

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	<p>The company is registered to assist with the relief of poverty:</p> <ul style="list-style-type: none"> • 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	<p>Within all showrooms, donated goods are offered for sale at secondhand market value after they have been quality controlled, sorted, cleaned and safety checked.</p> <p>We also operate an electrical & gas domestic appliances re-use facility that complies with all WEEE & Gas Safe regulations.</p> <p>We offer free or discounted furniture packages to individuals referred to us for help and at times of crisis and support.</p>
Providing opportunities to volunteer & train	<p>We aim to increase social skills and employment opportunities by providing volunteers with work-based learning and training.</p> <p>Volunteers assist us with a range of activities throughout the organisation as well as management through our Board of Trustees.</p> <p>Placement opportunities are offered to enhance employability advancement and rehabilitation of ex-offenders via the Probation Service.</p>
Recycling and waste management	<p>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.</p> <p>We also offer a collection service for re-useable household goods, to commercial organisations (end-of-line or returned goods).</p> <p>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.</p> <p>We hold a waste carriers' license, and we are an Approved and Authorised Transfer Facility (AATF) and an Approved Re-use Centre (ARC).</p>

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

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	<p>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.</p> <p>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.</p>
	<p>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.</p>
	<p>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.</p>
	<p>We value the contribution received from our volunteers and strive to provide services that help customers and beneficiaries feel positive about the help received.</p>
	<p>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.</p>
	<p>External grants are sought to provide match funding for our activities.</p>

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

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 communit y 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 Ynysir & 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.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

ACHIEVEMENTS AND PERFORMANCE CONTINUED-	
Providing opportunities to volunteer & train	<p>Volunteer numbers are still reduced since the Covid-19 pandemic, however, we greatly appreciate the time and support our volunteers give us.</p> <p>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.</p> <p>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.</p> <p>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.</p>
Recycling & waste management	<p>916 Tonnes of waste (123,000 re-useable electrical and household items) was diverted from landfill in 2023.</p> <p>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.</p>

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW	
<p>The Cost-of-Living crisis continued to affect the organisation during the year with donations of furniture being less than the previous year.</p> <p>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.</p>	
Income from donations and legacies	<p>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.</p> <p>Income generated from Gift Aid Retail Scheme was £9,176.</p>
Income from Charitable Activities	<p>The Service level agreement with RCT Environmental services was maintained at £20,000 for the year.</p> <p>Income generated through our charity showrooms from the sales of electrical, furniture and other household items increased by 2% to £982,464.</p> <p>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.</p> <p>The value of performance related grants was £4,849 which was from Pen Y Cymoedd to support the refit of Treorchy. (2022: £88,380).</p>
Expenditure for Charitable Activities	<p>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).</p> <p>We increased our salary rate for all our employees in line with the National Living Wage.</p> <p>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.</p> <p>Loan repayments continued during the year for the Government Bounce Back Loan Scheme.</p> <p>Included in the above costs for Charitable activities are depreciation costs of £63,003 (2022: £63,130).</p>
Net movement in funds	<p>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.</p> <p>A deficit of £44,622 in restricted funds this year is due to depreciation of capital assets.</p>

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW (continued)	
Reserves Policy	<p>We aim to retain adequate reserves to fund both fixed assets, working capital and closure costs.</p> <p><u>Working Capital</u> It is the Trustees view that a working capital reserve amounting to three months' expenditure is adequate, £300,000 (excluding depreciation).</p> <p>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.</p> <p><u>Closure Costs</u> 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.</p> <p><u>Free Reserves</u> The free reserves i.e. those not tied up in fixed assets and designated funds held on 31 December 2023 amounted to £20,384.</p> <p>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.</p>
Pay Policy for senior staff	<p>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.</p>

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

RISK MANAGEMENT	
Risk Review	<p>The board of Trustees have a risk management strategy which comprises:</p> <ul style="list-style-type: none">• 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. <p>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.</p>

FUTURE PLANS – POST BALANCE SHEET EVENTS
<p>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.</p> <p>The Treorchy showroom will re-open in spring 2024 with a new re-branded look of 'Vintage & Retro'.</p> <p>Budgets and plans for 2024 will be regularly reviewed by the senior management team and the board of Trustees.</p>

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

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.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

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	<p>The Chief Executive Officer (CEO) is responsible for the strategic growth and vision of the organisation, reporting to the Board of Trustees.</p> <p>The Finance Manager is responsible for financial accountability and financial analysis, reporting to the CEO, Treasurer and Finance Committee.</p> <p>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.</p> <p>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.</p> <p>In addition to these 30 paid positions, we rely on volunteer support from around 20 individuals each day.</p>
Related parties	<p>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.</p> <p>There is a Memorandum of Understanding with the Local Authority Environmental Services Department.</p> <p>As part of the Reuse Network, agreements have been established via commercial contracts with DHL and Dixon Group, Airsprung, IKEA and John Lewis.</p> <p>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.</p> <p>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.</p>

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

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

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.

TOOGOODTOWASTE LIMITED

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.

TOOGOODTOWASTE LIMITED

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

Azets Audit Services

14 October 2024
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**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
<u>Unrestricted funds</u>					
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.

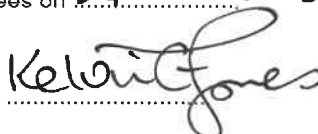
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on

24th September 2024



Dave Henderson (Chairman)



Kelvin Jones (Treasurer)

Company registration number 3286173

TOOGOODTOWASTE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	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

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

toogoodtowaste Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Ynysir 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.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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 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.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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
	<u> </u>	<u> </u>

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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
	<u>1,177,432</u>	<u>1,294,485</u>
Analysis by fund		
Unrestricted funds	1,173,083	1,206,105
Restricted funds	4,349	88,380
	<u>1,177,432</u>	<u>1,294,485</u>
Performance related grants		
RCT Rates Grants	-	12,000
DWP - Kickstart	-	76,380
Neighbourly Foundation	500	-
Pen Y Cymoedd Wind Farm	4,349	-
	<u>4,849</u>	<u>88,380</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Rental income	<u>1,560</u>	<u>1,550</u>

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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
	<u>1,082,940</u>	<u>1,164,117</u>
Share of support costs (see note 7)	206,875	206,960
Share of governance costs (see note 7)	8,500	6,400
	<u>1,298,315</u>	<u>1,377,477</u>
Analysis by fund		
Unrestricted funds	1,249,344	1,240,344
Restricted funds	48,971	137,133
	<u>1,298,315</u>	<u>1,377,477</u>

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
	<u>206,875</u>	<u>8,500</u>	<u>215,375</u>	<u>206,960</u>	<u>6,400</u>	<u>213,360</u>
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.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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
	<u>32</u>	<u>39</u>

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
	<u>841,606</u>	<u>871,616</u>

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	<u>149,940</u>	<u>143,763</u>

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

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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
		<u>105,589</u>	<u>117,189</u>

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:

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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	Balance at 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.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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:

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

TOOGOODTOWASTE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

19 Restricted funds

(Continued)

Other funds:

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

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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)
	<u>440,554</u>	<u>622,830</u>	<u>1,063,384</u>	<u>504,637</u>	<u>667,452</u>	<u>1,172,089</u>

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
	<u>239,880</u>	<u>84,748</u>

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.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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