictions meaning that the members would not be able to use the membership benefits.

Each member's liability is limited to £1. At 31 December 2020, there were 68 members of the company (2019: 70).

21 Capital commitments

As at 31 December 2020, the charity did not have any capital commitments (2019: £nil).

22 Indemnity Insurance

The charity has purchased insurance to protect it from loss arising from the neglect or defaults of its trustees and employees, and to indemnify the trustees against the consequences of any neglect or default on their part. The cost of this insurance is included within the overall cost of a specialist charity policy which includes property insurance and employer's liability insurance and cannot therefore be separately identified.

23 Related party transactions

Remuneration of key management personnel
The remuneration of key management personnel is as follows.

	2020 £	**2019 £**
Aggregate compensation	131,879	128,238

The key management personnel of the charity comprise of the Chief Executive Officer, Retail Manager, Operations Manager and Finance Manager.

23 Related party transactions **(Continued)**

During the current year the charity received grant funding from Pen Y Cymoedd Wind Farm Community Interest Company to the value of £25,000 (2019: £13,756).

Mr D J Henderson, trustee is also a Director of Pen Y Cymoedd Wind Farm Community Interest Company.

24 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	98,768	115,654
Between two and five years	117,112	162,446
	215,880	278,100

25 Cash generated from operations

	2020	2019
	£	£
Surplus/(deficit) for the year	117,730	(136,258)
Adjustments for:		
Gain on disposal of tangible fixed assets	(10,240)	-
Depreciation and impairment of tangible fixed assets	96,343	194,022
Movements in working capital:		
(Increase) in stocks	(9,402)	(7,629)
Decrease in debtors	13,563	32,226
Increase in creditors	34,806	2,756
Increase/(decrease) in deferred income	5,488	(27,529)
Cash generated from operations	248,288	57,588

26 Analysis of changes in net funds

	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	32,989	307,281	340,270
Loans falling due within one year	-	(50,000)	(50,000)
	32,989	257,281	290,270