

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

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022  
FOR  
REUSE NETWORK LTD.**

Andorran Limited  
6 Manor Park Business Centre  
Mackenzie Way  
Cheltenham  
Gloucestershire  
GL51 9TX

**REUSE NETWORK LTD.**

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FOR THE YEAR ENDED 31 MARCH 2022**

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**REUSE NETWORK LTD.**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 MARCH 2022**

<b>TRUSTEES</b>	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 Ms S Ingram Mr G C Harrison (resigned 20.5.21) Mr M M Macleod Mr M Bertram Ms N M Peck Mr P J Everett Mr R Northall (resigned 20.5.21) Ms C Donovan (appointed 25.1.22)
<b>COMPANY SECRETARY</b>	Mr C Anderson
<b>REGISTERED OFFICE</b>	48-54 West Street Old Market Bristol Avon BS2 0BL
<b>REGISTERED COMPANY NUMBER</b>	04154818 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1090824
<b>INDEPENDENT EXAMINER</b>	Andorran Limited 6 Manor Park Business Centre Mackenzie Way Cheltenham Gloucestershire GL51 9TX
<b>BANKERS</b>	Natwest Bank Plc 14 - 16 Haymarket Leicester LE1 3NT
<b>CHIEF EXECUTIVE OFFICER</b>	Mr C Anderson

## **REUSE NETWORK LTD.**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

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 2022. 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 2022**

#### **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. The Trustees have given due consideration to the Charity Commission's published guidance on Public Benefit requirement under the Charities Act 2011.

#### **FINANCIAL REVIEW**

The surplus for the year was £34,466 (2021: £38,230). Total funds at the year end were £187,621 (2021: £153,155), of which £1,135 (2021: £nil) were restricted.

##### **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. At the year end free reserves were £186,486 (2021: £153,155). 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.



## REUSE NETWORK LTD.

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

#### ACHIEVEMENT AND PERFORMANCE

##### Charitable activities

During the financial year 2021-22, the Reuse Network restructured its team and published its future strategic plan.

We believe the new strategy lays out the intentions and activities of the Reuse Network in a more cohesive and constructive plan.

Changes in the management team, gave us the opportunity to review the roles and responsibilities of the team, combining roles that had previously been separate or spread thinly between different members of the team. The changes also provided us with an opportunity to create and recruit new roles more befitting of the strategic plan. Not only has this created a better structure, but also, we believe, re-energised the team and board. With an organisation with such a broad range of activities and which are continually developing, as we respond to emerging external needs and service requirements, the Trustees believe that the structure we now have is better suited for our future ambitions.

We were also successful in raising funding and support for a number of projects to add to our main and core activities, and that allowed us to progress with and produce key outputs that proved urgent or timely. At the same time, and mainly as a consequence of the team restructure, we did see additional unanticipated costs. These costs are shown in this report and did affect our end of year projections but aside from these one-off additional costs, we ended the year in a much better position than expected.

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. Most notable is the surge in interest from corporate and commercial partners to supply goods or support our services, often driven by the introduction of ESG principles into these national and global organisations. Environmental, Social and Governance (ESG) credentials are now increasingly being embedded into business operations and governance and appear to be replacing the former CSR and Sustainability activities in a drive to produce practical actions that support ethical operations and partnerships. Reuse Network is embracing this development and we are establishing partnerships with major businesses to support the sector in future and that we believe will deliver long term value and growth.

Reuse as a waste prevention activity is a crucial and easy way to garner social value. However, we are becoming increasingly aware that it could be unintentionally but negatively affected, as opinion formers and leaders ponder what they can do to deliver social value. Furniture and electrical reuse charities and social enterprises have been preventing and reducing waste for local authorities and major retailers for over 40 years - supporting low-income households in the UK to the tune of around £450 million per year. So as EPR (Extended Producer Responsibility) for other product categories emerges via the revitalised Waste Prevention Programme, and as the 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.

We continue to support the membership by brokering supply of household products via commercial partners, and although supply is limited due to the economic situation and the downturn in spending retail is currently experiencing, we are determined to secure new supply and improve current partnerships. We remain committed to help meet the demand of low-income households and we are seeing commercial partners equally keen to help and alleviate social exclusion.

Social exclusion and poverty are on the rise as we move into a cost-of-living crisis and economic uncertainty. Demand for Reuse sector services is growing and, we believe, will continue to grow. The sector is delivering and meeting an essential need in UK society and local communities. We are aware that the work the Reuse Network does is being studied and adopted by other sectors. Not only does this encourage us but gives us hope for further support.

Net Zero, Circular Economy, and Climate Change agendas are targeting reuse of products as a means of reducing consumption. There is an expectation of our sector to deliver new and increased services and we recognise we must be aware of and deal with the waste sector's growing ambitions to build its own reuse operations. We believe this could offer the possibility of a time for collaboration rather than competition.



## REUSE NETWORK LTD.

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

#### ACHIEVEMENTS AND PERFORMANCE - CONTINUED

##### Charitable activities - continued

We are also seeing that Social Value is increasingly being embedded in policy and contracts, and investment will be made in Reuse and Repair. Reuse Network would prefer to see reuse targets being set for social value rather than waste avoidance, as we believe reuse is about low-income consumers not waste.

People are donors as well as beneficiaries, so public perception and involvement in reuse is of paramount importance for the sector. There is a growing awareness in business and public bodies of the need to recognise and support their communities. Likewise, we recognise that we must capitalise on our long-standing position and impact and will be delivering new marketing, promotion, and campaigns to raise the profile of reuse.

Some new and notable aspects of our work over the past year have been that we have been involved globally in supporting people fleeing Ukraine and have co-ordinated some of our commercial partners to support our sector's endeavours in providing logistics of essential goods and communication technology of those dispersed due to the conflict. We've increased and improved relations with supportive partners in accessing goods and have worked on food donation logistics.

Although our online sales platform did not launch as expected last year, we are now working with major global online platforms for broader promotion on reuse and to support the review and relaunch of our online platform.

#### FUTURE PLANS

The new Strategic Plan covers in detail the various roles, actions and targets for the team going forward. All this is underpinned by the new vision for a society where everyone can create a sustainable home and describes the mission of the team and board to support the reuse of products by UK charities and social enterprises who are established to alleviate social exclusion, and address climate change.

Our core strategic goals are:

1. To support and retain membership by encouraging involvement through engagement and networking and facilitate growth and sustainability.
2. To lead on Reuse and be the voice for the Network Members by communicating our vision and impact through marketing, promotion, and representation.
3. To provide access to supply and support the sale of products, while facilitating business growth and sector market development.
4. To secure finances to stabilise and sustain the Reuse Network, to plan for the future.
5. To provide professional advice, guidance, assurance, and training.

We have seen huge change and developments within the sector in response to societal need as the economy struggles and the cost-of-living crisis materialises. However, we know the sector will play its part because of our members' passion to respond to need, their willingness to grow and adapt to address those changing needs, and their ability to embrace the opportunities offered up.

The past few years have challenged us all individually and collectively, however, we believe Reuse Network is well placed to deliver its vision of a society where everyone can create a sustainable home.

## REUSE NETWORK LTD.

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

#### 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 2022****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.

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 ..... M/n/r ..... and signed on its behalf by:

.....  
Mr M Wheatley FCMA - Trustee



**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
REUSE NETWORK LTD.**

**Independent examiner's report to the trustees of Reuse Network Ltd. ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England & Wales which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Roger Downes FCA  
Institute of Chartered Accountants in England & Wales  
Andorran Limited  
6 Manor Park Business Centre  
Mackenzie Way  
Cheltenham  
Gloucestershire  
GL51 9TX

21 December 2022



REUSE NETWORK LTD.

STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	4	64,113	96,467	160,580	115,574
<b>Charitable activities</b>					
Charitable activities		282,997	3,010	286,007	217,254
Other trading activities	5	66,579	-	66,579	52,445
Investment income	6	7	-	7	50
Other income	8	-	-	-	15,768
<b>Total</b>		<u>413,696</u>	<u>99,477</u>	<u>513,173</u>	<u>401,091</u>
<b>EXPENDITURE ON</b>					
Raising funds	9	80,417	-	80,417	65,346
<b>Charitable activities</b>					
Charitable activities	10	<u>299,948</u>	<u>98,342</u>	<u>398,290</u>	<u>297,515</u>
<b>Total</b>		<u>380,365</u>	<u>98,342</u>	<u>478,707</u>	<u>362,861</u>
<b>NET INCOME</b>		33,331	1,135	34,466	38,230
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		153,155	-	153,155	114,925
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>186,486</u>	<u>1,135</u>	<u>187,621</u>	<u>153,155</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION  
31 MARCH 2022

	Notes	Unrestricted fund £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
<b>FIXED ASSETS</b>					
Investments	18	1	-	1	1
<b>CURRENT ASSETS</b>					
Debtors	19	151,856	10,682	162,538	121,245
Cash at bank and in hand		151,787	(9,547)	142,240	73,858
		<u>303,643</u>	<u>1,135</u>	<u>304,778</u>	<u>195,103</u>
<b>CREDITORS</b>					
Amounts falling due within one year	20	(117,158)	-	(117,158)	(41,949)
<b>NET CURRENT ASSETS</b>		<u>186,485</u>	<u>1,135</u>	<u>187,620</u>	<u>153,154</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>186,486</u>	<u>1,135</u>	<u>187,621</u>	<u>153,155</u>
<b>NET ASSETS</b>		<u>186,486</u>	<u>1,135</u>	<u>187,621</u>	<u>153,155</u>
<b>FUNDS</b>	21				
Unrestricted funds				186,486	153,155
Restricted funds				1,135	-
<b>TOTAL FUNDS</b>				<u>187,621</u>	<u>153,155</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

STATEMENT OF FINANCIAL POSITION - continued  
31 MARCH 2022

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 19/3/22 and were signed on its behalf by:

.....  
Mr M Wheatley FCMA - Trustee

A handwritten signature in black ink, consisting of a large loop followed by a diagonal stroke and another loop.

The notes form part of these financial statements

REUSE NETWORK LTD.

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	31.3.22 £	31.3.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	68,375	(30,595)
Net cash provided by/(used in) operating activities		68,375	(30,595)
<b>Cash flows from investing activities</b>			
Interest received		7	50
Net cash provided by investing activities		7	50
<b>Change in cash and cash equivalents in the reporting period</b>		68,382	(30,545)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		73,858	104,403
<b>Cash and cash equivalents at the end of the reporting period</b>		142,240	73,858

The notes form part of these financial statements

REUSE NETWORK LTD.

NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2022

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

	31.3.22 £	31.3.21 £
Net income for the reporting period (as per the Statement of Financial Activities)	34,466	38,230
Adjustments for:		
Interest received	(7)	(50)
(Increase)/decrease in debtors	(41,293)	65,239
Increase/(decrease) in creditors	75,209	(134,014)
Net cash provided by/(used in) operations	<u>68,375</u>	<u>(30,595)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	73,858	68,382	142,240
	<u>73,858</u>	<u>68,382</u>	<u>142,240</u>
Total	<u>73,858</u>	<u>68,382</u>	<u>142,240</u>

The notes form part of these financial statements



## REUSE NETWORK LTD.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

#### 1. CHARITY INFORMATION

Reuse Network Ltd is a company limited by guarantee (registered number: 04154818 England and Wales) and a charity registered with the Charity Commission in England and Wales (registered number: 1090824). Its registered address is 48-54 West Street, Old Market, Bristol, Avon, BS2 0BL.

#### 2. 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) indicate that this will continue to be the case with broadly breakeven results expected for 2022/23 and 2023/24. The charity has therefore reviewed the position for greater than twelve months from the date of signing these financial statements. Profits generated in the trading subsidiary are distributed to Reuse Network Ltd, via dividend, as specified in a signed Deed of Covenant between the 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, with management accounts compared each month to determine progress. Viridor has committed to gift £50,000 per year as strategic partners of Reuse Network Limited.

The trustees are confident that the plans in place show the charity's ability to continue to operate as a going concern and that there are no material uncertainties about its ability to continue and have therefore prepared the financial statements on the going concern 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.

The wholly owned subsidiary Reuse Enterprises Limited audits re-use organisations for nationwide service delivery and product supply. The investment in the subsidiary is accounted for at cost.

##### **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.



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

2. ACCOUNTING POLICIES - continued

**Fund accounting**

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

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

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

**Pension costs and other post-retirement benefits**

The 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.

**Debtors**

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

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less.

**Liabilities**

Liabilities are recognised where there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt.

**Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 which are considered to be relevant. Actual results may differ from estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The following estimates and judgements were made during the year:

The decision to recognise income from a grant awarding body is based on the requirements of the donor. A judgement is made for each individual receipt. Where entitlement is subject to performance conditions income is recognised as the performance conditions are met.

Recharges to the subsidiary Reuse Enterprises Limited are estimated as percentages based on consumption.

REUSE NETWORK LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

4. DONATIONS AND LEGACIES

	31.3.22	31.3.21
	£	£
Donations	14,113	805
Grants	146,467	114,769
	<u>160,580</u>	<u>115,574</u>

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

	31.3.22	31.3.21
	£	£
The National Lottery Community Fund	-	66,500
Tudor Trust	-	20,000
Ecosurety Exploration Fund	70,667	-
Viridor	50,000	-
CAST	22,242	12,436
Government grants: DWP Access to work	3,558	-
WEEE	-	15,833
	<u>146,467</u>	<u>114,769</u>

5. OTHER TRADING ACTIVITIES

	31.3.22	31.3.21
	£	£
Other income	19,483	886
Donation from subsidiary	47,096	51,559
	<u>66,579</u>	<u>52,445</u>

6. INVESTMENT INCOME

	31.3.22	31.3.21
	£	£
Deposit account interest	7	50
	<u>7</u>	<u>50</u>

7. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.22	31.3.21
		£	£
Membership income	Charitable activities	24,000	24,600
Reuse Enterprises reimbursement (overheads)	Charitable activities	49,673	25,138
Reuse Enterprises reimbursement (staff)	Charitable activities	177,704	167,516
Conference income - delegates	Charitable activities	19,965	-
Conference income - sponsorship	Charitable activities	14,665	-
		<u>286,007</u>	<u>217,254</u>

REUSE NETWORK LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

8. OTHER INCOME

	31.3.22	31.3.21
	£	£
Government grants	-	32,751
Recharged to Reuse Enterprises Ltd	-	(16,983)
	<u>-</u>	<u>15,768</u>

Grants received in the prior year were in relation to the Coronavirus Job Retention Scheme.

9. RAISING FUNDS

Raising donations and legacies

	31.3.22	31.3.21
	£	£
Staff costs	<u>52,647</u>	<u>57,934</u>

Other trading activities

	31.3.22	31.3.21
	£	£
Member interaction/events	888	5,068
Annual conference	<u>26,882</u>	<u>2,344</u>
	<u>27,770</u>	<u>7,412</u>

Aggregate amounts	<u>80,417</u>	<u>65,346</u>
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10. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 11) £	Support costs (see note 12) £	Totals £
Charitable activities	<u>347,742</u>	<u>50,548</u>	<u>398,290</u>

REUSE NETWORK LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

11. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.22	31.3.21
	£	£
Staff costs	227,454	186,928
Insurance	1,390	2,132
Rent	12,527	11,421
Telephone	6,302	6,745
Postage and stationery	3,082	2,582
Sundries	9,777	1,082
Motor and travel	14,691	1,568
Recruitment expenses	136	579
Computer expenses	19,073	42,183
Advertising	17,823	3,840
Subscriptions	2,082	1,849
Training events	6,273	2,339
Bank charges	658	368
Consultancy	23,824	1,775
Membership course costs	2,650	-
	<u>347,742</u>	<u>265,391</u>

12. SUPPORT COSTS

	Governance costs £
Charitable activities	<u>50,548</u>

Support costs, included in the above, are as follows:

	31.3.22 Charitable activities £	31.3.21 Total activities £
Wages	38,392	24,233
Social security	4,566	2,614
Pensions	1,742	1,077
Auditors' remuneration	1,500	4,200
Auditors' remuneration for non audit work	2,700	-
Cost of trustees' meetings	1,648	-
	<u>50,548</u>	<u>32,124</u>



REUSE NETWORK LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

13. AUDITORS' REMUNERATION

	31.3.22	31.3.21
	£	£
Fees payable to the charity's auditor for the audit of the charity's financial statements	1,500	4,200
Other assurance services	2,700	-
	<u>4,200</u>	<u>4,200</u>

14. TRUSTEES' REMUNERATION AND BENEFITS

No remuneration was paid to any trustee for either the year to 31 March 2022 or 2021.

Trustees' expenses

Travelling expenses totalling £149 (2021: £Nil) were reimbursed to 1 trustee.

15. STAFF COSTS

	31.3.22	31.3.21
	£	£
Wages and salaries	288,797	243,758
Social security costs	24,047	18,798
Other pension costs	11,957	10,230
	<u>324,801</u>	<u>272,786</u>

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

	31.3.22	31.3.21
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:

	31.3.22	31.3.21
£60,001 - £70,000	1	1
	<u>1</u>	<u>1</u>

Key management personnel are defined as the Chief Executive, the Head of Operations, the Communications and Marketing Manager and the Commercial Manager. Total remuneration of key management personnel amounted to £179,415 (2021: £142,312) of which £103,072 was recharged to Reuse Enterprises Limited.

REUSE NETWORK LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

16. EX GRATIA PAYMENTS

Redundancy and termination payments totalling £10,790 (2021: £nil) were paid during the year.

17. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	20,805	94,769	115,574
<b>Charitable activities</b>			
Charitable activities	217,254	-	217,254
Other trading activities	52,445	-	52,445
Investment income	50	-	50
Other income	15,768	-	15,768
<b>Total</b>	<u>306,322</u>	<u>94,769</u>	<u>401,091</u>
<b>EXPENDITURE ON</b>			
Raising funds	65,346	-	65,346
<b>Charitable activities</b>			
Charitable activities	202,746	94,769	297,515
<b>Total</b>	<u>268,092</u>	<u>94,769</u>	<u>362,861</u>
<b>NET INCOME</b>	38,230	-	38,230
Transfers between funds	11,741	(11,741)	-
<b>Net movement in funds</b>	<u>49,971</u>	<u>(11,741)</u>	<u>38,230</u>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	103,184	11,741	114,925
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>153,155</u>	<u>-</u>	<u>153,155</u>

18. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 April 2021 and 31 March 2022	<u>1</u>
<b>NET BOOK VALUE</b>	
At 31 March 2022	<u>1</u>
At 31 March 2021	<u>1</u>

There were no investment assets outside the UK.



REUSE NETWORK LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

18. **FIXED ASSET INVESTMENTS - continued**

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

**Reuse Enterprises Limited**

Registered office: 48-54 West Street, Old Market, Bristol, Avon, BS2 0BL

Nature of business: Trading subsidiary

Class of share: %  
Ordinary holding  
100

	31.3.22	31.3.21
	£	£
Aggregate capital and reserves	1	1

19. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.22	31.3.21
	£	£
Trade debtors	29,135	-
Amounts owed by group undertakings	120,240	109,497
VAT	-	10,007
Prepayments and accrued income	13,163	1,741
	<u>162,538</u>	<u>121,245</u>

20. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.22	31.3.21
	£	£
Trade creditors	10,621	4,477
Social security and other taxes	7,012	6,496
VAT	23,375	-
Other creditors	2,650	6,070
Accruals and deferred income	73,500	24,906
	<u>117,158</u>	<u>41,949</u>

**Deferred income**

	31.3.22	31.3.21
	£	£
Brought forward	12,915	136,458
Deferred in the year	66,650	12,915
Released in the year	(12,915)	(136,458)
Carried forward	<u>66,650</u>	<u>12,915</u>

Deferred income relates to membership income received in advance.

REUSE NETWORK LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

21. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
<b>Unrestricted funds</b>			
General fund	153,155	33,331	186,486
<b>Restricted funds</b>			
Ecosurety fund	-	1,135	1,135
<b>TOTAL FUNDS</b>	<u>153,155</u>	<u>34,466</u>	<u>187,621</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	413,696	(380,365)	33,331
<b>Restricted funds</b>			
CAST Catalyst and the National Lottery Community Fund COVID-19 Digital Response - Phase Two (Development)	22,242	(22,242)	-
Ecosurety fund	73,677	(72,542)	1,135
DWP	3,558	(3,558)	-
	<u>99,477</u>	<u>(98,342)</u>	<u>1,135</u>
<b>TOTAL FUNDS</b>	<u>513,173</u>	<u>(478,707)</u>	<u>34,466</u>

Comparatives for movement in funds

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

**REUSE NETWORK LTD.**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022**

**21. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	306,322	(268,092)	38,230
<b>Restricted funds</b>			
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>
<b>TOTAL FUNDS</b>	<u>401,091</u>	<u>(362,861)</u>	<u>38,230</u>

**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.

**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. 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.

**DWP**

The Access to work scheme helps employees stay in work if they have a physical or mental health condition or disability.



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

**22. EMPLOYEE BENEFIT OBLIGATIONS**

The charity operates a defined contributions pension scheme. The assets of the scheme are held in a separately administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £17,249 (2021: £10,230). Contributions payable to the fund at the balance sheet date were £1,434 (2021: £795) and are included in other creditors.

**23. 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 £1,630 (2021: £1,000) for membership fee and staff training courses from the Castle Furniture Project. The balance outstanding at the year end was £1,320 (2021: £nil) and is included in trade debtors.

**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 £250 (2021: £300) for membership fee from FirstMove Furnishaid. The balance outstanding at the year end was £300 (2021: £nil) and is included in trade debtors.

**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 £2,640 (2021: £1,000) for membership fee, staff training courses and conference attendance from SLATE.

**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 £250 (2021: £1,000) for membership fee from Ipswich Furniture Project. The balance outstanding at the year end was £300 (2021: £300) and is included in trade debtors.

**Mr M M Macleod (trustee)**

Mr Macleod is an employee of ILM Highland Ltd. During the year the charity received on an arm's length basis £1,900 (2021: £1,400) for membership fee, staff training courses and conference attendance from ILM Highland Ltd. The balance outstanding at the year end was £1,440 (2021: £nil) and is included in trade debtors.

**Mr M Bertram (trustee)**

Mr Bertram is an employee of Furniture Reclamation ("FRADE"). During the year the charity received on an arm's length basis £2,105 (2021: £1,000) for membership fee, staff training courses and conference attendance from FRADE.

**Ms N M Peck (trustee)**

Ms Peck is an employee of The SOFA Project. During the year the charity received on an arm's length basis £1,100 (2021: £1,240) for membership fee, from The Sofa Project. During the year the charity paid £12,250 (2021: £12,250) for office rental and service charges to The SOFA project.

**Mr P J Everett (trustee)**

Mr Everett is an employee of Lighthouse Furniture Project. During the year the charity received on an arm's length basis £1,905 (2021: £1,000) for membership fee, staff training courses and conference attendance from Lighthouse Furniture Project.