

Company no. 05326617
Charity no. 1116150

Wastesavers Charitable Trust Limited
Report and Audited Financial Statements
31 March 2021

Wastesavers Charitable Trust Limited

Reference and administrative details

For the year ended 31 March 2021

Company number	05326617
Charity number	1116150
Registered office and operational address	Wastesavers Resource Centre Esperanto Way Lliswerry Newport NP19 0RD
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: David Mayer Roger Ayres William Langsford Len Casley Mark Esposito Caroline Wynn Chair Vice Chair Treasurer
Key management personnel	Penelope Goodwin Ian Symes Janet Jones Alun Harries Phil Hurst Leane Rowe Ian Pearce Kris Dowding Thomas Belcher Chief Executive Officer Head of Operations Finance Manager and Company Secretary Charity Manager Marketing and Development Officer HR Manager PEAK Co-ordinator Recycling Manager Regional Manager
Bankers	Lloyds TSB Bank 42 Commercial Street Newport NP20 1WS
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2021

The trustees present their report and the audited financial statements for the year ended 31 March 2021. Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 7 January 2005 and registered as a charity on 20 September 2006.

The organisation was established under a memorandum of association that established the objects and powers of the organisation and is governed under its articles of association.

The organisation looks to recruit new trustees with specific expertise who are able to support the objectives of the organisation. It does this by direct approach and general advertisement. Wastesavers inducts its trustees by encouraging them to spend time with each project the organisation is involved in to ensure they are fully aware of the activities it undertakes.

Training is available for trustees through WCVA, GAVO and ACEVO who provide a variety of courses for trustees throughout the year which are topical and informative. All trustees are encouraged to engage with at least one training session per year.

The Trustees and Executive Officers of the Company are listed on Page 1.

The Company comprises of six Trustees who are responsible for managing the affairs of the Company. Trustees are drawn from professional, Local Government, and local experience. The Trustees meet 11 times a year and consider risk management, development policy and strategy, monitoring the annual budget and the business plan and approving the annual financial statements. Trustees delegate the day-to-day management and implementation of the Company strategy and policy framework to the Officers of the Company.

No Trustees are remunerated over and above travel expenses. Wastesavers Charitable Trust owns the whole of Wastesavers Limited's share capital; 100 ordinary £1 shares.

The CEO is appointed by the Board of Trustees and is answerable to the Board on a monthly basis. Day to day organisational decision making is carried out by the CEO who also formulates strategic objectives in consultation with, and approved by, the Board of Trustees.

Wastesavers Charitable Trust looks to minimise risk to the organisation at all times. However, it is recognised that sometimes certain levels of risk are necessary for the organisation to progress. At all times risks are calculated before action is made, taking into account the organisation's vulnerability, consequences of inaction and potential benefits. All decisions on risk assessments are made at Board level. This is recorded in the Company's risk register and reviewed at 6 monthly intervals or sooner if situation demands.

The Trustees are ultimately responsible for the Company's system of internal financial control, which is designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information and the management of risk.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2021

The following mechanisms are used for effective internal financial control:

- Clearly defined management and reporting structures;
- A robust programme of internal audits and external audit;
- Careful recruitment and effective training programmes for staff and trustees;
- Regular supervision and performance appraisals for staff;
- Financial regulations;
- Periodic reviews of accounting procedures by external accountants;
- Management information and accounting systems with quarterly reporting of financial results and other Performance Indicators compared with forecasts;
- An ongoing process of identifying, evaluating, and managing the significant financial risks faced by the company;
- A strategy covering the prevention, detection, and reporting of fraud; and
- A review of the effectiveness of the internal control measures using internal audit and other measures.

Wastesavers Charitable Trust is a member of CIWM, Reuse Network, ACEVO, GAVO and WCVA all of whom provide advice and guidance on the effective management of the charity and its operational undertakings.

Remuneration of key management personnel is brought to the attention of, and approved by, the Remuneration Committee which is made up of key members of the Board including the treasurer and chairman. When setting pay structures the local government NJC scales are considered along with industry benchmarking to ensure remuneration is appropriate and fair.

Objectives and activities

1. The relief of poverty by the provision of renovated furniture and other household accessories for residents in necessitous circumstances in the South East Wales area.
2. The advancement of education in respect of the environmental aspects of, and need for, recycling.
3. The advancement of education in respect of vocational skills, numeracy and literacy skills and practical skills of benefit to the community (to the extent that such objects are exclusively charitable).

Wastesavers Charitable Trust operates projects in three broad areas that work to further the objectives of the Charity:

1. **Reuse - The Reuse Centre Newport, and Reuse Shops at HWRCs in Newport, Llantrisant, Treherbert, Maesteg and Pentrebach.** These projects take items of furniture, IT and electrical items donated by the general public and from businesses and makes them available to the general public with discounts given to those on low income. It uses these items as a tool for social change and delivers social programmes to reduce social isolation, increase digital awareness and improve employability and runs a volunteering programme with positions available throughout the project. These projects employ 24 staff who work with 5-10 volunteers per day to deliver the projects' objectives. We served notice to Kier, in March 2021, that we would no longer operate the shop at Maesteg owing to its poor performance and under investment.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2021

Wastesavers uses volunteers to support its paid staff to meet its objectives. This year 33 volunteers have contributed 1,323 hours, working to reuse and recycle furniture, IT and electrical equipment, preparing furniture for reuse and helped us divert household goods from landfill at the five recycling centres where we are based. Although we have an additional location the volunteering hours are much reduced as the shops located on the recycling centres have been closed for a significant part of the year because of Covid-19 restrictions.

They have however, still helped us divert almost 104 tonnes of reusable material from landfill into other people's homes, but 567 tonnes less than the previous year due to the two Covid-19 lockdowns and the Autumn 'firebreak'. This still has direct economic, social and environmental benefits and brings significant benefit to the local communities where we work, especially during the second lockdown where we were able to make donations to household and families in need, whilst on a skeleton staff.

2. **Education Project.** Using a purpose-built education room at Wastesavers Resource Centre, Wastesavers works to educate primary school children about the importance of 'reduce, reuse and recycle'. The lessons are planned to ensure all children are not only enthused by the project but are aware of its environmental benefits. The education project typically hosts between 6 and 12 visits per term from schools across South Wales but primarily from Newport.

Owing to COVID-19 restrictions the majority of regular attending schools did not make enquiries for the education room. This, together with the teaching staff being furloughed for some of the year and the education room being refurbished, meant the education room was not used this year.

3. **PEAK.** Alternative education provision. Wastesavers works with schools, pupil referral units, the youth offending team, social services, and local authorities in South East Wales to take young people who are finding it difficult in mainstream education. The young people then work towards gaining basic/essential skills including plumbing, carpentry, bike repair, cookery, photography and Art and Design. This project employs 3 staff members and typically works with up to 12 young people per day delivering its objectives. Unfortunately owing to the Covid-19 restrictions PEAK has been closed for most of the year and its staff placed on furlough.

The charity also runs a trading arm, Wastesavers Limited, which delivers recycling services generating an income for the charity and furthering its aims and objectives. They occupy a building owned by the charity and pay it rent to cover the use of this space. From this location they deliver waste and recycling collection services to divert as much material from landfill as possible. Last year this equated to 22,123 tonnes of recyclables collected at the kerbside and an additional 1,120 tonnes of material brought in from commercial businesses and reprocessing commercially on site. Wastesavers Limited employs 75 members of staff and represent the largest proportion of income and expenditure for the group.

The charity measures its success by the quarterly collection and analysis of Key Performance Indicators at its Management Review Meetings and Board Meetings. These key indicators include tonnages diverted from landfill, number of students trained, the number of schools who visit the education room and the number of volunteer hours contributed. On an annual basis the charity also reviews the additional value that reusing furniture and IT gives to society and the numbers of low-income families helped with the provision of low-cost furniture.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2021

The charity is aware of and has reviewed the Charity Commission guidance on public benefit, in particular the legal requirements of charities working to relieve poverty and has taken it into account when reporting on the work the charity has done in the last 12 months to deliver its public benefit. This is covered throughout this report.

Achievements and performance

The organisation has been maintained as an incorporated charity with shareholdings in Wastesavers Limited.

Last year we had the following objectives:

- Increase recycling tonnage collected at the kerbside;
- Expand our Tip Shops into other geographic areas;
- Move our Reuse Centre into a larger building in a central location;
- Increase the volume of material processed commercially;
- Develop a different market for PEAK to complement our work with children;
- Develop our volunteering programme;
- Gain funding for further digital inclusion programmes; and
- Redevelop our education room and bring this up to date.

Because of the difficulties experienced during Covid-19 restrictions the Company has not been able to deliver against all these objectives and they remain a focus for the coming year.

Overview

This year has seen unprecedented circumstances as the organisation has had to contend with the impact the Covid-19 pandemic restrictions have had on its ability to operate and deliver services, whilst ensuring the safety of its staff as far as is possible.

Under extremely challenging circumstances and operating restrictions Wastesavers Limited delivered on its commitments under the Newport collection contract. Across the year an additional 2,719 tonnes of material has been collected as resident changing behaviours, during the pandemic restrictions, of on-line purchasing and the need to stay at home saw increases in several recycling material streams.

The Charity successfully opened a new reuse shop in Merthyr, only for it to shut after just 6 weeks of operations because of the pandemic. Work continued with the redevelopment of the old Co-op building in Chepstow Road, Maindee, although the programme was severely delayed because of Covid-19 and unforeseen construction issues. The Charity actually moved to the new premises in July 2021.

In spite of Covid-19, which has severely impacted the Charity and Wastesavers Limited, our challenges, developments and successes are covered below.

Of note is that the whole group maintained its ISO 9001, 14001 and 18001 standards.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2021

Reuse

As the portfolio of reuse shops at HWRCs has continued to grow the Charity recruited a Regional Manager.

The Charity successfully opened a new reuse shop at Pentrebach, Merthyr in November 2020 employing one full time and two part time members of staff only to be closed shortly afterwards to comply with Covid-19 restrictions.

Staff at all reuse shops were placed on furlough for a significant part of the year and as a result income and tonnes diverted from landfill were greatly impacted.

We have been successful in our bid to run a reuse shop for Blaenau Gwent County Borough Council at its recycling centre at Roseheyworth, and Cardiff City Council still plan to open a reuse shop at one of their HWRCs and we anticipate both these sites will be opened next financial year subject to ongoing Covid-19 restrictions.

Plans for our move to the old Co-op building in Maindee were severely delayed but with the re-opening of retail outlets permitted from April 2021 we finally moved to this new site in July 2021.

In this challenging year our reuse projects have still managed to divert 104 tonnes from landfill and since re-opening in April 2021 have continued to re-establish themselves in the communities they operate and look to return to their normal levels of business during the summer months of 2021.

PEAK

This has been another difficult year with PEAK being closed between April 2020 and August 2020. Flexi furlough was in place between September and October 2020 and January to March 2021, due to Covid-19 restrictions.

Covid-19 also affected numbers, with schools keeping pupils in 'bubbles' and not releasing them for alternative curriculum for most of the school year.

This year, because of COVID-19 restrictions we only offered carpentry and bicycle maintenance. We worked with 3 Torfaen pupils from 2 different schools and 11 Newport pupils from 3 different schools. A total of 392 contact days was made with the 14 pupils.

Education

Our education room forms a vital part of our work to help educate young people about recycling and how it can benefit communities and the environment. Our work to increase the size of the room ahead of the much awaited and long overdue redevelopment has again been delayed. Work to complete the upgrade will be completed in 2021-22.

Within the Charity's trading arm, Wastesavers Limited, there are three projects. These are Kerbside Recycling, Commercial Recycling and Commercial Reprocessing. The challenges and successes of these projects are covered below.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2021

Kerbside recycling

During the year we diverted 22,123 tonnes of recyclable materials through our kerbside recycling contract with Newport City Council (NCC), which represents a 14% increase on 2019-20. This further increase over last year, when NCC reduced their refuse bin capacity from 180L to 120L, is a result of changing behaviours of residents as periods of lockdown continued and resulted in changing purchasing behaviours. With everyone at home, the HWRCs closed, the pubs and shops closed and the switch to online shopping, our food waste, cardboard and glass tonnages increased dramatically. The largest increase being food waste which saw a 14% increase followed by cardboard with a 31% increase over last year. Increased pressure on paper quality and the inability to secondary sort at the depot has meant that a large volume of paper is being collected and processed in with the card, at a reduced income value.

During 2020/21 Covid-19 protection measures were introduced and are detailed in the Covid-19 section below.

As a result of the increased tonnages, all recycling round crews were increased to driver plus 2 loaders and the waste transfer station staff increased their hours from 8 hours per day to 10 hours per day to ensure that all materials could be processed.

The further tonnage increase has resulted in a greater demand for staff but unfortunately, we have been unable to recruit the staff we need and as such our reliance on agency staff has again increased. Work continues to reduce our current reliance on agency workers and the additional cost that it adds. However, as this report is written we have a further pressure on staff as Wastesavers and the whole country is having to deal with significant HGV driver shortages as a result of Covid-19 and Brexit. This is detailed in the section below - Driver Shortages

Commercial recycling and responsibility

This year Wastesavers Commercial Recycling Services were greatly impacted by the Covid-19 restrictions and lockdown measure implemented by Welsh Government. Many business including pubs and hospitality venues were closed for significant periods of time. This meant services were not required. During the year 694 tonnes of recycling were collected although this is down by 464 tonnes on last year.

26 tonnes were reprocessed for neighbouring local authorities an 86% decrease on 2019-20.

Covid-19

A series of lockdown measures continued throughout 2020/2021 to combat the spread of Covid-19. The effects this had on the company were far reaching but also vary different across the Charity and the Limited Company.

On 23rd March all Charity staff, apart from the Charity Manager, were furloughed and all six charity sites closed. The commercial recycling department started to see demands for their services drop as businesses closed, and as a result collection of donations reduced to just 2 days per week.

The kerbside department saw the tonnages being presented at the kerbside increase. Additional vehicles were ordered for rental and additional staff employed to cope with the rising volumes being seen. In addition to this office staff were sent home to work, reception was closed, and strict social distancing guidelines were imposed across our operational site.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2021

The increase in staff to cope with the additional tonnage caught the attention of the HSE who were concerned that we were adding staff into the cab when we should be reducing them in order to adhere to social distancing guideline. The kerbside department had to introduce a range of methods to include staff following the collection vehicles in rented and private vehicles and the introduction of a bubble system.

These measures were tested to the maximum when an outbreak of Covid-19 hit the organisation resulting in mass testing, by the NHS, conducted on site. The testing revealed that 4 of the 74 tests conducted were positive resulting in a further 11 operatives having to isolate. Unfortunately, 2 of the positive tests were the yard manager and operations supervisor with the operations manager also being deemed a close contact to an operative. As a result, this left the Head of Operations to manage the service whilst the remaining management team isolated for 11 days. It was later revealed that Covid-19 had been brought onto site by three different sources and it was the management of social distancing and the bubble system that prevented a mass break out. The disruption to the collection service was contained to a 24-hour period.

All key operational staff across sites hold a virtual meeting daily to be kept abreast of developments.

Driver shortage

Brexit and the criteria required for non-UK residents to work in this country has resulted in over 50,000 driver vacancies in the UK. These vacancies coupled with the Covid-19 pandemic and isolation requirements has created a crisis within the haulage/driver sector. To combat this and to retain/attract drivers, organisations are increasing wages, paying retention bonuses and paying HGV training costs. So far throughout 2021 Wastesavers is working closely with NCC to pool driver resources to plug any gaps that may appear due to its own driver shortage and to maintain service delivery wherever possible.

Financial review

At the end of the reporting period 2020-21 the Charity, incorporating its limited trading arm is currently making a surplus of £135,016 however within this there is £251,342 Covid-19 hardship grants including furlough payments.

Income from the Kerbside Recycling service delivered for Newport residents and from selling recycled material from its kerbside and commercial recycling departments make up the largest proportion of overall income for the group. However, the kerbside project is run at cost price and therefore no profit is generated from this contract. The limited company does engage in profit making activities through its commercial recycling department and from commercial reprocessing. These projects, along with rent paid by the kerbside project for the charity owned building generated profits of £59K for the charity.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2021

Wastesavers Limited; kerbside recycling, commercial recycling, and training

Income from sale of materials collected from kerbside and commercial recycling collections was £724K in 2020-21 down £270K from 2019-20 mainly because of falling prices in the reprocessing markets.

Both income and expenditure for the recycling departments were above last year's figures mostly as a result of increased income from Newport Council as well as the additional receipt of Covid-19 payments received to implement WG protection measures. Total income was £4,775K compared to last year of £3,997K.

Wastesavers Charitable Trust Limited; reuse

During the year we opened an additional reuse shop at Pentrebach for Merthyr Tydfil Council, only to be shut shortly afterwards. These stores based on either HWRC's or Council depots are known as Tip Shops, these five stores contributed only £71K this year compared to £382K in 2019-20, with the reuse centre contributing income of £107K compared to £182K last year.

PEAK

PEAK has seen a sharp decrease in its income this year from £84,571 in 2019-20 to £20,352 owing to closure during Covid restrictions.

Overall

Overall, the group made a surplus of £135k which included £481K capital grant funding for the development of the new Reuse Shop at Chepstow Road, Maindee, Newport.

The charity has received Covid-19 relief funding, including job retention funding from the government during the Covid-19 pandemic which is subsidising wages within the charity. In 2019-20 this was £25K which further increased to £251K in 2020-21 as disruption and restrictions continued throughout the year. Our focus for 2021-22 will be returning to a level of operation for the charity and bringing staff back from furlough. It will be on stabilising our kerbside project after Covid-19, completing works and moving to the new reuse shop at Chepstow Road, whilst further expanding our reuse activities at HWRCs.

Fixed assets

In total the group's fixed assets stand at £2.9m with £772K of this also held as liabilities relating to finance leases.

Our cash in the bank was at £1,837K at the end of the year mostly owing to profits for the year together with a decrease in debtors and a year-end increase in creditors.

In 2020-21 Covid-19 impacted every element of the organisation but it has weathered the crisis and all services have restarted throughout the early months of 2021-22.

Reserves policy

It is our policy to put aside the equivalent of three months wages for the group. This is currently set at £470,000 and is to cover costs associated with a cease of contract or problems with a restriction in cashflow. At year end there was a balance of £695,216 held in unrestricted net current assets.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2021

Fundraising

Wastesavers does not carry out any fundraising activities and does not have any contracts with professional fundraisers.

Wastesavers is not a member of any voluntary fundraising schemes.

There are no fundraising activities to be monitored.

Wastesavers has had no complaints about fundraising as no fundraising activities were undertaken. There is however, a formal complaints procedure as part of its accredited and audited management system, which is regularly reviewed by the senior management team.

Wastesavers does not carry out any fundraising activities that would contravene GDPR regulations or would cause unreasonable intrusion into a person's privacy, particularly those that are vulnerable. It does not use unreasonably persistent approaches or undue pressure to give as it does not carry out any fundraising activities.

Plans for future periods

2021-22 and the years that follow are likely to be difficult for the company as we deal with the continued impacts of Covid-19 and how it will continue to impact all services through the winter of 2021-22. We have yet to see whether the changes in type and volumes of waste being presented at the kerbside are permanent. However, our plans and ambitions are to work through these changes, to continue to deliver on our aims and objectives and seek to improve working conditions for staff. Specifically;

- Deal with the tonnage increases being seen since Covid-19 restrictions;
- Re-open charity projects in a safe environment in line with Covid-19 guidance;
- Review and route optimise all recycling rounds to ensure efficiency and achievability;
- Reduce complaints through improved service quality;
- Open Cardiff, Torfaen and Blaenau Gwent reuse shops;
- Redevelop and relocate to the old Co-op Building in Maindee, Newport;
- Redevelop our Education Room; and
- Continue to develop and grow our commercial collections business.

Going concern statement

The trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The charity holds reserves of £695,216;
- It generates its own income and although this was greatly reduced due to Covid-19 there has been a strong return approaching levels prior to the pandemic; and
- The company has a contract for its kerbside recycling service in place providing stability for the limited company to 2024.

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts, as detailed in note 1(c) to the financial statements.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2021

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the group and the incoming resources and application of resources, including the net income or expenditure, of the charity and the group for the year. 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 Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

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

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the group and parent charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 18 November 2021 and signed on their behalf by

W Langsford

William Langsford, Treasurer

Independent auditors' report

To the members of

Wastesavers Charitable Trust Limited

Opinion

We have audited the financial statements of Wastesavers Charitable Trust Limited (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, consolidated and parent's balance sheets, consolidated statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2021 and of the group's 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's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the group and parent charity financial statements and our auditor's report thereon. Our opinion on the group and parent charity 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.

Independent auditors' report

To the members of

Wastesavers Charitable Trust Limited

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

We have nothing to report in this regard.

Opinion 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us;
- the parent charity financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditors' report

To the members of

Wastesavers Charitable Trust Limited

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- (1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.
- (2) We reviewed the charity's policies and procedures in relation to:
 - Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
 - Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.
- (3) We inspected the minutes of trustee meetings.
- (4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.
- (5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.
- (6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.
- (7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:
 - Testing the appropriateness of journal entries;
 - Assessing judgements and accounting estimates for potential bias;
 - Reviewing related party transactions; and
 - Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Independent auditors' report

To the members of

Wastesavers Charitable Trust Limited

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 auditor's report.

Use of our report

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

Alison Godfrey

Date: 24 November 2021

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Wastesavers Charitable Trust Limited

Consolidated statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 March 2021

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from:					
Donations and legacies	3	-	256,381	256,381	26,595
<i>Charitable activities</i>					
Reuse	4	591,145	210,091	801,236	534,692
Recycling	5	56,824	4,360,957	4,417,781	3,946,129
Education	6	-	20,352	20,352	85,271
Investments		-	226	226	1,233
Other income		-	-	-	7,906
Total income		<u>647,969</u>	<u>4,848,007</u>	<u>5,495,976</u>	<u>4,601,826</u>
Expenditure on:					
<i>Charitable activities</i>					
Reuse		74,696	408,298	482,994	512,189
Recycling		410,378	4,386,497	4,796,875	4,015,949
Education		-	81,091	81,091	85,042
Total expenditure	8	<u>485,074</u>	<u>4,875,886</u>	<u>5,360,960</u>	<u>4,613,180</u>
Net income / (expenditure)		162,895	(27,879)	135,016	(11,354)
Transfers between funds		<u>(845)</u>	<u>845</u>	-	-
Net movement in funds	9	162,050	(27,034)	135,016	(11,354)
Reconciliation of funds:					
Total funds brought forward		<u>3,077,130</u>	<u>867,011</u>	<u>3,944,141</u>	<u>3,955,495</u>
Total funds carried forward		<u><u>3,239,180</u></u>	<u><u>839,977</u></u>	<u><u>4,079,157</u></u>	<u><u>3,944,141</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the accounts.

Wastesavers Charitable Trust Limited

Consolidated balance sheets

As at 31 March 2021

	Note	The group 2021 £	The group 2020 £	The charity 2021 £	The charity 2020 £
Fixed assets					
Tangible assets	11	2,920,897	3,239,161	671,824	402,454
Investments	12	-	-	100	100
		<u>2,920,897</u>	<u>3,239,161</u>	<u>671,924</u>	<u>402,554</u>
Current assets					
Stocks	14	12,776	10,419	12,776	10,419
Debtors	15	723,233	1,171,521	35,682	52,867
Cash at bank and in hand		<u>1,836,506</u>	<u>969,356</u>	<u>1,078,937</u>	<u>723,000</u>
		2,572,515	2,151,296	1,127,395	786,286
Liabilities					
Creditors: amounts falling due within 1 year	16	<u>963,848</u>	<u>810,747</u>	<u>263,840</u>	<u>102,711</u>
Net current assets		<u>1,608,667</u>	<u>1,340,549</u>	<u>863,555</u>	<u>683,575</u>
Total assets less current liabilities		4,529,564	4,579,710	1,535,479	1,086,129
Creditors: amounts falling due after more than 1 year	17	<u>450,407</u>	<u>635,569</u>	-	-
Net assets	19	<u><u>4,079,157</u></u>	<u><u>3,944,141</u></u>	<u><u>1,535,479</u></u>	<u><u>1,086,129</u></u>
Funds	20				
Restricted funds		3,239,180	3,077,130	1,211,251	695,647
Unrestricted funds		<u>839,977</u>	<u>867,011</u>	<u>324,228</u>	<u>390,482</u>
Total charity funds		<u><u>4,079,157</u></u>	<u><u>3,944,141</u></u>	<u><u>1,535,479</u></u>	<u><u>1,086,129</u></u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 18 November 2021 and signed on their behalf by

W Langsford

William Langsford - Treasurer

Wastesavers Charitable Trust Limited

Consolidated statement of cash flows

For the year ended 31 March 2021

	2021	2020
	£	£
Cash used in operating activities:		
Net movement in funds	135,016	(11,354)
Adjustments for:		
Depreciation	635,348	613,504
(Profit) / loss on the sale of fixed assets	-	(7,906)
Interest received	(226)	1,233
Interest paid	29,542	37,970
Decrease / (increase) in stock	(2,357)	(3,869)
Decrease / (increase) in debtors	448,289	(588,274)
Increase / (decrease) in creditors	148,785	(141,203)
Net cash provided by / (used in) operating activities	1,394,397	(99,899)
Cash flows from investing activities:		
Interest received	226	(1,233)
Proceeds from the sale of property, plant and equipment	-	15,000
Payments for plant, property and equipment	(317,084)	(773,643)
Net cash provided by / (used in) investing activities	(316,858)	(759,876)
Cash flows from financing activities:		
Payment of finance lease liabilities	(210,389)	(227,530)
Net cash provided in / (used in) financing activities	(210,389)	(227,530)
Increase / (decrease) in cash and cash equivalents in the year	867,150	(1,087,305)
Cash and cash equivalents at the beginning of the year	969,356	2,056,661
Cash and cash equivalents at the end of the year	1,836,506	969,356

Analysis of changes in net debt:

	Brought forward	Cash flows	Non-cash movements	Carried forward
	£	£	£	£
Cash	969,356	867,150	-	1,836,506
Obligations under finance leases within 1 year	(180,846)	180,846	(185,162)	(185,162)
Obligations under finance leases after 1 year	(635,569)	-	185,162	(450,407)
	152,941	1,047,996	-	1,200,937

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Wastesavers Charitable Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Group accounts

These financial statements consolidate the results of the charitable company and its wholly-owned (controlled) subsidiary, Wastesavers Limited, on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. However, the COVID-19 pandemic has had a profound impact on the global economy, and had in turn affected the charity. The trustees have considered the impact of this issue on the charitable company's current and future financial position.

Although Reuse and education services have been disrupted, the charity has utilised the government's Job Retention Scheme Funding. This has allowed the charity to continue to pay staff 100% of salaries over the period of service closure. Whilst income from the Kerbside recycling service within the trading subsidiary has been largely unaffected, the suspension of Commercial Recycling Services throughout the pandemic has allowed the secondment of staff to assist with other projects thereby reducing costs to mitigate the loss in income.

As the charity holds unrestricted, general reserves of £324,228 (group: £839,977) and a cash balance of £1,078,937 (group: £1,836,506), the trustees consider that both the charity, and the group as a whole, have sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

d) Income

Income is recognised when the charitable company has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charitable company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

d) Income (continued)

Income generated from the supply of goods or services is included in the statement of financial activities in the period in which the supply is made. Income received in advance of provision of reuse or training services is deferred until criteria for income recognition are met.

e) Donated goods for resale

Donated goods for resale are recognised as income at their fair value upon receipt, which is deemed to be the expected proceeds from sale less the expected costs of sale. Any difference in the resale value is charged or credited to the statement of financial activities during the year.

f) Interest receivable

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

g) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charitable company. Designated funds are unrestricted funds of the charitable company which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charitable company's work or for specific projects being undertaken by the charitable company.

h) Expenditure and irrecoverable VAT

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

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

i) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis:

	2021	2020
Reuse	12.4%	12.8%
Recycling	85.3%	84.4%
Education	2.3%	2.9%

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

j) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Land and buildings	25 years straight line
Motor vehicles	5 and 7 years straight line
Plant and machinery	7 years straight line
Computer and office equipment	4 years straight line
Leasehold land improvements	5 years straight line

Leasehold land is not depreciated.

Items of equipment are capitalised where the purchase price exceeds £10,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

k) Investment in subsidiary undertakings

The charitable company has one wholly owned subsidiary, Wastesavers Limited, (registered company number 03842840). The subsidiary is used for non-primary purpose trading activities. The subsidiary undertaking is valued at cost less any cumulative impairment losses in the charitable company's accounts.

l) Stock

Purchased stock is included at the lower of cost or net realisable value. Donated items of stock for resale are recognised at fair value which is the expected proceeds from sale less any expected costs of sale. A value for IT stock is brought into the accounts once the item is ready for sale either on-line or in the Reuse shop.

m) Debtors

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

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors

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

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

p) Financial instruments

The group and charitable company only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

q) Redundancy payments

Where an employee receives a termination benefit the full cost is recognised at the date the employee is notified.

r) Pension costs

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

s) Finance leases

Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charge. Finance charges are written off to the statement of financial activities over the period of the lease so as to produce a constant periodic rate of charge on the remaining balance of the liability.

t) Critical accounting judgements and key sources of estimation or uncertainty

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

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

The key sources of estimation or uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation

As described in note 1j to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2020 Total £
Income from:			
Donations and legacies	-	26,595	26,595
<i>Charitable activities</i>			
Reuse	(34,459)	569,151	534,692
Recycling	344,360	3,601,769	3,946,129
Education	-	85,271	85,271
Investments	-	1,233	1,233
Other income	-	7,906	7,906
Total income	309,901	4,291,925	4,601,826
Expenditure on:			
<i>Charitable activities</i>			
Reuse	5,129	507,060	512,189
Recycling	443,458	3,572,491	4,015,949
Education	1,152	83,890	85,042
Total expenditure	449,739	4,163,441	4,613,180
Net income / (expenditure) and net movement in funds	(139,838)	128,484	(11,354)

3. Donations and legacies

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Donations and gift aid	-	5,039	5,039	1,505
COVID grants (including CJRS)	-	251,342	251,342	25,090
	-	256,381	256,381	26,595

All donations and legacies received in the prior year were unrestricted.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

4. Reuse

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Grants - revenue	110,000	21,508	131,508	(34,459)
Grants - capital	481,145	-	481,145	-
Computer recycling	-	59,051	59,051	88,126
Furniture shop	-	48,409	48,409	94,339
Tip shops	-	70,522	70,522	381,986
Other income	-	10,601	10,601	4,700
	<u>591,145</u>	<u>210,091</u>	<u>801,236</u>	<u>534,692</u>

Revenue grant income was restricted in the prior year. All other Reuse income was unrestricted.

5. Recycling

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Material sales	-	724,250	724,250	994,168
Newport City Council:				
Recycling payment	-	2,531,789	2,531,789	2,057,899
Reimbursement for recycling consumables	-	379,586	379,586	355,846
COVID funding	-	508,432	508,432	-
Grants - revenue	-	-	-	344,360
Grants - capital	56,824	-	56,824	-
Flats recycling	-	43,352	43,352	3,460
Commercial recycling income	-	164,084	164,084	175,320
Other income	-	9,464	9,464	15,076
	<u>56,824</u>	<u>4,360,957</u>	<u>4,417,781</u>	<u>3,946,129</u>

Capital grant income was restricted in the prior year. All other Recycling income was unrestricted.

6. Education

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Student income	-	20,352	20,352	84,571
Other income	-	-	-	700
	<u>-</u>	<u>20,352</u>	<u>20,352</u>	<u>85,271</u>

All income from education in the prior period was unrestricted.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

7. Government grants

The charitable company receives government grants, defined as grant funding from Newport City Council, Cardiff City Council, Rhondda Cynon Taf County Borough Council, DEFRA, the Coronavirus Job Retention Scheme and the Welsh Government, to fund charitable activities. The total value of such grants in the period ending 31 March 2021 was £804,503 (2020: £309,901). There are no unfulfilled conditions or contingencies attaching to these grants.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

8. Total expenditure

	Reuse £	Recycling £	Education £	Support and governance £	2021 Total £
Staff costs (note 10)	375,133	2,590,634	70,817	81,654	3,118,238
Other staff costs	7,333	60,595	220	1,089	69,237
Service delivery costs	17,964	1,154,134	2,234	240	1,174,572
Development and consultancy	7,714	11,158	1,835	2,141	22,848
Premises costs	26,520	98,268	154	-	124,942
Administrative costs	14,842	10,264	1,376	612	27,094
Insurance	8,629	126,974	1,171	1,379	138,153
Audit and accountancy	1,191	6,713	-	6,313	14,217
Bad debts	-	498	-	-	498
Interest and charges	6,271	29,542	-	-	35,813
Depreciation	-	587,953	-	47,395	635,348
Sub-total	465,597	4,676,733	77,807	140,823	5,360,960
Allocation of support and governance costs	17,397	120,142	3,284	(140,823)	-
Total expenditure	482,994	4,796,875	81,091	-	5,360,960

Total governance costs were £12,850.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

8. Total expenditure (continued)

Prior period comparative

	Reuse £	Recycling £	Education £	Support and governance £	2020 Total £
Staff costs (note 10)	320,744	2,118,066	71,921	71,656	2,582,387
Other staff costs	22,569	61,151	720	1,890	86,330
Service delivery costs	73,371	840,307	3,581	161	917,420
Development and consultancy	19,751	3,431	116	1,485	24,783
Premises costs	25,697	87,088	115	26	112,926
Administrative costs	18,633	65,997	1,714	216	86,560
Insurance	5,665	119,083	3,206	411	128,365
Audit and accountancy	2,541	7,206	-	6,293	16,040
Bad debts	-	39	-	-	39
Interest and charges	6,856	37,970	-	-	44,826
Depreciation	-	567,564	-	45,940	613,504
Sub-total	495,827	3,907,902	81,373	128,078	4,613,180
Allocation of support and governance costs	16,362	108,047	3,669	(128,078)	-
Total expenditure	512,189	4,015,949	85,042	-	4,613,180

Total governance costs were £12,460

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

9. Net movement in funds

This is stated after charging / (crediting):

	2021 £	2020 £
Interest payable	29,542	37,970
Depreciation		
▪ Owned assets	272,023	243,276
▪ Leased assets	363,325	370,228
(Profit) / loss on the sale of fixed assets	Nil	(7,906)
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Auditors' remuneration:		
▪ Statutory audit	12,850	12,460
▪ Other services	Nil	225
	<u>29,542</u>	<u>37,970</u>

Trustees were not reimbursed expenses during the year (2020: nil).

10. Staff costs and numbers

Staff costs for the group were as follows:

	2021 £	2020 £
Salaries and wages	1,995,123	1,923,682
Social security costs	151,007	144,403
Pension contributions	130,897	130,910
Agency staff	841,211	383,392
	<u>3,118,238</u>	<u>2,582,387</u>

No employee earned more than £60,000 during the year.

The key management personnel of the group comprise the Chief Executive Officer, Finance Manager, Recycling and Health and Safety Manager, HR Manager, Marketing and Development Officer, Regional Manager who are employed by Wastesavers Limited, and the PEAK Co-ordinator, Charity Manager and Volunteer and Reuse Manager who are employed by Wastesavers Charitable Trust Limited. The total employee benefits of the key management personnel of the group, including employers' national insurance, were £300,963 (2020: £282,972).

	2021 No.	2020 No.
Average head count	<u>100</u>	<u>102</u>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

11. Tangible fixed assets

The group	Assets under construction £	Land and buildings £	Leasehold land £	Plant and machinery £	Motor vehicles £	Office equipment £	Leasehold improvements £	Total £
Cost								
At 1 April 2020	-	1,617,552	121,281	917,211	3,466,261	27,564	614,498	6,764,367
Additions in year	<u>316,765</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>319</u>	<u>-</u>	<u>-</u>	<u>317,084</u>
At 31 March 2021	<u>316,765</u>	<u>1,617,552</u>	<u>121,281</u>	<u>917,211</u>	<u>3,466,580</u>	<u>27,564</u>	<u>614,498</u>	<u>7,081,451</u>
Depreciation								
At 1 April 2020	-	1,258,462	-	370,619	1,770,951	19,187	105,987	3,525,206
Charge for the year	<u>-</u>	<u>40,151</u>	<u>-</u>	<u>109,328</u>	<u>458,137</u>	<u>3,876</u>	<u>23,856</u>	<u>635,348</u>
At 31 March 2021	<u>-</u>	<u>1,298,613</u>	<u>-</u>	<u>479,947</u>	<u>2,229,088</u>	<u>23,063</u>	<u>129,843</u>	<u>4,160,554</u>
Net book value								
At 31 March 2021	<u>316,765</u>	<u>318,939</u>	<u>121,281</u>	<u>437,264</u>	<u>1,237,492</u>	<u>4,501</u>	<u>484,655</u>	<u>2,920,897</u>
At 31 March 2020	<u>-</u>	<u>359,090</u>	<u>121,281</u>	<u>546,592</u>	<u>1,695,310</u>	<u>8,377</u>	<u>508,511</u>	<u>3,239,161</u>

Included within the net book value is £771,789 (2020: £1,135,100) relating to assets held under finance leases. The depreciation charged to the statement of financial activities in respect of these assets was £363,325 (2020: £370,228).

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

11. Tangible fixed assets (continued)

The charity	Assets under construction £	Land and buildings £	Plant and machinery £	Motor vehicles £	Leasehold improvements £	Total £
Cost						
At 1 April 2020	-	1,617,552	1,898	49,310	10,557	1,679,317
Additions in year	<u>316,765</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>316,765</u>
At 31 March 2021	<u>316,765</u>	<u>1,617,552</u>	<u>1,898</u>	<u>49,310</u>	<u>10,557</u>	<u>1,996,082</u>
Depreciation						
At 1 April 2020	-	1,258,461	1,698	6,147	10,557	1,276,863
Charge for the year	<u>-</u>	<u>40,151</u>	<u>200</u>	<u>7,044</u>	<u>-</u>	<u>47,395</u>
At 31 March 2021	<u>-</u>	<u>1,298,612</u>	<u>1,898</u>	<u>13,191</u>	<u>10,557</u>	<u>1,324,258</u>
Net book value						
At 31 March 2021	<u>316,765</u>	<u>318,940</u>	<u>-</u>	<u>36,119</u>	<u>-</u>	<u>671,824</u>
At 31 March 2020	<u><u>-</u></u>	<u><u>359,091</u></u>	<u><u>200</u></u>	<u><u>43,163</u></u>	<u><u>-</u></u>	<u><u>402,454</u></u>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

12. Subsidiary undertakings

Wastesavers Limited

The charitable company owns the whole of the issued share capital (100 ordinary £1 shares) of Wastesavers Limited, a company registered in England and Wales. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are donated to the charitable company. A summary of the results of the subsidiary is shown below:

	2021 £	2020 £
Turnover	4,774,531	3,997,120
Cost of sales	<u>(634,759)</u>	<u>(431,453)</u>
Gross profit	4,139,772	3,565,667
Administrative expenses	<u>(4,071,107)</u>	<u>(3,498,504)</u>
Operating profit	68,665	67,163
Interest receivable	101	726
Interest payable	<u>(29,542)</u>	<u>(37,970)</u>
Profit on ordinary activities	39,224	29,919
Corporation tax	<u>-</u>	<u>-</u>
Profit for financial year	<u>39,224</u>	<u>29,919</u>
The aggregate of the assets, liabilities and funds was:		
	2021 £	2020 £
Assets	3,695,890	4,208,990
Liabilities	<u>(3,180,032)</u>	<u>(3,732,356)</u>
Funds	<u>515,858</u>	<u>476,634</u>

13. Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	1,133,573	707,093
Results for the year	<u>449,350</u>	<u>1,812</u>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

14. Stock

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Donated goods for resale	<u>12,776</u>	<u>10,419</u>	<u>12,776</u>	<u>10,419</u>

15. Debtors

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	336,641	790,630	15,276	16,960
Prepayments	46,574	21,999	116	2,050
Accrued income	340,018	358,892	18,602	26,589
Amounts owed from subsidiary	-	-	1,688	3,380
VAT	-	-	-	3,888
	<u>723,233</u>	<u>1,171,521</u>	<u>35,682</u>	<u>52,867</u>

16. Creditors: amounts due within 1 year

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	174,344	249,350	4,665	57,511
Other taxation and social security	289,387	186,357	99,187	5,974
Accruals	219,011	72,134	157,279	36,883
Other creditors	38,885	39,411	2,709	2,343
Deferred income (see note 22)	57,059	82,649	-	-
Obligations under finance leases	<u>185,162</u>	<u>180,846</u>	<u>-</u>	<u>-</u>
	<u>963,848</u>	<u>810,747</u>	<u>263,840</u>	<u>102,711</u>

17. Creditors: amounts due after 1 year

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Obligations under finance leases	<u>450,407</u>	<u>635,569</u>	<u>-</u>	<u>-</u>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

18. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charitable company's trading subsidiary, Wastesavers Limited, donates available profits to the charitable company. Any taxable profits retained in the subsidiary company are chargeable to corporation tax.

19. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	2,325,729	595,168	2,920,897
Current assets	913,451	1,659,064	2,572,515
Creditors: amounts falling due within 1 year	-	(963,848)	(963,848)
Creditors: amounts falling due after more than 1 year	-	(450,407)	(450,407)
Net assets at 31 March 2021	<u>3,239,180</u>	<u>839,977</u>	<u>4,079,157</u>
Prior period comparative			
	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	2,415,722	823,439	3,239,161
Current assets	661,408	1,489,888	2,151,296
Creditors: amounts falling due within 1 year	-	(810,747)	(810,747)
Creditors: amounts falling due after more than 1 year	-	(635,569)	(635,569)
Net assets at 31 March 2020	<u>3,077,130</u>	<u>867,011</u>	<u>3,944,141</u>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

20. Movements in funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Restricted funds					
WEFO (EDRF Obj 2)	171,070	-	(21,513)	-	149,557
Welsh Assembly	188,022	-	(18,638)	-	169,384
Cardiff City Council	47,700	-	-	-	47,700
Newport City Council	288,855	481,145	(34,545)	(845)	734,610
Rhondda Cynon Taf Council	-	110,000	-	-	110,000
Leasehold land (NCC)	121,281	-	-	-	121,281
NCC flats recycling	324,853	-	(25,173)	-	299,680
Wastesavers Ltd capital fund	<u>1,935,349</u>	<u>56,824</u>	<u>(385,205)</u>	<u>-</u>	<u>1,606,968</u>
Total restricted funds	<u>3,077,130</u>	<u>647,969</u>	<u>(485,074)</u>	<u>(845)</u>	<u>3,239,180</u>
Unrestricted funds					
General funds	<u>867,011</u>	<u>4,848,007</u>	<u>(4,875,886)</u>	<u>845</u>	<u>839,977</u>
Total unrestricted funds	<u>867,011</u>	<u>4,848,007</u>	<u>(4,875,886)</u>	<u>845</u>	<u>839,977</u>
Total funds	<u><u>3,944,141</u></u>	<u><u>5,495,976</u></u>	<u><u>(5,360,960)</u></u>	<u><u>-</u></u>	<u><u>4,079,157</u></u>

Purposes of restricted funds

WEFO and Welsh Assembly funds

The WEFO and Welsh Assembly funds are capital restricted funds representing the Wastesavers Resource Centre. The funds will be reduced each year by the annual depreciation charge of the related fixed assets, along with any impairment losses incurred.

Cardiff City Council

An award of funding in relation to improving reuse infrastructure in Cardiff.

Newport City Council

An award of funding in relation to improving reuse infrastructure in Newport.

Rhondda Cynon Taf Council

An award of funding in relation to improving reuse infrastructure in Aberdare.

Leasehold land

A grant was received from the Welsh Government to enable Wastesavers Ltd to purchase a plot of leasehold land adjoining the current property.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

20. Movements in funds (continued)

NCC flats recycling

Circular economy funding towards the purchase of flats recycling bins, caddies and liners within Wastesavers Limited. Note that this fund has been renamed from 'NCC recycling consumables'.

Wastesavers Ltd capital fund

The Wastesavers Ltd capital fund represents assets purchased and to be purchased with capital grants in the subsidiary company. The fund will be reduced each year by the annual depreciation charge of the related fixed assets. In the financial statement of Wastesavers Limited, these capital grants have been treated as deferred capital income. Adjustments were made on consolidation to bring the accounting treatment for capital grants into line with Wastesavers Charitable Trust Limited's accounting policies.

Prior year comparative:

	At 1 April 2019 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2020 £
Restricted funds					
WEFO (EDRF Obj 2)	192,584	-	(21,514)	-	171,070
Welsh Assembly	206,660	-	(18,638)	-	188,022
WCVA Active Inclusion	-	7,841	(7,841)	-	-
Welsh Government: COLCP	3,160	-	(3,160)	-	-
Cardiff City Council	90,000	(42,300)	-	-	47,700
Newport City Council	300,000	-	(11,145)	-	288,855
Leasehold land (NCC)	121,281	-	-	-	121,281
NCC flats recycling	-	344,360	(19,507)	-	324,853
Wastesavers Ltd capital fund	<u>2,303,283</u>	<u>-</u>	<u>(367,934)</u>	<u>-</u>	<u>1,935,349</u>
Total restricted funds	<u>3,216,968</u>	<u>309,901</u>	<u>(449,739)</u>	<u>-</u>	<u>3,077,130</u>
Unrestricted funds					
General funds	<u>738,527</u>	<u>4,291,925</u>	<u>(4,163,441)</u>	<u>-</u>	<u>867,011</u>
Total unrestricted funds	<u>738,527</u>	<u>4,291,925</u>	<u>(4,163,441)</u>	<u>-</u>	<u>867,011</u>
Total funds	<u><u>3,955,495</u></u>	<u><u>4,601,826</u></u>	<u><u>(4,613,180)</u></u>	<u><u>-</u></u>	<u><u>3,944,141</u></u>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

21. Finance lease commitments

The group had finance leases at the year end with total future minimum lease payments as follows:

	2021 £	2020 £
Amount falling due:		
Within 1 year	206,959	210,388
Within 1 - 5 years	471,892	678,851
	<u>678,851</u>	<u>889,239</u>

All finance leases are held by Wastesavers Limited. The charity has no finance leases in its own name, but does act as guarantor for the leases held by Wastesavers Limited.

22. Deferred income

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
At 1 April 2020	82,649	62,679	-	-
Amounts deferred during the year	57,059	82,649	-	-
Amounts released during the year	<u>(82,649)</u>	<u>(62,679)</u>	<u>-</u>	<u>-</u>
At 31 March 2021	<u>57,059</u>	<u>82,649</u>	<u>-</u>	<u>-</u>

The Commercial Recycling Service invoices in advance of service delivery. As the group is not entitled to the income until the services are delivered, the income is deferred within the group accounts.

23. Related party transactions

Wastesavers Limited

Wastesavers Limited is a wholly owned subsidiary of Wastesavers Charitable Trust Limited. During the year Wastesavers Limited paid the following amounts to Wastesavers Charitable Trust Limited:

	2021 £	2020 £
Rent	47,220	46,296
Management fee	11,454	13,731
	<u>58,674</u>	<u>60,027</u>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2021

23. Related party transactions (continued)

Newport City Council

David Mayer, a trustee of Wastesavers Charitable Trust Limited, is also a Councillor of Newport City Council. During the year Wastesavers Limited purchased materials totalling £634,759 (2020: £431,453) and received a total of £3,423,002 (2020: £2,434,653), from Newport City Council. This included the following amounts:

	2021 £	2020 £
Recycling payment	2,531,789	2,057,899
Recycling consumables	382,781	376,754
Emergency funding	508,432	-
	<u>3,423,002</u>	<u>2,434,653</u>

A-Print and Design Limited

Roger Ayres, a trustee of Wastesavers Charitable Trust Limited, is also director of a printing company called A-Print and Design Limited. During the year Wastesavers Charitable Trust Limited (group) purchased printing supplies totalling £685 (2020: £865) from A-Print and Design Limited. The outstanding balance at 31 March 2021 was £Nil (2020: Nil).

24. Capital commitments

At 31 March 2021, capital expenditure commitments were as follows:

	2021 £	2020 £
<i>Contracted but not provided for in the accounts:</i>		
Reuse Centre building works	<u>439,640</u>	-
	<u>439,640</u>	-