

REGISTERED COMPANY NUMBER: 04154818 (England and Wales)
REGISTERED CHARITY NUMBER: 1090824

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
REUSE NETWORK LTD.**

Andorran Limited (Statutory Auditor)
6 Manor Park Business Centre
Mackenzie Way
Cheltenham
Gloucestershire
GL51 9TX

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FOR THE YEAR ENDED 31 MARCH 2021**

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REUSE NETWORK LTD.

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021**

TRUSTEES

Mr S Cawley Chair
Mr M Wheatley FCMA Treasurer
Ms A J Ward
Mr R M Whitehead (resigned 20.5.21)
Mr M T Jeal
Mrs J Fidler (resigned 8.11.20)
Ms S Ingram
Ms P Benson (resigned 3.12.20)
Mr G C Harrison (resigned 20.5.21)
Ms E L Peake (resigned 7.4.20)
Mr M M Macleod (appointed 27.1.21)
Mr M Bertram (appointed 27.1.21)
Ms N M Peck (appointed 27.1.21)
Mr P J Everett (appointed 27.1.21)
Mr R Northall (appointed 27.1.21) (resigned 20.5.21)

COMPANY SECRETARY

C Anderson

REGISTERED OFFICE

48-54 West Street
Old Market
Bristol
Avon
BS2 0BL

**REGISTERED COMPANY
NUMBER**

04154818 (England and Wales)

**REGISTERED CHARITY
NUMBER**

1090824

AUDITOR

Andorran Limited (Statutory Auditor)
6 Manor Park Business Centre
Mackenzie Way
Cheltenham
Gloucestershire
GL51 9TX

BANKERS

Natwest Bank Plc
14 - 16 Haymarket
Leicester
LE1 3NT

REUSE NETWORK LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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 March 2021. 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 activities

Charity's objects

The charitable objects for which the company is established are stated in the memorandum of association.

The objects continue to be:

- to promote the re-use, recycling and refurbishment of used furniture and household appliances by furniture recycling charities established to alleviate need, hardship and distress of those residing in their area of benefit;
- to provide an information service, training and development support to furniture recycling charities;
- to bring members together for the purposes of mutual support.

Charity's aims and intended impact

Reuse Network is the national body which supports, assists and develops around 150 charitable re-use organisations and social enterprises across the UK that collect a wide range of household items to pass onto people in need. We do this to reduce poverty by helping households in need access furniture, white goods and other household items at affordable prices. In addition, we support re-use organisations in providing training and work placement opportunities for people who are socially excluded.

Main objectives for the year

Reuse Network was established to provide national level support for all of these organisations and has four main objectives which form the basis of our work each year:

- increase supply of goods to members;
- support our members to be sustainable organisations committed to providing good services and a safe working environment;
- increasing the impact of our members on the alleviation of poverty and disadvantage;
- raise the profile of the re-use sector, nationally and locally.

Strategies for achieving those objectives

Reuse Network has successfully managed to deliver key support to its membership culminating in:

- representation, promotion, national profile and UK contact;
- co-ordinating and sharing ideas, new business and best practice;
- operational standards, guidance, and quality assurance;
- regulatory and policy presentation (UK and EU);
- developing partnerships and services;
- access to goods;
- organisational capacity building and market development;
- enabling networking through regional and national events;
- funding, sustainability and sector support.

REUSE NETWORK LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Significance of Reuse Network activities

We work nationally so that members can act locally, and we provide a range of specialist services, which are not available from local or regional infrastructure organisations. We are the voice of the social economy re-use sector. Our strength is in our national coverage and our dedicated professional team of staff, alongside a strong Board of Trustees that governs and directs our activities. We have a specialist team of business, financial, human resource, quality management, social and waste policies, auditing, and re-use technical experts with many years' experience across private, commercial, public and civil society sectors.

No other network, association or agency in the UK can offer this range of skills, expertise and experience.

The Reuse Network's work, expertise and the infrastructure of local members is superbly positioned to help people in need and reduce the amount of reusable waste being sent to landfill.

We share the members' passion and drive to help the most vulnerable people in UK society. We actively support members' need to be financially sustainable organisations in order to help more people.

At Reuse Network, we believe no one should be without a bed to sleep on, a cooker to cook on or a sofa to sit on. We are working across sectors to make this vision a reality, giving our member organisations the support they need to reach vulnerable people in need through reuse.

Reuse and recycling are often interchangeably used, but for us and our members, reuse has an environmental, social and socioeconomic value. There are many reasons to reuse, especially in today's climate where resources are limited and demand for household and electrical items has increased. Reducing waste through reuse not only prevents essential items from going to landfill, but also provides low income households with household and electrical items at affordable prices. Reuse is near the top of the waste hierarchy, second only to prevention of waste.

Public benefit

Public benefit is central to the Reuse Network's work. The central aim of the Reuse Network is to promote the re-use, recycling and refurbishment of used furniture and household appliances by member charities that are established to alleviate need, hardship and distress of those residing in their area. This objective continues to be evident in every activity the organisation undertakes.

FINANCIAL REVIEW

Reserves policy

The trustees actively review the major risks that the charity faces and believe that maintaining free reserves equivalent to £95,000 provides sufficient resources in the event of adverse conditions. The free reserves position is improving year on year and we have reached and maintain this policy position through good management of resources and expenditure and through increased business activity.

Annual budgets are maintained and performance against budget is monitored by regular management reporting. Quarterly reports on cash flow and accounts are made to the Board by the Treasurer. A system of internal financial control is in place to govern day-to-day financial transactions.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Many people in the charity sector have said that when such a crisis as we've witnessed over the past year happens - then that is when charities come into their own. The passion and energy to help is obvious to us as the network for Reuse Charities from across the UK.

The lockdown meant shutdown for most charities and businesses. However, there were Reuse charities who, although they had to stop collecting and supplying reusable goods to customers, continued to respond to the changing needs in their local communities. Many were delivering everything from food, to medicine, and other provisions, as well as essential furniture and electricals to those most affected by the crisis. It was not business as usual but in such an emergency the sector stepped up to support.

Although we were in lockdown and shutdown, there were still people who required emergency accommodation, and needed beds, sofas, tables, cookers, and fridges. Those being rehoused or in need of such items were evidently the most vulnerable or the most deserving of help in our communities: people experiencing homelessness, refugees, key workers, frontline staff, and people (many of them women) fleeing domestic abuse, to name but a few.

Reuse stores were closed, but we had made plans for when furniture and electricals were deemed essential again. Essential items to support people's living standards, at the very least keeping their food fresh, and being able to put cooked food on a table for their families, and then putting them into bed at night.

These Reuse charities were running an emergency service with the smallest of teams. In our mind, they were delivering an essential service. This was the sector's first challenge - how to support the most vulnerable and keep their charities operational while ensuring they had the correct processes in place to protect their teams delivering the goods to those that need them most.

The second challenge, was that the demand for furniture and electricals was outstripping supply as the sector could not collect, or process and deliver reusable goods. Many of these charities were on a knife-edge in terms of survival and long-term sustainability. And that is when we at the Reuse Network were able to pull out all the stops to secure specific and tailored funds to help stabilise and restart the Reuse sector once the lockdown was over.

As the lockdown ended, the pressure on Reuse Network members was enormous to collect the surge of donated items from people's decluttering, to collect more from our major retail partners, to play their part in diverting product from the waste stream and helping to address the emerging fly-tipping problem. Added to that was the growing demand from a wider customer base that was leaving the house for the first time in months.

Throughout this period, and coming out of it, the Reuse Network has seen growing support from donors and partners for those in our communities that have been hit hardest economically and socially, and whose wellbeing has been most affected. Encouragingly, the UK population appears to have recognised that when a crisis hits, it is the frontline workers who keep us safe and well.; who keep society functioning.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

FUTURE PLANS

With renewed interest in reuse, we have asked ourselves 'What has waste got to do with social value, or improving society, or eradicating social exclusion, or supporting people's work, wellbeing, and welfare?' At last, it appears the Social Value Act is gaining traction after starting with little impact. For years, it has meant little more than additional social clauses in a tender submission, when in truth a clause without a quantifiable and reportable target is no more than supportive words.

Reuse as a waste prevention activity is a crucial and easy way to garner social value. However, it could end up being unintentionally but negatively affected, as opinion formers and leaders ponder what they can do to deliver social value. Along with the great work of our partner high street retailers, furniture and electrical reuse charities and social enterprises have been preventing and reducing waste for local authorities and major commercial retailers for over 40 years - supporting low-income households in the UK to the tune of around £450 million per year. So as EPR for other products emerges via the revitalised Waste Prevention Programme, and Circular Economy rhetoric becomes real, we are committed to look at markets for products rather than materials and ensure that the market supports those most in need in our communities.

The Reuse Network has not been immune to the challenges brought about by the pandemic, and we now have renewed strategic plans for moving forward. We have seen huge change and developments within the sector in response to societal need and the various opportunities that have arisen. We are where we are as a sector because of our members' passion to respond to need, and their willingness to grow and adapt to address those needs, and embrace the opportunities offered up.

Social exclusion and poverty are on the rise. Demand for Reuse sector services is growing and will continue to grow in the future. The sector is delivering and meeting an essential need in UK society and local communities. Our work is being studied and adopted by other sectors. Not only does this encourage us, but gives us hope for further support.

Skills, training, and jobs are becoming a fundamental part of what the sector can deliver. We recognise the need to prove competency and professionalism, and accreditation through a new trust mark for Professional Repairers, offering consistent training and qualification standards nationally, and ensuring goods are fit for purpose.

Net Zero, Circular Economy, and Climate Change agendas are targeting Reuse of products due to the need for reducing consumption. There is an expectation of our sector to deliver new and increased services and we must be aware of and deal with the waste sector's growing ambitions to build its own reuse operations. Possibly, a time for collaboration rather than competition. Social Value is becoming embedded in policy and contracts, and investment will be made in Reuse and Repair.

People are donors and beneficiaries so public perception and involvement in reuse is of paramount importance for the sector. Other sectors are recognising an awakening in business and public bodies to recognise and support their communities - we must capitalise on our long-standing position and impact.

Policies versus practice - where do we direct our resources to build reuse infrastructure and impact? We will continue to engage with the mechanism of Government and collaborate with industry partners.

For all the pains and ills of this pandemic, it would seem to that it has led us to re-evaluate our place in society, making us think about what community means, asking our neighbours if we can help, and evaluating what we hold dear. Social value comes from within, and while it can be an after-thought at the end of a tender document, the real impact and value comes from those who really want to see change.

The resilience shown by the network and its members throughout these challenging times has been amazing and the hard work and the dedication shown to local communities by the membership has been outstanding.

The last eighteen months have challenged us all individually and, in our organisations, to consider how we adapt and transform. Reuse organisations and individuals have adapted and diversified, and the Reuse Network will continue to grow and ensure we create a society where everyone can create a sustainable home.

REUSE NETWORK LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal status

Reuse Network is a charitable company limited by guarantee, incorporated on 6 February 2001 and registered as a charity on 27 February 2002. The constitutional documents are the Memorandum and Articles of Association.

The charitable objectives for which the company is established are stated in the Memorandum of Association. The objects continued to be to relieve persons who are in conditions of need, hardship or distress by the provision of, or assisting in the provision of, facilities advice and information that will develop, establish and assist furniture reuse charities.

Members of the board of trustees, who are also directors for the purpose of company law and trustees for the purpose of charity law, are elected by thirds annually at the Annual General Meeting by the existing members of Reuse Network. All full members are able to nominate one trustee to the board. In the event of nominees exceeding the number of places, a postal ballot is conducted of all members.

Organisational structure and how decisions are made

The board of trustees administers the charity and meets five times a year. There are four sub-committees which report on human resources, governance, performance, and policies. In addition there is a separate board of directors for the subsidiary trading company, Reuse Enterprises Limited. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity and has delegated responsibility as directed by the trustees. The board can elect to co-opt advisers as and when appropriate to inform the decision-making process.

Procedure for trustee induction

Upon selection as a trustee of the Reuse Network, members are informed of their role and responsibilities under charity and company law. The procedure covers compliance requirements and determines the member's duty of care and duty of prudence as charitable trustees and company directors. Reuse Network has set seven guiding principles for trustees to adhere to - selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

In relation to trustees and directors, there is a full disclosure of interests at appointment at an AGM and requested at each board meeting through declaration of interests. Trustees and directors who sit on the Board are given access to the organisation's services and opportunities; the organisation has controls and policies in place that ensure a fair and equitable allocation of such services and opportunities.

Risk management

The charity has in place appropriate policies of insurance to manage insurable risks. The trustees actively review the major risks that the charity faces and the charity's risk management strategy includes:

- a documented and controlled risk register
- a structured review of the risks the charity faces at each board meeting;
- procedures and actions are then put together to mitigate those risks identified.

The ongoing operational costs of Reuse Network are offset by the increasing the income generated through membership fees, commercial brokerage, sponsorship, public sector and commercial sector partnerships and some grant income to help establish new projects and work activities. Cost of delivering enhanced services to members are also offset through additional fees from Reuse Network members. Reuse Network members who want more, pay accordingly, and will contribute to the costs of the increased opportunities afforded by all our initiatives. In addition, Reuse Network has a substantial amount of intellectual property and technical know-how gains sponsorship and other income from associates or from offering advice and guidance to third parties.

During the Covid pandemic, the Board established a Covid Contingency Action Plan to establish the risks and mitigate the impacts resulting from the pandemic on the organisation's operation, services and financial stability. This was done through adapting the services offered and tasks required to remain sustainable.

REUSE NETWORK LTD.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

The charity's wholly owned subsidiary, Reuse Enterprises Limited, continues to operate as the charity's trading entity and the board maintains full control over its finances through representation on the subsidiary company's board of directors. All its budgetary decisions need to be ratified by the Reuse Network Board. Its profits are gifted to the charity each year.

The charity has a close relationship with the SOFA Project, a reuse charity and member of Reuse Network. The charity's head office is located at the same premises and pays rent to the SOFA Project.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Reuse Network Ltd. 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.

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 auditor is 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 auditor is aware of that information.

AUDITOR

The auditors, Andorran Limited (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on 15 December 2021 and signed on its behalf by:



C Anderson - Secretary

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF REUSE NETWORK LTD.

Opinion

We have audited the financial statements of Reuse Network Ltd. (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position 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 March 2021 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 Auditor 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 Auditor 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.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF REUSE NETWORK LTD.

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 Auditor that includes our opinion. Reasonable assurance is a high level of assurance, but it 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.

Owing to the inherent limitations of an audit, there is an unavoidable risk that, despite us planning and performing our audit in accordance with auditing standards, one or more material misstatements in the financial statements may have gone undetected by our audit. As with any audit, there is a high risk that irregularities and fraud will go undetected where they involve matters such as misrepresentations from management, collusion, deliberate omissions and override of controls. It is not the role of the auditor to prevent non-compliance and we cannot be expected to detect every instance of non-compliance with all laws and regulations.

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:

- enquiries of management including a pre audit meeting;
- obtaining and reviewing supporting documentation of policies concerning the laws and regulations applicable to the business;
- understanding how the company complies with its regulatory framework by making enquiries of management;
- considering the culture inherent in the company and whether this represents a culture of honesty and ethical behaviour with a strong emphasis of detection and prevention of fraud.

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
REUSE NETWORK LTD.**

Auditors' responsibilities for the audit of the financial statements - continued

We assessed the susceptibility of the company's financial statements to material misstatement and considered how fraud might occur. The audit procedures performed included, but were not limited to:

- challenging management assumptions and estimates;
- identifying and testing unusual journal entries;
- assessing how the relevant laws and regulations have been complied with and noting any instances of non compliance;
- reviewing the financial statements for compliance with relevant Accounting Standards and accounting legislation applicable to a small company;
- considering how those charged with governance have addressed the possibility of an override of essential controls or other influence over the financial reporting processes.

In addition, we also considered other non financial laws relevant to the company. These do not necessarily have a direct influence on the financial statements but might affect the company's ability to operate.

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 Auditor.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Roger Downes FCA (Senior Statutory Auditor)
for and on behalf of Andorran Limited (Statutory Auditor)
6 Manor Park Business Centre
Mackenzie Way
Cheltenham
Gloucestershire
GL51 9TX

22 December 2021

REUSE NETWORK LTD.

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted fund £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	20,805	94,769	115,574	22,565
Charitable activities	5				
Charitable activities		217,254	-	217,254	236,391
Other trading activities	3	52,445	-	52,445	178,647
Investment income	4	50	-	50	93
Other income	6	15,768	-	15,768	-
Total		<u>306,322</u>	<u>94,769</u>	<u>401,091</u>	<u>437,696</u>
EXPENDITURE ON					
Raising funds	7	65,346	-	65,346	114,608
Charitable activities	8				
Charitable activities		202,746	94,769	297,515	313,421
Total		<u>268,092</u>	<u>94,769</u>	<u>362,861</u>	<u>428,029</u>
NET INCOME		<u>38,230</u>	<u>-</u>	<u>38,230</u>	<u>9,667</u>
Transfers between funds	17	<u>11,741</u>	<u>(11,741)</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>49,971</u>	<u>(11,741)</u>	<u>38,230</u>	<u>9,667</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>103,184</u>	<u>11,741</u>	<u>114,925</u>	<u>105,258</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>153,155</u></u>	<u><u>-</u></u>	<u><u>153,155</u></u>	<u><u>114,925</u></u>

The notes form part of these financial statements

REUSE NETWORK LTD.

STATEMENT OF FINANCIAL POSITION
31 MARCH 2021

	Notes	Unrestricted fund £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS					
Investments	14	1	-	1	1
CURRENT ASSETS					
Debtors	15	121,245	-	121,245	186,484
Cash at bank and in hand		73,858	-	73,858	104,403
		<u>195,103</u>	<u>-</u>	<u>195,103</u>	<u>290,887</u>
CREDITORS					
Amounts falling due within one year	16	(41,949)	-	(41,949)	(175,963)
NET CURRENT ASSETS		<u>153,154</u>	<u>-</u>	<u>153,154</u>	<u>114,924</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>153,155</u>	<u>-</u>	<u>153,155</u>	<u>114,925</u>
NET ASSETS		<u>153,155</u>	<u>-</u>	<u>153,155</u>	<u>114,925</u>
FUNDS	17				
Unrestricted funds				153,155	103,184
Restricted funds				-	11,741
TOTAL FUNDS				<u>153,155</u>	<u>114,925</u>

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 15 December 2021 and were signed on its behalf by:


Mr M Wheatley FCMA - Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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, with the exception of investments which are included at market value.

Going concern

The charity has net assets and net current assets at the year-end. Group Projections (to include the Trading Subsidiary; Reuse Enterprises Limited) for a period of greater than 12 months from the date of approval of these financial statements indicate that this will continue to be the case and the Reuse Network group will generate a surplus in both FY22 and FY23. Profits generated in the trading subsidiary are distributed to Reuse Network Ltd. via dividend, as specified in a signed Deed of Covenant between group entities, and the trustees therefore consider it appropriate to consider combined projections for both entities.

The projections are based on detailed forecasts for both years and a substantial review of forecast income levels from all income streams in the FY22 forecast which is based on 8-month actual numbers to 30 November 2021 and 4-month forecast numbers to 31 March 2022. The forecast for FY23 has been prepared using the FY22 forecast as a guide, with a focus on anticipated income levels per individual income streams.

The trustees are confident, despite the ongoing uncertainties created by the current Covid-19 pandemic, that the plans in place show the charity's ability to continue to operate as a going concern and have consequently prepared these financial statements on that basis.

Preparation of consolidated financial statements

The financial statements contain information about Reuse Network Ltd. as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

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 charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

2. DONATIONS AND LEGACIES

	31.3.21	31.3.20
	£	£
Donations	805	2,565
Grants	114,769	20,000
	<u>115,574</u>	<u>22,565</u>

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

	31.3.21	31.3.20
	£	£
The National Lottery Community Fund	78,936	-
Tudor Trust	20,000	20,000
Ecosurety Exploration Fund	15,833	-
	<u>114,769</u>	<u>20,000</u>

3. OTHER TRADING ACTIVITIES

	31.3.21	31.3.20
	£	£
Other income	886	17,513
Donation from subsidiary	51,559	110,307
Annual conference inc sponsorship	-	50,827
	<u>52,445</u>	<u>178,647</u>

4. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Deposit account interest	50	93
	<u>50</u>	<u>93</u>

REUSE NETWORK LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

5. INCOME FROM CHARITABLE ACTIVITIES

		31.3.21 £	31.3.20 £
Membership income	Activity		
	Charitable activities	24,600	23,288
Reuse Enterprises reimbursement (overheads)	Charitable activities	25,138	39,033
Reuse Enterprises reimbursement (staff)	Charitable activities	167,516	174,070
		<u>217,254</u>	<u>236,391</u>

6. OTHER INCOME

	31.3.21 £	31.3.20 £
Government grants	32,751	-
Recharged to Reuse Enterprises Ltd	(16,983)	-
	<u>15,768</u>	<u>-</u>

Grants received are in relation to the Coronavirus Job Retention Scheme.

7. RAISING FUNDS

Raising donations and legacies

	31.3.21 £	31.3.20 £
Staff costs	<u>57,934</u>	<u>58,082</u>

Other trading activities

	31.3.21 £	31.3.20 £
Fundraising costs	5,068	5,988
Annual conference	2,344	50,538
	<u>7,412</u>	<u>56,526</u>
Aggregate amounts	<u>65,346</u>	<u>114,608</u>

REUSE NETWORK LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Support costs £	Totals £
Charitable activities	265,391	32,124	297,515

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.21 £	31.3.20 £
Staff costs	186,928	209,602
Insurance	2,132	533
Rent	11,421	13,263
Telephone	6,745	6,393
Postage and stationery	2,582	3,023
Sundries	1,082	(568)
Motor and travel	1,568	16,115
Recruitment expenses	579	12,790
Computer expenses	42,183	8,204
Advertising	3,840	5,614
Subscriptions	1,849	389
Training events	2,339	1,487
Bank charges	368	564
Consultancy	1,775	-
	265,391	277,409

10. NET INCOME/(EXPENDITURE)

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

	31.3.21 £	31.3.20 £
Auditors' remuneration	4,200	5,822

11. TRUSTEES' REMUNERATION AND BENEFITS

No remuneration was paid to any trustee for either the year to 31 March 2021 or 2020.

Trustees' expenses

Travelling expenses totalling £nil (2020: £3,581) were reimbursed to 9 (2019: 9) trustees.

REUSE NETWORK LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

12. STAFF COSTS

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

	31.3.21	31.3.20
Voluntary income and charitable activity	1	1
Activities for generating funds	5	5
Trading company & communications	2	2
	<u>8</u>	<u>8</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.21	31.3.20
£60,001 - £70,000	<u>1</u>	<u>1</u>

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,565	20,000	22,565
Charitable activities			
Charitable activities	236,391	-	236,391
Other trading activities	178,647	-	178,647
Investment income	93	-	93
Total	<u>417,696</u>	<u>20,000</u>	<u>437,696</u>
EXPENDITURE ON			
Raising funds	105,608	9,000	114,608
Charitable activities			
Charitable activities	301,521	11,900	313,421
Total	<u>407,129</u>	<u>20,900</u>	<u>428,029</u>
NET INCOME/(EXPENDITURE)	<u>10,567</u>	<u>(900)</u>	<u>9,667</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	92,617	12,641	105,258
TOTAL FUNDS CARRIED FORWARD	<u>103,184</u>	<u>11,741</u>	<u>114,925</u>

REUSE NETWORK LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2020 and 31 March 2021	1
NET BOOK VALUE	
At 31 March 2021	1
At 31 March 2020	1

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Reuse Enterprises Limited

Registered office:

Nature of business: Trading subsidiary

Class of share:	%
Ordinary	holding 100

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £	31.3.20 £
Trade debtors	-	69,888
Amounts owed by group undertakings	109,497	111,200
VAT	10,007	-
Prepayments	1,741	5,396
	<u>121,245</u>	<u>186,484</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £	31.3.20 £
Trade creditors	4,477	4,117
Social security and other taxes	6,496	5,460
VAT	-	21,311
Other creditors	6,070	1,199
Accruals and deferred income	24,906	143,876
	<u>41,949</u>	<u>175,963</u>

REUSE NETWORK LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

17. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	103,184	38,230	11,741	153,155
Restricted funds				
Tudor Trust	11,741	-	(11,741)	-
TOTAL FUNDS	<u>114,925</u>	<u>38,230</u>	<u>-</u>	<u>153,155</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	306,322	(268,092)	38,230
Restricted funds			
WEEE Fund Management	15,833	(15,833)	-
CAST Catalyst and the National Lottery Community Fund COVID-19 Digital Response - Phase One (Discovery)	5,000	(5,000)	-
CAST Catalyst and the National Lottery Community Fund COVID-19 Digital Response - Phase Two (Development)	7,436	(7,436)	-
Client Relationship Management Software Project - National Lottery Communtiy Fund	66,500	(66,500)	-
	<u>94,769</u>	<u>(94,769)</u>	<u>-</u>
TOTAL FUNDS	<u>401,091</u>	<u>(362,861)</u>	<u>38,230</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	92,617	10,567	103,184
Restricted funds			
Tudor Trust	12,641	(900)	11,741
TOTAL FUNDS	<u>105,258</u>	<u>9,667</u>	<u>114,925</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

17. 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	417,696	(407,129)	10,567
Restricted funds			
Tudor Trust	20,000	(20,900)	(900)
TOTAL FUNDS	<u>437,696</u>	<u>(428,029)</u>	<u>9,667</u>

Tudor Trust

Reuse Network has secured funds for a number of years from the Tudor Trust and at the start of the 2020-21 period had £11,000 carried over to deliver regional and national networking events for members. As the pandemic hit, Tudor Trust wrote to all funded projects to state that the terms of grant would be removed to allow for its use for different purposes during the pandemic. Reuse Network used this fund to deliver and communicate to members via covid best practice updates and weekly virtual meetings. During the year the Tudor Trust decided to offer Reuse Network a further £20,000 to support all our work and core services during the pandemic.

CAST Fund

There were three stages to this award. The purposes of this award were to design, develop and review the Reuse Home Online shopping platform for all members to use. This was introduced as a direct result of members asking for support to retail their goods online during lockdown and when shops were restricted from opening to public.

National Lottery Stabilisation Fund

This was the major funding announced by the Government that was managed by NLCF. The award offered to Reuse Network was from the part of the fund awarded by NLCF solely and did not use the Government funding tranche. The project addressed several projects to offer a co-ordinated response to the crisis. This included support to develop best practice processes and procedures for reuse charities during lockdown and reopening; to invest in digital tools to manage our work better with members, including a new CRM system, upgraded website, communications portal and knowledge bank; and to help reinstate staffing and sustain our services to ensure the supply of goods was delivered to members from our commercial partners

WEEE Fund

Reuse Network was awarded a grant to manage and administrate a grant programme on behalf of Materials Focus (WEEE Fund). Reuse Network was paid to roll out and manage the application process, the shortlisting, judging and awards of £500,000 to reuse charities to reopen and focus on the supply of domestic appliances to low-income households.

Ecosurety Grant

This was awarded towards the end of the 2020-21 period. Therefore, only a small portion of the grant is seen in the accounts in late March 2021. The grant was awarded for Reuse Network to employ a new member of staff to update our Fit for Reuse Guidance to meet electrical and electronic equipment reuse and repair standards. This is a step by step online manual for reuse managers and technicians to learn the technical theory of reuse and repair and to follow best practice procedures and reporting templates to ensure compliance and full product liability.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

17. MOVEMENT IN FUNDS - continued

Transfers between funds

Transfers are made between restricted and unrestricted funds at the end of every accounting period in cases where:-

- i) the activity of the restricted fund has come to an end and there is an unspent balance that is not repayable to the funder(s), when the surplus is transferred to unrestricted funds; and
- ii) the restricted fund is in deficit and has either come to an end or there is no prospect of a surplus in a later period, when the deficit is eliminated by transfer from unrestricted funds.

18. RELATED PARTY DISCLOSURES

Ms S Ingram (trustee)

Ms Ingram is an employee of the Castle Furniture Project. During the year the charity received on an arm's length basis £1,000 (2020: £4,063) for membership fee, staff training courses and conference attendance from the Castle Furniture Project.

Mr M T Jeal (trustee)

Mr Jeal is an employee of FirstMove Furnishaid. During the year the charity received on an arm's length basis £300 (2020: £610) for membership fee and conference attendance from FirstMove Furnishaid.

Ms A J Ward (trustee)

Ms Ward is an employee of South Leeds Alternative Trading Enterprise Ltd ("SLATE"). During the year the charity received on an arm's length basis £1,000 (2020: £1,920) for membership fee and conference attendance from South Leeds Alternative Trading Enterprise Ltd ("SLATE").

Mrs J Fidler (trustee) - resigned 8 November 2020

Mrs Fidler is an employee of St Oswalds Hospice. During the year the charity received on an arm's length basis £nil (2020: £1,860) for membership fee and conference attendance from St Oswalds Hospice.

Mr R M Whitehead (trustee) - resigned 20 May 2021

Mr Whitehead is an employee of Ipswich Furniture Project. During the year the charity received on an arm's length basis £1,000 (2020: £2,025) for membership fee, staff training courses and conference attendance from Ipswich Furniture Project.

Mr M M Macleod (trustee) - appointed 27 January 2021

Mr Macleod is an employee of ILM Highland Ltd. During the year the charity received on an arm's length basis £1,400 for membership fee, staff training courses and conference attendance from ILM Highland Ltd.

Mr M Bertram (trustee) - appointed 27 January 2021

Mr Bertram is an employee of Furniture Reclamation ("FRADE"). During the year the charity received on an arm's length basis £1,000 for membership fee, staff training courses and conference attendance from Furniture Reclamation ("FRADE").

Ms N M Peck (trustee) - appointed 27 January 2021

Ms Peck is an employee of The SOFA Project. During the year the charity received on an arm's length basis £1,240 for membership fee, staff training courses and conference attendance from The Sofa Project.

Mr P J Everett (trustee) - appointed 27 January 2021

Mr Everett is an employee of Lighthouse Furniture Project. During the year the charity received on an arm's length basis £1,000 for membership fee, staff training courses and conference attendance from Lighthouse Furniture Project.