

Company no. 05326617
Charity no. 1116150

Wastesavers Charitable Trust Limited
Report and Audited Financial Statements
31 March 2022

Wastesavers Charitable Trust Limited

Reference and administrative details

For the year ended 31 March 2022

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	Chair
Roger Ayres	Vice Chair
William Langsford	Treasurer
Len Casley	
Mark Esposito	
Caroline Wynn	

Key management personnel	Penelope Goodwin	Chief Executive Officer
	Ian Symes	Head of Operations
	Janet Jones	Finance Manager and Company Secretary
	Alun Harries	Charity Manager
	Phil Hurst	Marketing and Development Officer
	Leane Rowe	HR Manager
	Ian Pearce	PEAK Co-ordinator
	Kris Dowding	Recycling Manager
	Thomas Belcher	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 2022

The trustees present their report and the audited financial statements for the year ended 31 March 2022. 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 2022

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. Our flagship Reuse Centre in Maindee, Newport, and Reuse Shops at HWRCs in Newport, Llantrisant, Treherbert, Pentrebach, Roseheyworth, Cardiff and New Inn.** These projects take a variety of household items donated by the general public and business including furniture, IT, electrical items and general bric and brac and makes them available to the general public at low prices. We deliver social programmes to reduce social isolation, increase digital awareness and improve employability as well as a comprehensive volunteering programme to support people in gaining additional skills and experiences and to facilitate social interaction.
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.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2022

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, specifically Newport and Torfaen, 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. Wastesavers Limited delivers three key services which generates 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.

1. **Kerbside Recycling services** for the city of Newport. They hold a contract to deliver the kerbside recycling service including collection and reprocessing source segregated recyclate from all 74,000 houses and flats in Newport. This contract expires in 2024-25.
2. **Commercial Recycling Services** for Newport, Cardiff, Monmouthshire and Torfaen, collecting source segregated recycling from businesses using wheeled bins and reusable sacks.
3. **Commercial Reprocessing Services** – providing reprocessing services to local authorities and businesses in the local area on an ad hoc basis.

Last year this equated to 20,391 tonnes of recyclables collected at the kerbside and an additional 1,469 tonnes of material brought in from commercial businesses and reprocessing commercially on site. Wastesavers Limited employs 83 members of staff and represent the largest proportion of income and expenditure for the group.

The charity measures its success by the collection and analysis of Key Performance Indicators at its Management Review Meetings, Board Meetings and contract 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. Health and safety and environmental performance are also monitored and reported against.

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.

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. This is covered throughout this report.

Achievements and performance

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

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2022

Last year we had the following objectives:

- 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.

Despite restrictions due to Covid-19, I am pleased to say that Wastesavers Charitable Trust has achieved all these objectives.

Overview

This year the organisation has dealt with the continuing impact of the Covid-19 pandemic. Despite a relaxation in restrictions Covid-19 has continued to affect all aspects of our business from managing the health and wellbeing of our workforce to dealing with an increase in tonnages placed out for collection at the kerbside. However, all our departments have continued to operate and deliver their services with the charity returning to near normal service after months of furlough.

Our CEO was on maternity leave during much of 2021-22 passing responsibility to the Head of Operations. During this time the group continued its maintenance of ISO 9001, 14001 and 45001 standards and continued to deliver its aims and objectives.

Reuse

All staff returned from furlough during April and May 2021, with the phased reopening of all retail sites. Despite the restrictions still in place due to Covid-19 and the subdued retail market we continued to grow our reuse offering.

In July 2021 we opened the long awaited Reuse Centre in Maindee. The centre inhabits a building bought and renovated by the charity over the previous 12 months. It now inhabits our IT reuse department, furniture reuse shop, and as part of its community commitment, gives space to Maindee Makerspace and their operations. In the coming 12 months it is hoped that a Nappy Library and Repair Café will also be housed here.

The expansion of our Reuse Shops at recycling centres continued with the opening of The Cabin in Lamby Way, The Den in Roseheyworth and the Steelhouse in New Inn. We also continued working on plans with Rhondda Cynon Taff Council to open a hybrid Reuse Shop in Aberdare High Street which we hope will complete in Summer 2022. We also submitted our bid, which was approved (subject to negotiations) to run another Reuse Shop in Penallta, Caerphilly.

In total we employed 37 staff, an increase of 20 people on our 2020-21 employment figures. We also worked with 71 volunteers who contributed 14,184 hours, working to reuse and recycle furniture, IT, electrical equipment and household bric a brac and helping us to divert a massive 621 tonnes of reusable items from landfill. This is a labour value of £126,379 at minimum wage!

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2022

PEAK

This has been another difficult year for PEAK with staff flexi furloughed until September when the schools began to place students. Our return to the classroom was slow, but between September 21 to March 22 we actively engaged 27 students, 14 pupils from Newport and 13 from Torfaen. Commitment from schools has been difficult during this period and alternative options for PEAK are being explored, including diversification.

Funding of £22k has been obtained from Torfaen County Borough Council to develop and open a repair café for Torfaen during 2022. As a result we plan to reduce PEAKs opening days from 5 days a week to 3 days to accommodate the reduction in student numbers and allow staff to work on this alternative project.

Education

The long overdue redevelopment of the education room took a step forward this year as we engaged a designer and began developing our ideas for the interactive workstations that will replace the previous 'pods'. The wall has been removed and ceiling repaired and we now await installation. Funding has already been received for a proportion of this project with the remaining coming from industry sponsorship and our own funds. It is anticipated that this will open in Autumn 2022.

Kerbside recycling

During the year our kerbside recycling service diverted 20,391 tonnes of recyclable material from disposal. This was 7.8% lower than 2020-21 as we saw the entertainment industry reopen and people's consumer habits change; after 12 months inside people started to eat out again (reducing the food waste and packaging collected) and head back to the pub (reducing the glass and cans collected). However, this is still 774 tonnes more than collected in 2019-20.

Material prices began to recover as income began to be received for cardboard. Aluminium and plastic began to gain in value in part due to energy crisis and war in Ukraine seen in the latter part of the year.

A covid outbreak at the start of the year saw our services disrupted as staff isolated but this was soon brought under control. The outbreak was brought into the company from a number of sources but by careful management and putting teams in 'bubbles' this outbreak was minimised.

During Summer 2021 we came under increasing pressure due to the HGV driver shortage. Everyone with an HGV licence was sent a letter from government encouraging them to use their licence. Our drivers were targeted by local recruiters and we lost a number to competitors paying higher wages and better benefits. This included 3 staff who left to work for Newport City Council. Our agency fees increased dramatically as HGV drivers demanded higher wages and the local authority agreed to support us with any spare staff they have available and have agreed to wage parity moving forward. The situation has gradually improved and while HGV drivers are still demanding higher wages there is no longer the daily pressure of finding staff to drive our vehicle. An agreement was made with Newport City Council that the cost of living allowance agreed between trade unions and their members within the council, would also be passed onto Wastesavers staff.

The way we communicate with our staff changed this year as we introduced the first Kerbside Matters publication to replace kerbside staff meetings. This enabled us to communicate important issues to our staff, including health and safety and environmental issues, and also to inform on the work the charity is doing. This has been positively received.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2022

Commercial recycling and responsibility

Covid-19 continued to affect our commercial recycling operations as, despite restrictions easing, some of our clients were not able to reopen. However, many resumed their recycling collections and despite a drop in tonnage and income from 2019-20, 945 tonnes were diverted from landfill, an increase of 38.6% from last year.

524 tonnes were reprocessed for neighbouring local authorities a 19.4% increase on 2020-21.

Financial review

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 £60k for the charity.

Wastesavers Limited; kerbside recycling, commercial recycling, and training

Income from sale of materials collected from kerbside and commercial recycling collections was £1,148k in 2021-22 up £424k from 2020-21 due to rising demand, and therefore price of cardboard and the gain in value of aluminium and plastic caused by the energy crises and war in Ukraine experienced in the latter part of the year.

Both income and expenditure for the recycling departments were below last year's figures as Newport Council's covid-19 payments reduced and furlough funding ended (applicable to our commercial recycling department). Total income was £4,740k compared to last year of £4,775k - £35K less.

Expenditure on wages was £50K more than in 2020-21 (£2,640k in 2021-22 compared to £2,590k in 2020-21) but the proportion of agency costs reduced from 32.5% of costs in 2020-21 to 28% of costs in 2021-22 demonstrating the formal move towards driver plus 2 in our operating plan and the slight easing of our staffing pressures.

Wastesavers Charitable Trust Limited; reuse

During 2021-22, we opened an additional three tip shops in Roseheyworth, Blaenau Gwent; Lamby Way, Cardiff; and New Inn, Torfaen. Additional funding of £99k was received from Torfaen County Borough Council (CBC) to part fund wages for two years.

In total the tip shops generated income of £449k up from last year's income of £71k – which was generated despite many of the shops being closed for most of the trading period.

The Reuse centre generated £131k from furniture and £83k from computer reuse up from £48k and £59k respectively for 2020-21.

Funding of £110k has already been received and allocated to the Aberdare Reuse Centre to be opened in Summer 2022.

PEAK

Student income from PEAK started improving from a low of £20k in 2020-21 to £41k in 2021-22 however, it is still half the income generated in 2019-20 and demonstrates the continuing effect of covid-19 on schools.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2022

In addition to this work, PEAK also received £22k of advance funding from Torfaen CBC to pay for the opening of a repair café in the authority in 2022.

Overall

At the end of the reporting period 2021-22, the Charity, incorporating its limited trading arm made a loss of £334,160 while the Limited company on its own made a profit of £58,175. However, it should be noted that the group accounts include the depreciation of assets which we received funding for in a prior period. This income will not show in these accounts. This compares to last year where the charity reported a profit of £135,016, however, this included restricted funding awaiting spend relating to the reuse centre. Other points to note are as follows:

Fixed assets

In total the group's fixed assets stand at £2.78m with £754k liabilities due within 12 months.

Our cash in the bank was at £1,208k at the end of the year, a reduction of £628k on 2020-21 due to the development and build of the Reuse Centre and creation of this capital asset.

Debt

Our debt included new loans of £74,272 which related to the finance agreements in place for our insurance policies.

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 £724,429 held in unrestricted net current assets, an increase of £29k on 2020-21.

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

It is hoped that 2022-23 will see the first year of Covid-19 recovery with the end of restrictions on trading and working life. It is hoped that pressure of recruitment eases in light of our movement out of the pandemic and public confidence returns in the form of footfall within our shops. This is likely to result in a drop in tonnages available to collect at the kerbside, however, the level of this impact will remain to be seen.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2022

Our plans remain ambitious with developments across our charity to further our reach and deliver on our aims and objectives. Specifically;

- Open Aberdare Reuse Centre;
- Open Caerphilly reuse shop (at Penallta Recycling Centre);
- Open Nappy Library at Reuse Centre in Maindee;
- Open Repair Café at Reuse Centre in Maindee;
- Relaunch Education Room;
- Consolidate kerbside recycling scheme as tonnages contract; 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 unrestricted reserves of £373,340, and the group holds unrestricted funds of £947,274;
- It generates its own income and this has made a strong return following 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.

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.

Wastesavers Charitable Trust Limited

Report of the trustees

For the year ended 31 March 2022

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 6 October 2022 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 2022 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 2022 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: 10 October 2022

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 2022

	Note	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Income from:					
Donations and legacies	3	32,000	61,779	93,779	256,381
<i>Charitable activities</i>					
Reuse	4	99,503	719,581	819,084	801,236
Recycling	5	7,931	4,259,870	4,267,801	4,417,781
Education	6	-	41,332	41,332	20,352
Investments		-	95	95	226
Total income		<u>139,434</u>	<u>5,082,657</u>	<u>5,222,091</u>	<u>5,495,976</u>
Expenditure on:					
<i>Charitable activities</i>					
Reuse		107,422	616,975	724,397	482,994
Recycling		473,469	4,276,642	4,750,111	4,796,875
Education		-	81,743	81,743	81,091
Total expenditure	8	<u>580,891</u>	<u>4,975,360</u>	<u>5,556,251</u>	<u>5,360,960</u>
Net income / (expenditure)		(441,457)	107,297	(334,160)	135,016
Transfers between funds		-	-	-	-
Net movement in funds	9	(441,457)	107,297	(334,160)	135,016
Reconciliation of funds:					
Total funds brought forward		<u>3,239,180</u>	<u>839,977</u>	<u>4,079,157</u>	<u>3,944,141</u>
Total funds carried forward		<u><u>2,797,723</u></u>	<u><u>947,274</u></u>	<u><u>3,744,997</u></u>	<u><u>4,079,157</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 2022

	Note	The group 2022 £	The group 2021 £	The charity 2022 £	The charity 2021 £
Fixed assets					
Tangible assets	11	2,780,910	2,920,897	1,044,323	671,824
Investments	12	-	-	100	100
		<u>2,780,910</u>	<u>2,920,897</u>	<u>1,044,423</u>	<u>671,924</u>
Current assets					
Stocks	14	25,580	12,776	25,580	12,776
Debtors	15	741,852	723,233	46,676	35,682
Cash at bank and in hand		<u>1,208,008</u>	<u>1,836,506</u>	<u>534,301</u>	<u>1,078,937</u>
		1,975,440	2,572,515	606,557	1,127,395
Liabilities					
Creditors: amounts falling due within 1 year	16	<u>753,831</u>	<u>963,848</u>	<u>42,308</u>	<u>263,840</u>
Net current assets		<u>1,221,609</u>	<u>1,608,667</u>	<u>564,249</u>	<u>863,555</u>
Total assets less current liabilities		4,002,519	4,529,564	1,608,672	1,535,479
Creditors: amounts falling due after more than 1 year	17	<u>257,522</u>	<u>450,407</u>	-	-
Net assets	19	<u><u>3,744,997</u></u>	<u><u>4,079,157</u></u>	<u><u>1,608,672</u></u>	<u><u>1,535,479</u></u>
Funds	20				
Restricted funds		2,797,723	3,239,180	1,235,332	1,211,251
Unrestricted funds		<u>947,274</u>	<u>839,977</u>	<u>373,340</u>	<u>324,228</u>
Total charity funds		<u><u>3,744,997</u></u>	<u><u>4,079,157</u></u>	<u><u>1,608,672</u></u>	<u><u>1,535,479</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 6 October 2022 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 2022

	2022	2021
	£	£
Cash used in operating activities:		
Net movement in funds	(334,160)	135,016
Adjustments for:		
Depreciation	646,223	635,348
Profit on the sale of fixed assets	(2,200)	-
Interest received	(95)	(226)
Interest paid	21,798	29,542
Decrease / (increase) in stock	(12,804)	(2,357)
Decrease / (increase) in debtors	(18,619)	448,289
Increase / (decrease) in creditors	(292,012)	148,785
Net cash provided by / (used in) operating activities	<u>8,131</u>	<u>1,394,397</u>
Cash flows from investing activities:		
Interest received	95	226
Proceeds from the sale of property, plant and equipment	2,200	-
Payments for plant, property and equipment	<u>(506,236)</u>	<u>(317,084)</u>
Net cash provided by / (used in) investing activities	<u>(503,941)</u>	<u>(316,858)</u>
Cash flows from financing activities:		
Cash inflows from new borrowing	74,272	-
Payment of finance lease liabilities	<u>(206,960)</u>	<u>(210,389)</u>
Net cash provided in / (used in) financing activities	<u>(132,688)</u>	<u>(210,389)</u>
Increase / (decrease) in cash and cash equivalents in the year	<u>(628,498)</u>	<u>867,150</u>
Cash and cash equivalents at the beginning of the year	<u>1,836,506</u>	<u>969,356</u>
Cash and cash equivalents at the end of the year	<u><u>1,208,008</u></u>	<u><u>1,836,506</u></u>

Analysis of changes in net debt:

	Brought forward	Cash flows	New loans	Non-cash movements	Carried forward
	£	£	£	£	£
Cash	1,836,506	(628,498)	-	-	1,208,008
Obligations under finance leases within 1 year	(185,162)	185,162	-	(192,885)	(192,885)
Obligations under finance leases after 1 year	(450,407)	-	-	192,885	(257,522)
Loans falling due within 1 year	<u>-</u>	<u>-</u>	<u>(74,272)</u>	<u>-</u>	<u>(74,272)</u>
	<u><u>1,200,937</u></u>	<u><u>185,162</u></u>	<u><u>(74,272)</u></u>	<u><u>-</u></u>	<u><u>683,329</u></u>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

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 continues to have a profound impact on the global economy, and has continued to affect 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 been able to return to a trading position, albeit at lower levels to that seen in previous years. The PEAK project utilised the government's Job Retention Scheme Funding for the first two quarters of the year ensuring that all staff were paid 100% of salaries as trading and schools returned to normal service.

Income from material sales for the kerbside recycling service began to return to pre pandemic levels as income for cardboard and plastic improved. Tonnages began to return to pre-pandemic levels as all restrictions were removed. Commercial Recycling Services, which were largely suspended, began to come back online as businesses reopened and revenue fees for services rendered increased. Due to a slow return of these businesses, Commercial Recycling staff were seconded to assist with other projects thereby reducing costs and mitigating any loss in income.

As the charity holds unrestricted, general reserves of £373,340 (group: £947,274) and a cash balance of £534,301 (group: £1,208,008), 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.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies (continued)

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.

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.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies (continued)

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:

	2022	2021
Reuse	16.3%	12.4%
Recycling	81.5%	85.3%
Education	2.2%	2.3%

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.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies (continued)

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.

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 except for 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 2022

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2021 Total £
Income from:			
Donations and legacies	-	256,381	256,381
<i>Charitable activities</i>			
Reuse	591,145	210,091	801,236
Recycling	56,824	4,360,957	4,417,781
Education	-	20,352	20,352
Investments	-	226	226
Total income	647,969	4,848,007	5,495,976
Expenditure on:			
<i>Charitable activities</i>			
Reuse	74,696	408,298	482,994
Recycling	410,378	4,386,497	4,796,875
Education	-	81,091	81,091
Total expenditure	485,074	4,875,886	5,360,960
Net income / (expenditure)	162,895	(27,879)	135,016
Transfers between funds	(845)	845	-
Net movement in funds	162,050	(27,034)	135,016

3. Donations and legacies

	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Donations and gift aid	-	6,970	6,970	5,039
COVID grants (including CJRS)	-	20,347	20,347	251,342
Kickstart grant	-	25,949	25,949	-
Other grants	32,000	8,513	40,513	-
	32,000	61,779	93,779	256,381

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 2022

4. Reuse

	Restricted £	Unrestricted £	2022 Total £
Grants - revenue	99,503	28,491	127,994
Computer recycling	-	83,653	83,653
Furniture shop	-	131,168	131,168
Tip shops	-	448,694	448,694
Other income	-	27,575	27,575
	<u>99,503</u>	<u>719,581</u>	<u>819,084</u>

Prior period comparative

	Restricted £	Unrestricted £	2021 Total £
Grants - revenue	110,000	21,508	131,508
Grants - capital	481,145	-	481,145
Computer recycling	-	59,051	59,051
Furniture shop	-	48,409	48,409
Tip shops	-	70,522	70,522
Other income	-	10,601	10,601
	<u>591,145</u>	<u>210,091</u>	<u>801,236</u>

5. Recycling

	Restricted £	Unrestricted £	2022 Total £
Material sales	-	1,147,794	1,147,794
Newport City Council:			
Recycling payment	-	2,201,092	2,201,092
Reimbursement for recycling consumables	-	345,343	345,343
COVID funding	-	405,231	405,231
Grants - capital	7,931	-	7,931
Flats recycling	-	11,614	11,614
Commercial recycling income	-	141,409	141,409
Other income	-	7,387	7,387
	<u>7,931</u>	<u>4,259,870</u>	<u>4,267,801</u>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

5. Recycling (continued) Prior period comparative

	Restricted £	Unrestricted £	2021 Total £
Material sales	-	724,250	724,250
Newport City Council:			
Recycling payment	-	2,531,789	2,531,789
Reimbursement for recycling consumables	-	379,586	379,586
COVID funding	-	508,432	508,432
Grants - capital	56,824	-	56,824
Flats recycling	-	43,352	43,352
Commercial recycling income	-	164,084	164,084
Other income	-	9,464	9,464
	<u>56,824</u>	<u>4,360,957</u>	<u>4,417,781</u>

6. Education

	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Student income	<u>-</u>	<u>41,332</u>	<u>41,332</u>	<u>20,352</u>

All income from education in the prior period was unrestricted.

7. Government grants

The charitable company receives government grants, defined as grant funding from Newport City Council, Torfaen County Borough Council, 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 2022 was £175,730 (2021: £804,503). 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 2022

8. Total expenditure

	Reuse £	Recycling £	Education £	Support and governance £	2022 Total £
Staff costs (note 10)	529,272	2,640,474	70,429	75,719	3,315,894
Other staff costs	18,948	67,764	191	2,003	88,906
Service delivery costs	32,676	1,051,333	2,731	121	1,086,861
Development and consultancy	15,211	2,297	55	506	18,069
Premises costs	43,702	105,176	59	-	148,937
Administrative costs	35,733	7,657	3,762	2,671	49,823
Insurance	11,517	137,967	1,139	-	150,623
Audit and accountancy	4,887	7,641	-	6,970	19,498
Bad debts	83	2,546	-	-	2,629
Interest and charges	6,990	21,798	-	-	28,788
Depreciation	-	578,850	-	67,373	646,223
Sub-total	699,019	4,623,503	78,366	155,363	5,556,251
Allocation of support and governance costs	25,378	126,608	3,377	(155,363)	-
Total expenditure	724,397	4,750,111	81,743	-	5,556,251

Total governance costs were £13,475.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

8. Total expenditure (continued)

Prior period comparative

	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 2022

9. Net movement in funds

This is stated after charging / (crediting):

	2022 £	2021 £
Interest payable	21,798	29,542
Depreciation		
▪ Owned assets	297,510	272,023
▪ Leased assets	348,713	363,325
(Profit) / loss on the sale of fixed assets	(2,200)	Nil
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Auditors' remuneration:		
▪ Statutory audit	13,475	12,850
▪ Other services	Nil	Nil
	<u>21,798</u>	<u>29,542</u>

Trustees were not reimbursed expenses during the year (2021: nil).

10. Staff costs and numbers

Staff costs for the group were as follows:

	2022 £	2021 £
Salaries and wages	2,261,608	1,995,123
Social security costs	172,119	151,007
Pension contributions	139,539	130,897
Agency staff	742,628	841,211
	<u>3,315,894</u>	<u>3,118,238</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 £304,073 (2021: £300,963).

	2022 No.	2021 No.
Average head count	<u>120</u>	<u>100</u>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

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 2021	316,765	1,617,552	121,281	917,211	3,466,580	27,564	614,498	7,081,451
Additions in year	439,874	-	-	-	66,362	-	-	506,236
Disposals in year	-	-	-	-	-	-	(10,557)	(10,557)
Transfers	(756,639)	756,639	-	-	-	-	-	-
At 31 March 2022	-	2,374,191	121,281	917,211	3,532,942	27,564	603,941	7,577,130
Depreciation								
At 1 April 2021	-	1,298,613	-	479,947	2,229,088	23,063	129,843	4,160,554
Charge for the year	-	60,328	-	109,128	449,036	3,875	23,856	646,223
Disposals in year	-	-	-	-	-	-	(10,557)	(10,557)
At 31 March 2022	-	1,358,941	-	589,075	2,678,124	26,938	143,142	4,796,220
Net book value								
At 31 March 2022	-	1,015,250	121,281	328,136	854,818	626	460,799	2,780,910
At 31 March 2021	316,765	318,939	121,281	437,264	1,237,492	4,501	484,655	2,920,897

Included within the net book value is £423,019 (2021: £771,789) relating to assets held under finance leases. The depreciation charged to the statement of financial activities in respect of these assets was £348,713 (2021: £363,325).

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

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 2021	316,765	1,617,552	1,898	49,310	10,557	1,996,082
Additions in year	439,874	-	-	-	-	439,874
Transfers	(756,639)	756,639	-	-	-	-
Disposals in year	-	-	-	-	(10,557)	(10,557)
At 31 March 2022	-	2,374,191	1,898	49,310	-	2,425,399
Depreciation						
At 1 April 2021	-	1,298,612	1,898	13,191	10,557	1,324,258
Charge for the year	-	60,329	-	7,046	-	67,375
Disposals in year	-	-	-	-	(10,557)	(10,557)
At 31 March 2022	-	1,358,941	1,898	20,237	-	1,381,076
Net book value At 31 March 2022	-	1,015,250	-	29,073	-	1,044,323
At 31 March 2021	316,765	318,940	-	36,119	-	671,824

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

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:

	2022 £	2021 £
Turnover	4,739,573	4,774,531
Cost of sales	<u>(448,143)</u>	<u>(634,759)</u>
Gross profit	4,291,430	4,139,772
Administrative expenses	<u>(4,213,700)</u>	<u>(4,071,107)</u>
Operating profit	77,730	68,665
Other income	2,200	-
Interest receivable	43	101
Interest payable	<u>(21,798)</u>	<u>(29,542)</u>
Profit on ordinary activities	58,175	39,224
Corporation tax	<u>-</u>	<u>-</u>
Profit for financial year	<u>58,175</u>	<u>39,224</u>

The aggregate of the assets, liabilities and funds was:

	2022 £	2021 £
Assets	3,112,939	3,695,890
Liabilities	<u>(2,538,906)</u>	<u>(3,180,032)</u>
Funds	<u>574,033</u>	<u>515,858</u>

13. Parent charity

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

	2022 £	2021 £
Gross income	1,005,945	1,133,573
Results for the year	<u>73,193</u>	<u>449,350</u>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

14. Stock

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Donated goods for resale	<u>25,580</u>	<u>12,776</u>	<u>25,580</u>	<u>12,776</u>

15. Debtors

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	388,859	336,641	36,820	15,276
Prepayments	125,939	46,574	1,158	116
Accrued income	227,054	340,018	1,228	18,602
Amounts owed from subsidiary	-	-	653	1,688
VAT	-	-	6,817	-
	<u>741,852</u>	<u>723,233</u>	<u>46,676</u>	<u>35,682</u>

16. Creditors: amounts due within 1 year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	116,313	174,344	3,335	4,665
Other taxation and social security	178,039	289,387	6,481	99,187
Accruals	84,762	219,011	29,017	157,279
Loans	74,272	-	-	-
Other creditors	41,645	38,885	3,475	2,709
Deferred income (see note 22)	65,915	57,059	-	-
Obligations under finance leases	192,885	185,162	-	-
	<u>753,831</u>	<u>963,848</u>	<u>42,308</u>	<u>263,840</u>

The unsecured loan, the aggregate total of which amounts to £123,832, is repayable in ten monthly installments of £13,002 commencing 20 December 2021. Total interest repayable over the lifetime of the loan is £6,237 (5%).

17. Creditors: amounts due after 1 year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Obligations under finance leases	<u>257,522</u>	<u>450,407</u>	<u>-</u>	<u>-</u>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

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	2,300,543	480,367	2,780,910
Current assets	497,180	1,478,260	1,975,440
Creditors: amounts falling due within 1 year	-	(753,831)	(753,831)
Creditors: amounts falling due after more than 1 year	-	(257,522)	(257,522)
Net assets at 31 March 2022	<u>2,797,723</u>	<u>947,274</u>	<u>3,744,997</u>
Prior period comparative			
	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>

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

20. Movements in funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2022 £
Restricted funds					
WEFO (EDRF Obj 2)	149,557	-	(21,513)	-	128,044
Welsh Assembly	169,384	-	(18,638)	-	150,746
Cardiff City Council	47,700	-	(2,942)	-	44,758
Newport City Council	734,610	-	(33,491)	-	701,119
Rhondda Cynon Taf Council	110,000	-	-	-	110,000
Torfaen County Council - New Inn Salaries	-	99,503	(30,838)	-	68,665
Torfaen County Council - Reuse Coordinator	-	22,000	-	-	22,000
Education Suite	-	10,000	-	-	10,000
Leasehold land (NCC)	121,281	-	-	-	121,281
NCC flats recycling	299,680	-	(82,900)	-	216,780
Wastesavers Ltd capital fund	1,606,968	7,931	(390,569)	-	1,224,330
Total restricted funds	3,239,180	139,434	(580,891)	-	2,797,723
Unrestricted funds					
General funds	839,977	5,082,657	(4,975,360)	-	947,274
Total unrestricted funds	839,977	5,082,657	(4,975,360)	-	947,274
Total funds	4,079,157	5,222,091	(5,556,251)	-	3,744,997

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

Funding to support the establishment of 2 sites in Cardiff, Lamby Way (opened 2021) and Bessemer Road (CCC made the decision not to continue with this site).

Newport City Council

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

Part of the grant from Newport City Council, £25,000, was allocated for the purchase of a new Reuse vehicle of which £845 remains.

Another part of the grant received from Newport City Council, £25,000, was allocated towards the refurbishment of the classroom at Head Office. The pandemic held up works until 2022, works have now commenced and should be completed this financial year.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

20. Movements in funds (continued)

Rhondda Cynon Taf Council

Rhondda Cynon Taff received funding of £110,000 from Welsh Government towards setting up a new Reuse site at Aberdare. This has been delayed although indications are that the site will open towards the end of this financial year.

Torfaen County Council - New Inn Salaries

TCBC also received funding which was passed to us to subsidise salaries at New Inn to March 2023. The balance at financial year 2021/22 was £68,665.

Torfaen County Council - Reuse Coordinator

Funding from Torfaen County Council towards the setting up and running of a Repair Café in Pontypool, Torfaen.

Education Suite

Donations to fund the refurbishment of the education suite at Head Office.

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.

NCC flats recycling

Funding to provide flats' recycling facilities across Newport, working in partnership with Newport City Council and Newport City Homes. This is an ongoing project.

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.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

20. Movements in funds (continued)

Prior year comparative:	At 1 April 2020 £	Income £	Expenditure £	Transfers between £	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>

21. Finance lease commitments

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

	2022 £	2021 £
Amount falling due:		
Within 1 year	206,960	206,959
Within 1 - 5 years	<u>264,932</u>	<u>471,892</u>
	<u>471,892</u>	<u>678,851</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.

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

22. Deferred income

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
At 1 April 2021	57,059	82,649	-	-
Amounts deferred during the year	65,915	57,059	-	-
Amounts released during the year	(57,059)	(82,649)	-	-
At 31 March 2022	65,915	57,059	-	-

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:

	2022	2021
	£	£
Rent	48,168	47,220
Management fee	11,970	11,454
	60,138	58,674

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 £448,143 (2021: £634,759) and received a total of £2,930,381 (2021: £3,423,002), from Newport City Council. This included the following amounts:

	2022	2021
	£	£
Recycling payment	2,200,722	2,531,789
Recycling consumables	345,343	382,781
Emergency funding	384,316	508,432
	2,930,381	3,423,002

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 £540 (2021: £685) from A-Print and Design Limited. The outstanding balance at 31 March 2022 was £Nil (2021: Nil).

Wastesavers Charitable Trust Limited

Notes to the financial statements

For the year ended 31 March 2022

24. Capital commitments

At 31 March 2022, capital expenditure commitments were as follows:

	2022	2021
	£	£
<i>Contracted but not provided for in the accounts:</i>		
Reuse Centre building works	-	439,640
	<u>-</u>	<u>439,640</u>
	<u>-</u>	<u>439,640</u>