

Registered Company Number 02427258

Registered Charity Number 1151578

**Forest Recycling Project Limited**  
**Report and Accounts**  
**for the year ended 31 March 2022**



# **Forest Recycling Project Limited**

## **Company Information**

### **Status**

Forest Recycling Project Limited is a registered charity and a company limited by guarantee and not having share capital.

### **Directors**

The directors of the company (and trustees of the charity) for the year 2021/22 were:

Jo Winyard (Chair to 19 May 2021, continuing as trustee beyond)

Mona Vakil (Chair from 19 May 2021; Treasurer)

Thomas Fox (Company Secretary)

Nicola Hughes (to 19 May 2021)

Eleanor McDougall (to 19 May 2021)

Veronique Jochum (from 19 May 2021)

Benjamin Ingram (from 19 May 2021)

Jonathan Emmett (from 19 May 2021)

Members of the Board of Trustees are trustees for the purpose of charity law and directors for the purpose of company law.

All of the directors/trustees are volunteers who do not receive remuneration.

### **Registered office**

2c Bakers Avenue

London E17 9AW

### **Accountant and Independent Examiner**

Waqas Hussain ACCA

10 Knebworth Avenue

London E17 5AJ

**Registered company number 02427258**

**Registered charity number 1151578**

# **Forest Recycling Project Limited**

## **Directors Report for the year ended 31 March 2022**

### **Introduction**

Forest Recycling Project Limited (FRP) is a registered charity and a company limited by guarantee.

FRP meets environmental challenges with solutions that provide local benefits on both an individual and a community level.

FRP was incorporated on 28<sup>th</sup> September 1989 and is governed by Articles of Association that were adopted on 16<sup>th</sup> January 2013. We are based in Waltham Forest, East London.

At FRP we work with individuals, communities, not-for-profit organisations and other companies to meet our objectives.

The trustees here present their report and accounts for the year ended 31st March 2022. The accounts comply with the accounting policies set out in note 1 of the accounts and with the Charity Commission's 2015 SORP (Statement of Recommended Practice – Accounting and Reporting by Charities).

### **Chair's Report on the year 2021-22**

Despite the uncertain environment since the start of the pandemic in March 2020, we are both pleased and proud to positively report on the financial year ending 31st March 2022.

The 2021-22 financial year continued to present challenges as we started the year with our retail operations closed following government guidance. However, the hard work and adaptability of our staff and volunteers has enabled Forest Recycling Project Ltd (FRP) to both meet these challenges and overcome them, and we would like to thank all of our staff and volunteers who have been crucial in FRP's positive outcome during this financial year.

Some examples of this adaptability include the continued modification of working practices to meet government guidelines and ensure the safety of staff, volunteers and those that come into contact with FRP, the introduction of "Click and Collect" for scaffolding, as well as social distancing to allow volunteer opportunities to continue when we have been able to do so.

We would like to mention a big thank you to our funders, without whom we would not be in the fortunate position of being able to report such positive results: The National Lottery Community Fund, William Morris Big Local, The Postcode Society Trust and North London Waste Authority. We would also like to extend our thanks to our individual donors who support FRP. We especially appreciate our funders and donors in providing us with the opportunity to deliver on our aims and goals.

The Directors are proud to report that FRP has had several achievements over the past financial year, and some of these include:

**1. Volunteering Opportunities and the Green Champions Programme**

Green Champions is our peer-led learning model, providing skills based volunteering opportunities in retail, carpentry, paint and fabrics. The project had a successful third year, with positive wellbeing impacts reported by volunteers as well as being able to exceed the target number of volunteers we were hoping to reach. With the agreement of our Funder, our target of 60 participants was reduced to 40 given the pandemic conditions, however we are proud to report that we were able to reach 62 participants. This was the third and final year of this Green Champions project, and with the generous funding of the National Lottery Community Fund (NLCF), we are pleased to be able to continue to evolve the Green Champions programme going forwards in 2022 and beyond. We are very grateful to the NLCF for their continued support.

**2. Re-use work and Community Presence**

Walthamstow Tool Library completed a successful pilot and we are very grateful to our funder, William Morris Big Local, who have funded the project for a further two years with the creation of a new Tool Library Coordinator staff post. FRP continued to be involved in the annual Hackney Toy Project and has increased the number of Give and Take events, allowing members of the community to re-use and have a positive impact on the environment. This work is in partnership with Hackney Council and we would like to thank them for continuing to enable us to deliver these services.

FRP facilitated further re-use of fabrics in the delivery of a lampshades project in the year and we thank our funders, the Tate Modern and North London Waste Authority in making this possible.

In addition, FRP was pleased to be part of the Walthamstow Art Trail in 2021, further forging connections with the local community.

**3. Operational improvements**

The financial year saw continued operational improvements and efficiencies including the disposal of most of residual waste paint held at our sites and ongoing stock reviews. The staff team got the paint and retail operations fully up and running and adapted for Covid safety as soon as it was possible early in the financial year. We've been delighted to collect over 20,000 litres and further distribute over 14,000 litres of reuse paint this year.

In addition, FRP was very fortunate to receive grant funding from the Postcode Society Trust, which enabled the organisation to purchase a ULEZ compliant van to replace an older van. We thank the Postcode Society Trust for their support in helping us to reduce our impact on the environment in this regard.

The organisation continues to review its risks and policies on an ongoing basis and during the year the health and safety risk assessments and retail policy were reviewed especially in light of the changing government guidelines, as well as the safeguarding policy.

#### **4. Strategy and looking forwards**

As we ended the financial year in a stronger financial position than at the time of the previous strategy in 2018, we look forward to the future and one that is not dominated by financial concerns in the short term. During the year, the Board of Trustees and the staff team collaborated together to launch a new strategy for the organisation, setting out our aspirations for the next three years and providing a clear focus for our future. The new strategy incorporates our five core values: Inclusive, Sustainable, Community-focused, Enterprising and Collaborative.

*This new strategy builds on the strides we have already made to be a more financially sustainable, resilient organisation, especially important in these times of economic uncertainty and inflation. The strategy sets out how FRP is looking to further increase its impact in the community and towards a greener environment, and as volunteering is currently at the heart of our activities, this is one of our priorities going forwards. As referred to previously, we are very fortunate to have secured funding for the next four years from the National Lottery Community Fund to evolve the Green Champions programme, for which we are extremely grateful.*

Following this review of our objectives and priorities for the next three years, we look forward to working towards our goal of creating a greener, more inclusive community.

Mona Vakil, Chair of Trustees for the year 2021/22, November 2022

#### **Professional services**

The Directors would like to thank the following for their service to FRP in this year:

HR Advisor: Populo HR

Payroll and Quickbooks services: Brookfields Accountants

Independent Examination and Accounts Preparation: Waqas Hussain

## **Trustees and Workforce Team in 2021/22**

### **Board of Trustees (Directors)**

Chair: Jo Winyard (to May 2021) and Mona Vakil (from May 2021)

Company Secretary: Thomas Fox

Treasurer: Mona Vakil

Board members: Nicola Hughes, Eleanor McDougall (to May 2021)

Veronique Jochum, Benjamin Ingram, Jonathan Emmett, Jo Winyard (from May 2021)

### **Staff**

Chief Executive: Alison Griffin

Retail and Operations Manager to July 2021: Gosia Rokicka

Retail and Admin Assistant from July 2021: Kim O'Donovan

Paint Worker: Clive Henry

Driver and Paint Assistant: Les Nicholas

Green Champions Project Manager, Carpentry Lead and Designated Safeguarding Officer: Greg Dickson

Green Champions Project Mentor and Fabric Lead: Elizabeth Salazar

Retail Assistant: Emily Palmer

Kickstart Apprentice from September 2021 to March 2022: Kacper Pietrzyk

Tool Library Coordinator from January 2022: Katja Benkel

### **Volunteers**

The staff work with, and are complemented by, a fantastic team of volunteers whose contribution is greatly appreciated. We extend immense gratitude to all our volunteers for their time, commitment, work and enthusiasm over the past year, and the Board of Trustees acknowledge and greatly appreciate the contribution of each individual who has given their time to us.

### **Governance and Management**

The trustees work closely with the Chief Executive, who is responsible for the day-to-day management of the organisation and overseeing the staff team.

Trustees (directors) meet at least four times a year to consider the activities of the organisation, and typically every two months. Additional electronic meetings and discussions and approvals by correspondence are often held in between these times, plus the Chair and Trustees have contact with the Chief Executive and staff team regarding projects on which they are working between meetings. In 2021-22, pandemic conditions meant that trustees met virtually for most of the year, using videoconferencing software.

Trustees can be appointed to the Board by the other trustees at any time. The appointment of any new trustees is decided and approved by all existing members. New trustees are briefed on their legal obligations under Charity Law, the decision making processes, the business plan and the recent performance of the charity. They also meet the staff team. Trustees are encouraged to attend appropriate external training and events where these will facilitate the undertaking of their role.

## **Annual Report on the year to March 2022**

### **Forest Recycling Project Limited's Aims**

FRP's aims are the protection and preservation of the environment for the public benefit by:

- The promotion of waste reduction, refuse reclamation, recycling, re-use and repair of recycled products.
- Education of the public about all aspects of waste generation, waste management and waste recycling.
- Working together with marginalised members of our community to promote sustainable living and improved mental health.

### **Forest Recycling Project Limited's Objectives**

**FRP's solution to improve local sustainable living:** At FRP, our main operational goal is reclaiming, repurposing and affordably selling waste material that would otherwise fill and pollute local landfill sites or go to incineration, and working alongside and supporting volunteers in this work.

The three main products we recycle are paint, timber and fabrics. We:

**Reclaim:** We take waste items of unwanted paint, timber and fabric, along with waste paper, and we stop them entering local incineration and landfill sites.

#### **Repurpose:**

- Paint is checked, sorted and sometimes re-mixed.
- Timber is cut, sanded and oiled and is used in a variety of ways, including to build items to assist the biodiversity of local ecosystems such as habitat boxes and planters.
- Fabric is sorted and used for crafting/upskilling workshops and sold affordably as bundles to local schools and community projects.

**Re-sell:** We sell a growing range of recycled and repurposed products, offering a cheap alternative to mainstream 'green' products, along with paint, timber and fabric to the local community. This ensures all sections of the community, as well as accessing unique products, can afford sustainable living.

## The Impact and Value of Forest Recycling Project Limited's Work

FRP is all about bringing environmental and social benefits to the local community. We play a part in London becoming a zero-carbon 'circular' economy, designing out waste from how we live and work.

We have analysed the environmental impact of re-using waste materials below:

- the amount of waste saved; and
- the greenhouse gas emissions avoided by not creating new products ('CO<sub>2</sub> equivalent').

There are also wider positive environmental impacts to FRP's work:

- Reclaimed materials ensure valuable resources are conserved.
- We avoid potential air, soil and water pollution from waste disposal.
- The planters and bird boxes built by volunteers in our carpentry programme contribute to local biodiversity.
- FRP's work increases awareness of the environmental and economic benefits of reducing, re-using and recycling waste.
- FRP's work with volunteers and the public enables and empowers people to take environmental action.
- FRP's collaboration with donor businesses enables corporate action to support the environment and the community, and raises awareness within their teams.

We also hope to help change people's relationship with 'stuff', and how they perceive waste. This means switching from a disposable consumer culture towards one that makes sensible use of what we have, re-using and sharing where possible. The cultural shift in mindsets and habits is harder to measure than the amount of carbon and waste saved, but it is also crucial. The tool library is a great example of this – making it normal and easy to borrow a drill instead of everyone needing their own - and showing again that the environmental and social parts of our work are inextricably linked.

### FRP's Work With Paint

Every year in the UK over 320 million litres of paint are sold. Of these, it is estimated that 50 million litres are unused, stored in homes or garages or thrown away.<sup>1</sup>

FRP's view is that unwanted paint is a resource that can be used to transform local environments, whether through providing an affordable way for low-income households or charities to redecorate, or supporting local artists to create beautiful community murals.

#### Paint business model:

Reusable paint is reclaimed from recycling centres or commercial companies.

At the FRP warehouse, our team of staff and volunteers sort, quality-check and re-mix the paint, ready for redistribution.

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<sup>1</sup> <https://communityrepaint.org.uk/>



The paint is sold as a sustainable, low-cost alternative to the general public, through our two retail outlets – our paint shop in Walthamstow and our paint warehouse in Leytonstone.

On average, each litre of reclaimed paint is £3 cheaper than the new equivalent – and further discounted paint is also offered via different schemes to:

- Charities, community groups and not-for-profit organisations
- Housing associations
- Council housing tenants

#### **Paint impact 2021-22:**

FRP's paint re-use avoided 38.1 tonnes of CO<sub>2</sub> equivalent emissions by avoiding the manufacture of new paint.

Our paint operation was affected by the pandemic, and started the year in lockdown (closed as non-essential retail), but had double the impact of the previous year, as we were delighted to reopen and rebuild our operations:

- Paint collected: 20,914 litres.
- Paint distributed: 14,014 litres.
- 4,000 litres of unusable paint derived from completing a clearout of our warehouse, which was safely disposed of.

2020-21 had been a year marked by lockdowns and restrictions, and 2021-22 saw us emerge from that, with caution. The safety of our staff, volunteers, customers and visitors is always our highest priority, and this year again it was a very pressing concern. Our work remained very modified, and when the shop and the warehouse were open, this was done in a covid-safe way, which reduced our capacity but kept everyone safe. It was great to be open again, with caution, and increasingly serving and working with the public again this year.

Meanwhile we reaped the benefits of the work staff had done (with covid-safety measures) to clear out and reorganise the paint at our premises, enabling us to serve and satisfy customers much more quickly this year. We will always have waste paint where reclaimed paint becomes unusable and needs to be safely disposed of, and this also represents an operational cost to the charity, but we have now cleared out a substantial backlog leaving us better positioned going forward.

#### **FRP's Work With Timber**

Reclaiming scaffolding boards can have significant benefits to the economy and the environment. In 2019, it was estimated that just 60% of the UK's waste wood was recycled<sup>2</sup> – leaving some 2 million tonnes going to waste.

We reclaim and reuse scaffolding boards that are no longer required by industry and building sites.

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<sup>2</sup> <http://www.hse.gov.uk/woodworking/recycling.htm>

### **Timber business model:**

Building developers and other industry partners donate used scaffolding to FRP, which would otherwise have been sent to landfill or incinerated.

The boards are sorted and stored in our local yard and workshop.

A small proportion of the reclaimed wood is sold on to local customers in its basic state.

The majority of the timber is repurposed by FRP's team of staff and volunteers, who cut the wood to bespoke size, sand and/or oil it to be sold on to the public.

Timber is often used in our workshops to create planters, biodiversity boxes or raised beds. This provides added social and environmental benefits in our community, as it creates new areas for green growth.

### **Timber impact 2021-22:**

- 2,049m of scaffold boards were repurposed between April 2021 and March 2022.
- Assuming a weight of 4kg/m, this equals a total of 8.2 tonnes of scaffold boards. Using a very conservative figure for calculating CO<sub>2</sub> savings, this equates to 3.02 tonnes of CO<sub>2</sub> saved (based on 295 kg/tonne which is compared with using new wood).
- We also estimate that the majority, 75% is used for indoor furniture projects which will become a longer carbon store. Using this assumption, 75% or 7.68 tonnes used inside (avoided impact from using new wood plus carbon storage in recycled wood not burnt) equals a further 5.12 tonnes CO<sub>2</sub> saving.
- This results in an estimated total saving of at least 5.77 tonnes CO<sub>2</sub> equivalent.

As with paint, our ability to work with and use or sell timber was affected by pandemic conditions. As described above, we were closed to customers going into this year, working with social distancing and restricting the number of people we could have on site in order to keep everyone safe. Donor companies were also typically reopening and reestablishing themselves, and preoccupied with their own highest priorities - we highly appreciate all the donations they did manage to make. Timber, however, was a product that we were able to sell and distribute using 'click and collect' further to previous innovations in 2021-22, which proved very successful, and we plan to continue to offer this service in future.

FRP would like to give a special mention and our thanks for all the donations of scaffold boards. ENJ Scaffolding and Globe Scaffolding have been our biggest donors, as well as the smaller more local companies, Matesons, EH and Boss Scaffolding who have been great in keeping us going in between the larger donations. They have all made significant positive environmental and community impacts on behalf of their companies through their donations. Scaffold product sales have continued to increase and we are only limited by supply. We continue to seek to grow this reuse work in partnership with scaffolding and building companies locally.

## **FRP's Work With Fabric**

Greenpeace statistics suggest that globally, an estimated 400 billion square metres of fabric is produced annually, of which 60 billion square metres will immediately end up on cutting room floors as waste (an area four times the size of London!). Much more becomes waste, or sits stored and unused, further down the supply chain. The wasted fabric is all sent to landfill, incinerated or sits unused. FRP believes that any fabric cuts are useful resources with potential for local reuse.

FRP commenced a pilot project in January 2018 to reclaim unwanted fabric in our community, and we have continued to develop this. The aim is to reduce the impact of wasted fabric on landfill and CO<sub>2</sub> emissions, and to sort and repurpose the fabric so that it can be sold back into the community.

### **Fabric business model:**

Sole traders and businesses across London are invited to donate their waste fabrics. Donors have included interior designers, fashion designers, furniture companies, film production companies, theatres and upholsterers.

Donated fabrics are weighed and sorted by volunteers into fabric type (man-made or natural) and into colour and tone.

The processed fabrics are sold individually to the community at affordable prices, and to community organisations and schools via our membership schemes. Our quarterly fabric sales became so popular that we started running them monthly before the pandemic, and we hope to restart them soon.

As we have developed this project, we have started to train volunteers with sewing skills and knowledge of fabrics, and to support and mentor them in making and developing products for themselves and for sale. We have also developed a programme of community workshops.

### **Fabric impact 2021-22:**

- FRP sold around 340 kg of fabric, diverting it from landfill, this year - equating to around 0.7 tonnes of CO<sub>2</sub> savings.
- Additional positive impact and CO<sub>2</sub> savings came from using donated and reclaimed fabrics for events and workshops - an estimated further 80kg of fabric, equating to a further 0.2 tonnes of CO<sub>2</sub> savings. We also started offering a clothes mending service at London Borough of Hackney's Zero Waste Hub events, which saved a lot of clothes from going to waste.
- Total estimated saving of 1 tonne of CO<sub>2</sub> equivalent.

As with paint and timber above, our work with fabric has been seriously impacted by the pandemic in the past two years. We have done what we can, when we have been able to be open for retail and/or socially distanced volunteers, and we have done as much preparation as possible in between, often working from home and with volunteers on Zoom and by correspondence. Social distancing has meant that fabric sales - where a lot of reclaimed fabric was bought for community use - have not been possible, but we hope to reintroduce these in 2022-23.

## FRP's Work With Volunteers

FRP's operations and impact have always been made possible by working in collaboration with volunteers and the wider community.

In particular, the processes of handling and repurposing the reclaimed materials are led by our skilled mentors, but predominantly carried out by volunteers. We particularly welcome and support volunteers who are more marginalised in our community, and who can benefit most from our supported programmes – and who in turn make a fantastic contribution to our charity's work. Our team of staff and volunteers work closely together and the unique skills and attributes that each individual brings are valued and fostered.

### Green Champions

This year represented the final year of a Green Champions project, kindly and generously supported by The National Lottery Community Fund.

Green Champions is about encouraging and facilitating a positive life change, through volunteering and learning skills with our environmental charity. We want to take people who sit on the edge of our community and ask them to lead in this tremendously important transition to a green economy. Being part of the solution is immensely powerful when you are used to being seen as a problem. Building on learning from Waltham Forest Foundations, Green Champions also now enables and encourages some volunteers to stay with FRP for an extended period to further progress, and with an ultimate aim that 10% will gain roles in the green economy.

Dedicated project officer time is enabling us to build links and relationships with referral organisations, including those that deliver social prescribing and local mental health support services, so that we can reach some wonderful new volunteers with unique contributions to bring, and who stand to benefit from the inclusion and opportunities that supported volunteering can offer them.

Each individual volunteer registered to the project comes to FRP each week for three months, during which time they learn about how to work with reclaimed materials and develop their contribution to the charity and the environment. In a number of instances, we know this has helped them to gain paid employment, and in many cases we have tracked with volunteers the direct improvements that volunteering with us has brought to their confidence, self esteem and general mental health.

Over 60 adults participated during this year of the project, many of whom were vulnerable or marginalised in some way. Each volunteer undertook a pathway and developed skills in one of:

- Carpentry
- Fabrics
- Conservation
- Collecting, mixing and delivering unused paint
- Selling recycled goods in one of FRP's retail outlets

That we exceeded our aims for how many people could participate in our Green Champions programme this year was particularly remarkable, and a testament to our team, to our commitment to this programme, to everyone who was willing to take part under adapted circumstances, and to the flexibility

of The National Lottery Community Fund as a funder who supported us delivering in adapted ways throughout the pandemic. We began the year under lockdown, and welcomed people back slowly in a way that ensured maximum safety and, in particular, social distancing. We increased our capacity through reconfiguring our working arrangements so that people could be on site in small groups - with good distancing and enhanced ventilation - every day, and we also continued remote and hybrid access to our programmes in the early part of the year. The Green Champions who worked with FRP throughout the year (and the year before as well) showed great enthusiasm and dedication to their work, and we are enormously grateful for all their contribution and support for our programmes, and for all the health and safety measures that we put in place.

Being the final year of the project and its funding, we did a lot of evaluation and reflection of our work and how we might do much more in future. This went alongside FRP's wider strategy development for 2022-2025, mentioned elsewhere. We held focus groups and conducted a large survey to get very valuable input from those who had been participating in our programmes. We had feedback from all our staff team. At the same time, we had (as always) data on participation and impact (including wellbeing impact) of the programme - some of which we include below - which we had monitored and evaluated throughout. Over a period of months this year, we evaluated and developed our new, improved strategy and took an outline of this to The National Lottery Community Fund, who invited us to provide them with a full proposal.

We are hugely grateful to The National Lottery Community Fund for their support, and utterly delighted at the time of writing (September 2022) to now be in receipt of a new grant from them for the next four years of our Green Champions programme.

### **Volunteering programmes impact 2021/22:**

#### Engagement

In 2021/22, the Green Champions programme participation comprised:

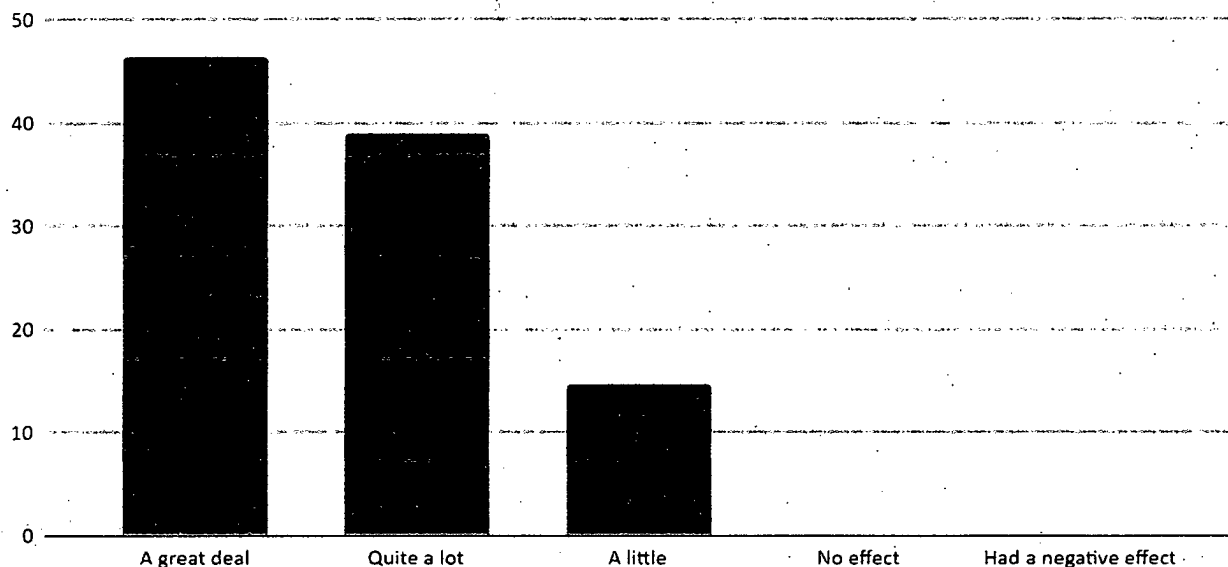
Fabrics	22 people
Carpentry	27 people
Paint	4 people
Conservation	1 people
Tool Library	8 people
Fabrics development pathways	7 people
Carpentry development pathways	9 people

#### Wellbeing

The Green Champions programme is designed to support wellbeing. Volunteers undertake a Warwick-Edinburgh Mental Wellbeing Scale (WEMWBS) survey at the start and end of their placement by completing 15 questions to yield their current personal well being score. We saw that the vast

majority of participants showed an improved score at the finish compared with that at the start. In 2021/22 there was an average increase of 8.8, across everyone who completed before and after data. A change of +3 is classed as a meaningful positive increase in wellbeing. This was furthermore higher than the +5.3 from year one of the project (which was still very significant). This suggests that during the pandemic conditions of the last two years, and with the adaptations we put in place and all the learning we have accumulated, our programmes have been having an especially positive, and higher-than-ever, impact on wellbeing. We also asked all the Green Champions participants from the last three years about their experience of how their time with us impacted on their wellbeing when we surveyed them in early 2022:

Please tell us whether you feel your time with FRP helped your wellbeing?



### Individual Outcomes

Individuals who have worked with us have told us about how they have subsequently gone on to new opportunities, social engagement, increased confidence and employment. We are incredibly proud of all that people have achieved, and extremely grateful that this programme has enabled us to help people so much. In our recent survey of the Green Champions, we asked what people had done since joining Green Champions, and the response was:

- 71% have used the skills they learned at FRP elsewhere (practical skills or other things they feel they gained from their volunteering)
- 51% have made new friendships through volunteering at FRP
- 32% feel better informed about the environment and ways that they can have a positive impact
- 17% have started new volunteering elsewhere
- 24% have started new paid work
- 37% feel their confidence has improved
- 51% feel more connected to their local community

## **Green Office**

In addition to FRP's three main reclaimed products, we also offer a paper recycling service.

### **Paper business model:**

FRP collects office paper for recycling from small businesses and not-for-profit organisations within our locality. The paper is taken to a local paper mill to be recycled.

### **Paper impact 2021/22:**

Within the year, FRP collected and recycled 2,900kg of paper from local businesses and charities.

## **Delivering Through Partnerships**

FRP recognises that the best way to achieve its charitable aims and objectives and to secure real impact in the community, is often to work in partnership with others as well as participating in community events, and welcomes the opportunity to do both.

FRP continues to actively seek new partnerships that will be mutually positive and offer further environmental and social solutions. We would like to work with more community organisations to create innovative solutions to complex problems. In addition, FRP is always keen to collaborate with a wider selection of private companies who will donate their reusable waste materials to us and improve their own environmental impact.

In recent times, through the pandemic, partnership working was hard because of restrictions, and much that had been planned, or which had been done in previous years, didn't take place. We are very grateful to all our partners for continuing to develop relationships with us, often deferring and expanding on plans for post-pandemic working, and we have started to take forward more in this year 2021/22.

### **Walthamstow Tool Library – Working with William Morris Big Local**

FRP is delighted to have been partnering with William Morris Big Local (WMBL) to deliver on their greening and community engagement projects for the William Morris Ward area of Walthamstow.

Walthamstow Tool Library was a highly successful 2019-21 pilot project to develop and deliver a local tool lending library, particularly for garden tools, with the desire that it can become a local greening hub and build on what was started with a 'Greener Together' partnership project. The project was launched in the community in summer 2020 - limited but not thwarted by the pandemic conditions, as we ensured we started it in a covid-safe way. In 2021 it was able to fully launch and start to realise its potential. Over 150 members of the community joined, borrowing tools for personal and community projects, and a number of people kindly donating tools as well to make the project possible. It is turning into a great project in terms of both its social and environmental impact, and as 2021 came to an end William Morris Big Local decided to continue funding our delivery of the project for a further two years - including enabling us to employ a part-time Tool Library Coordinator as part of our team - and we received an Awards For All grant to do community engagement from the project in 2022. We are very grateful to William Morris Big Local for everything they are enabling us all to achieve in the area by working with us.

### **Community Repaint network**

FRP is a member of the Community Repaint network. This gives us the benefit of being part of a network of reuse paint outlets and the expert support of the small team at Community Repaint, for which we are very grateful. They also promote our outlets and signpost potential bulk paint donors to us.

### **Solar Panels**

FRP continues to host an array of solar panels on the roof space at 2c Bakers Avenue as part of the GREEN community share initiative. From 2nd April 2021 to 30th March 2022, 1053 kWh of solar electricity was generated through the panels - this energy consumption would have emitted 0.24 tonnes of CO<sub>2</sub> equivalent if taken from the grid.



## **Financial Review**

Income for the year amounted to £232,762 (2021: £216,458), £87,827 of which was unrestricted (2021: £96,797). Expenditure amounted to £223,620 (2021: £181,461). This resulted in net incoming resources for the year of £9,142 (2021: £34,997).

FRP seeks to develop its business and charitable income, to diversify its income and to always seek to keep costs to a minimum. Prudent financial management is extremely important to us. This is vital to underpinning the work of the charity, and supporting the strategic aims and vision. In March 2020, we were delighted to achieve our reserves target of 3-6 months of running costs held in reserves, and we have maintained this since, in spite of the challenging times we have been in.

The retail closures and limitations of the pandemic significantly undermined our ability to earn business income. However, we successfully restarted all our operations where we were able to. We had successfully applied in 2020/21 for the award of government grants to compensate for retail closures - and these were a huge help, including going into this financial year. Enormously supportive too was the continued grant income from The National Lottery Community Fund, and their agreement and encouragement to let us deliver in a flexible and responsive way. As a result, as well as continuing to deliver charitable and retail activities in as much as we were able, we have been able to report a positive financial position.

New work and operational development was also made possible by new income in 2021/22. William Morris Big Local (WMBL) had previously funded FRP to pilot a tool lending library. Following its success and reflecting their ongoing commitment to the project, WMBL funded the operations with a two-year grant from January 2022. The Postcode Society Trust awarded a grant that enabled us to replace our van with a much more efficient and greener vehicle - making our operations more financially and environmentally sustainable going forward. The North London Waste Authority funded a textile recycling project and other partners also contracted us to provide activities (other than through restricted grants) and increase the impact of our work - some of them described in the report above. We are extremely grateful to all those who fund FRP to deliver work to our mutual aims. In addition to grant income, activities for generating funds in the 2021-22 financial year bounced back up from prior year levels to 87% of the principally pre-pandemic 2019-20 level.

FRP has worked hard in recent years to make significant positive cultural and operational changes at all levels, to both improve our finances and build on existing beneficiary outcomes. We have a range of income generating activities, allowing us to work with a variety of partners and reduce our financial risk, alongside successful and ambitious grant fundraising. Developing further income streams and partnerships is an ongoing priority within our organisation, as we look to the future.

### **Reserves Policy and Reserves Position**

It is the policy of the charitable company to maintain reserves of the charitable company at a level to provide sufficient funds to cover unforeseen circumstances. The Reserves Policy of the company, as reviewed and updated in 2018 by the trustees (directors), and reconfirmed since, is that the trustees maintain that it is appropriate to maintain free reserves of approximately 3-6 months of overheads. The important aim at this juncture was to build reserves up to comfortably within the target range, and to actively work towards this by diversifying and building income sources.

In 2017-18 the free reserves at year end were £220, in 2018-19 they were £12,133, in 2019-20 they were £66,550, in 2020-21 they were £101,547 - the achievement of the reserves that we set out to build, for the security of the charity, at between 3 and 6 months of running costs. This year we have sustained our reserves within our policy in spite of the challenges, closing the year in March 2022 with £108,606 in reserves. This is alongside all of the charitable activity and environmental impact, as described in this report (and in previous years). It allows us to go forward in ongoing uncertain times, in terms of income fluctuations and the unknown further effects of the pandemic, with security for the charity and its work.

We are immensely grateful to all of our staff, volunteers and supporters for enabling FRP to achieve this reserves position in recent times, and proud as trustees that we have worked with them to guide the charity to this position of much greater security and prospects for the future.

### **Investment policy**

The main objectives of FRP's Investment Policy are: to ensure that the funds at FRP's disposal are managed effectively, to meet the operational needs of the charity, and to reduce liquidity risk. FRP also has a financial objective to increase income generating activities to provide increased financial stability and opportunities to expand our work.

The Trustees of the charity are responsible for making decisions regarding investment matters.

FRP is currently operating with a surplus, but is reliant on grants to fund much of its expenditure. There can be uncertainty over grant income and the timing of cash receipts, as well as on the availability of grants in future, and therefore it is important that assets are readily available to fund operations in times of uncertainty.

FRP currently holds assets in cash where possible to fund operations. There are currently no non-cash investments and no surplus assets that the directors deem available for investment at this time. Cash is held in readily accessible current accounts.

In such a case in the future that working capital substantially exceeds the needs of FRP, the investment policy will be reconsidered by the Board of Trustees. If and when this happens, the risk appetite, investment type, decision hierarchy, and investment management will all be considered and defined.

### **Risk Management**

The trustees (directors) are aware of their obligations to make a statement in respect of the management of risks faced by FRP. The trustees regularly review potential risks associated with the charity's activities and the following risks are currently identified:

#### **Finance**

The key risks facing the charity, especially in the current economic climate, relate to income generation. We have been building and diversifying our sources of income in order to manage this risk and we are working on building our earnings as a priority, alongside grant funding. We are really delighted to be in receipt of a current grant from The National Lottery Community Fund to support our core work with volunteers and recycling, and to have been eligible for retail premises lockdown grants (a range of Local Restrictions Support Grants and Closed Businesses Lockdown Payments) from the government in the

course of the past two years. At the time of writing, we are very pleased to report that FRP has received a further National Lottery Community Fund grant to take forward our Green Champions programme in 2022-26. We have meanwhile achieved and sustained our important goal of holding at least 3 months' running costs in reserves to underpin the future work of the charity. We have a new strategy prepared as we go into the new financial year, and a high priority of this in 2022-23 will be to further develop our Retail Strategy, so as to further secure the financial position and strategic potential of the charity.

### **Inflation and Rising Costs**

This has been added to our risk register in 2022 to reflect the rising rates and projections of inflation and especially fuel and other energy costs at present. These will impact us directly through our running costs, increased prices as the costs of our suppliers increase and also the impact of rising costs of living on our staff team. In early 2022 we reviewed and adjusted salaries in light of this - and may need to do so again. Careful financial management is in place with frequent review of budget and expenditure, and we are grateful for the financial expertise of our treasurer and the governance work of our board supplementing the work of the staff team in this regard. We are also mindful that our community and our volunteers will often be experiencing challenges and worries in this area. FRP is committed to supporting staff, volunteers and community as best as we are able and will review the impacts of the situation on a regular basis.

### **Covid-19**

The covid-19 crisis and accompanying lockdowns have represented many risks to FRP, as to the whole community in which we operate. We have had to close our retail outlets for a portion of the financial year, representing a loss of all retail income in that period, and to this end we are enormously grateful to our other funders and donors who bolster our position as a charity. Staff and their families are at risk from the virus, and from the challenges and stresses that the new situation has brought, and we have been doing everything that we can to support them. Our volunteer programmes have had to temporarily close more than once, with us seeking to offer support to each volunteer and Green Champion remotely, and put virtual training and meetups in place for all those who wish to join them. Throughout 2021-22 we continued to assess for risks and put safety measures in place, following all guidelines and recommendations, to continue to look after staff, volunteers and those that visit FRP and make sure that our work can continue as safely as possible. The risks around covid-19 continue to be under careful consideration going forward.

### **Health and Safety**

All staff receive up-to-date Health and Safety training, and we undertook a thorough review of our Health and Safety policies and procedures in 2020, implementing a number of improvements at that time. In this financial year, we have continued to do a lot of work on Health and Safety around covid-19, including regular risk assessments and reviews, checking and following of guidelines, extra training for staff and a range of new protocols. In late 2021 and early 2022, we updated First Aid training for staff members through the British Red Cross, meaning we have updated knowledge as well as five qualified first aiders in our small team and across our sites.

## **Safeguarding of vulnerable adult service users and our staff members**

All staff have undergone safeguarding training and FRP has invested in an employee support programme with Education Support Partnership, which provides mental health and wellbeing support face-to-face and over the telephone. We have updated our safeguarding policy and will continue to review this regularly. We undertook a thorough review of our Safeguarding Policy and Procedures this year and trained the staff in them.

## **GDPR**

Training has been undertaken by senior staff and the appropriate policies are in place. These policies are reviewed regularly and will be updated when appropriate.

## **Liabilities**

FRP's operational work sometimes necessitates the disposal of paint which is unusable for re-sale. This paint poses a liability risk to FRP. FRP has steps in place to reduce the collection of unusable paint in the first instance. Procedures are also set up to ensure the disposal of any waste paint is appropriate and as environmentally friendly as it can be.

## **Employees**

FRP strives to be an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are in place to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunities training to enable them to develop their skills and knowledge. FRP is committed to a programme of action to make this policy effective, and brings it to the attention of all employees.

FRP is extremely grateful to its team of employees for all their excellent work.

## **Contribution by, and appreciation of, supporters**

The Trustees appreciate the support of all FRP's funders, partners and supporters, as well as the dedicated staff team and volunteers.

## **Independent examiner**

Waqas Hussain ACCA has been appointed as independent examiner for this accounting period.

## **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

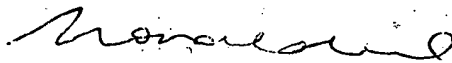
**Registered office:**

2c Bakers Avenue

Walthamstow

London E17 9AW

**Signed on behalf of the trustees**



**Mona Vakil**

**Chair of Trustees, Treasurer and Director**

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## **Independent examiner's report to the trustees of Forest Recycling Project Limited**

I report to the charity trustees on my examination of the accounts of Forest Recycling Project Limited ('the Charity') for the year ended 31 March 2022.

### **Responsibilities and basis of report**

As the Charity's trustees (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

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

### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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

**Name: Waqas Hussain FCCA**

**Address: 10 Knebworth Avenue, Walthamstow, London, E17 5AJ**

**Date: 20/11/2022**

**Signed:**



Forest Recycling Project Limited

**Statement of Financial Activities**

**For the year ended 31 March 2022**

				<b>2022</b>	<b>2021</b>
	<b>Note</b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total Funds</b>	<b>Total Funds</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary Income – grants & donations	2	144,935	14,597	<b>159,532</b>	183,943
Activities for Generating Funds			73,197	<b>73,197</b>	32,481
Investment Income			33	<b>33</b>	34
<b>TOTAL INCOMING RESOURCES</b>		<b>144,935</b>	<b>87,827</b>	<b>232,762</b>	<b>216,458</b>
<b>RESOURCES EXPENDED</b>					
<b>Fundraising Costs</b>					
Charitable activities		144,935	77,935	<b>222,870</b>	180,711
Governance Costs		-	750	<b>750</b>	750
<b>Total Resources Expended</b>	3	<b>144,935</b>	<b>78,685</b>	<b>223,620</b>	<b>181,461</b>
<b>Net Incoming Resources</b>					
<b>- Net Income for the Year</b>			<b>9,142</b>	<b>9,142</b>	<b>34,997</b>
<b>Total Funds at the start of the year</b>		<b>-</b>	<b>101,547</b>	<b>101,547</b>	<b>66,550</b>
<b>Total Funds at the end of the year</b>		<b>-</b>	<b>110,689</b>	<b>110,689</b>	<b>101,547</b>

The statement of financial activities includes all gains and losses in the year.

All of the above amounts relate to continuing activities.

**Forest Recycling Project Limited**

**Statement of Financial Position**

**31 March 2022**

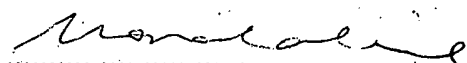
	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets	6	12,083	-
<b>Current assets</b>			
Debtors & Prepayments	7	15,694	15,632
Bank & Cash at hand		100,736	98,703
<b>Creditors: amounts falling due within one year</b>	8	(17,824)	(12,788)
<b>Net current assets</b>		110,689	101,547
Creditors: amounts falling due after more than one year			
<b>Net assets</b>		110,689	101,547
<b>Funds</b>			
General Funds		110,689	101,547
<b>TOTAL FUNDS</b>		110,689	101,547

For the year ended 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

These financial statements were approved by the Members of the Board of Trustees and authorised for issue on the 25th November 2022 and are signed on their behalf by:



**Mona Vakili**

**Chair of the Trustees, Treasurer and Director**



## **Forest Recycling Project Limited**

The financial statements have been prepared under the historical cost convention, and in compliance with 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with FRS 102 (Charities SORP) and the Companies Act 2006.

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year.

### **(b) Legal status**

Forest Recycling Project Limited is a registered charity and a company limited by guarantee and has no share capital. The liability of each member in the event of a winding-up is limited to £1.

### **(c) Going Concern**

There are no material uncertainties about the charity's ability to continue.

### **(d) Fund Accounting – restricted and unrestricted funds**

- Unrestricted funds are those where there are no externally imposed restrictions and are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

### **(e) Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

### **(f) Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit or examination costs, and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities (SoFA) on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. staff costs by time spent, per capita or estimated usage as set out in the notes to the accounts.

### **(g) Fixed assets**

Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated to write off the cost of fixed assets less their estimated residual value over their expected useful life on the following basis:

Office equipment: 25% straight line.

Vehicles: 33.3% straight line

## **1. ACCOUNTING POLICIES (continued)**

## Forest Recycling Project Limited

### (h) Operating lease agreements

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the life of the lease.

### (i) Cash at bank and in hand

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

### (j) Debtors

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

### (k) Creditors and Provisions

Creditors and provisions are recognised where the charity 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.

## 2. TOTAL INCOMING RESOURCES

	2022 Total £	2021 Total £
<b>Voluntary Income</b>		
<b>Grants &amp; Donations</b>		
The National Lottery Community Fund - Green Champions	101,868	116,317
William Morris Big Local - Walthamstow Tool Library	21,520	3,344
The Postcode Society Trust - New FRP Van	17,000	-
UK Government Covid grants	6,667	60,479
UK Government Kickstart grant	6,206	-
North London Waste Authority - Let There Be Light	4,547	-
Donations	1,724	3,803
<b>Total Voluntary Income</b>	<b>159,532</b>	<b>183,943</b>

## 3. RESOURCES EXPENDED

<b>Charitable expenditure</b>	<b>2022 £</b>	<b>2021 £</b>
Administration and office running costs	19,185	15,699
Project and direct costs	17,103	7,957
Premises costs	40,492	30,985
Staff and volunteer costs	146,090	126,070
<b>Governance Costs</b>		
Independent Examiner's fees	750	750
<b>Total Costs</b>	<b>223,620</b>	<b>181,461</b>

## 4. NET INCOMING RESOURCES

# Forest Recycling Project Limited

	2022	2021
	£	£
This is stated after charging:		
Rentals under operating leases	24,846	24,846
Independent Examiner's Fees	750	750

## 5. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2022	2021
	£	£
Gross pay	136,931	118,864
Social Security costs	7,831	6,735
<b>Total</b>	<b>144,762</b>	<b>125,599</b>

No employee received emoluments of more than £60,000 in this or the previous year.

None of the Trustees received any remuneration during the year. (2021: Nil)

	2022	2021
	5	5
Average number of employees during the year was:		

## 6. TANGIBLE FIXED ASSETS

	Vehicle £	Equipment £	Total £
<b>Cost:</b>			
At 1 April 2021	-	25,744	25,744
Additions	15,000	-	15,000
At 31 March 2022	15,000	25,744	40,744
<b>Depreciation:</b>			
At 1 April 2021	-	25,744	25,744
Charge for the year	2,917	-	2,917
At 31 March 2022	2,917	25,744	28,661
<b>Net book value:</b>			
At 1 April 2021	-	-	-
At 31 March 2022	12,083	-	12,083

## 7. DEBTORS AND PREPAYMENTS

	2022	2021
	£	£
Trade debtors	5,934	5,702
Other debtors and Prepayments	9760	9,930
	<b>15,694</b>	<b>15,632</b>

## 8. CREDITORS

Amounts falling due within one year:	2022	2021
	£	£

## Forest Recycling Project Limited

Trade creditors	2,018	12,525
Other creditors and accruals	2,213	263
VAT control	2,593	-
Deferred grants	11,000	-
	<u>17,824</u>	<u>12,788</u>

## 9. ANALYSIS OF MOVEMENT IN FUNDS

Total Funds	At 1 April 2021 £	Incoming £	Outgoing £	Transfers £	At 31 March 2022 £
Analysis of Movement in Funds					
<b>Restricted Funds</b>					
William Morris Big Local	-	21,520	(21,520)	-	-
The National Lottery Community Fund	-	101,868	(101,868)	-	-
Postcode Society Trust	-	17,000	(17,000)	-	-
North London Waste Authority	-	4,547	(4,547)	-	-
<b>Total Restricted Funds</b>	-	144,935	(144,935)	-	-
<b>Unrestricted</b>					
General	101,547	87,827	(78,685)		110,689
<b>Total Unrestricted Funds</b>	101,547	87,827	(78,685)		110,689
<b>Total Funds</b>	101,547	232,762	(223,620)		110,689

### The National Lottery Community Fund - Green Champions

The National Lottery Community Fund grant was a restricted grant for the FRP Green Champions project.

### William Morris Big Local - Walthamstow Tool Library

The William Morris Big Local grant was a restricted grant for development and delivery of Walthamstow Tool Library.

### Postcode Society Trust - New FRP van

The Postcode Society Trust grant was a restricted grant for purchasing a better, greener van for FRP operations.

### North London Waste Authority - Let There Be Light

The North London Waste Authority grant was a restricted grant for delivering a textile recycling community project called 'Let There Be Light'.

## 10. DIRECTORS AND RELATED PARTY TRANSACTIONS

There were no payments made during the year to Directors and related parties (2021: nil).