

Charity number: 1158797

The Forest Upcycling Project
Trustees' report and financial statements
for the year ended 31 May 2023

The Forest Upcycling Project

Contents

	Page
Legal and administrative information	1
Trustees report	2 - 15
Independent examiners' report	16
Statement of financial activities	17
Income and expenditure account	18
Balance sheet	19
Notes to the financial statements	20 - 24

The Forest Upcycling Project

Legal and administrative information

Charity number 1158797

Trustees Ashley Martin
Rona Martin
Andrea Davies
Simon Bunyan
Roger Burrows
Victoria Walters

Accountants Oversby & Company
Unit 1C
Crucible Close
Coleford
Gloucestershire
GL16 8RE

Bankers Santander

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

The trustees present their report and the financial statements for the year ended 31 May 2023. The trustees who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Policies and procedure of Trustees

This is the Ninth Trustee's Annual Report since the Charity was established in June 2014.

The Forest Upcycling Project is a charitable organisation. The Charity was started on 1st June 2014 and registered with the Charity Commission on 6th October 2014.

The charity was established under a constitution which was written in June 2014. Our Registered Charity number is 1158797.

There have been some changes to the board of Trustees with the appointment of Andrea Davies and Victoria Ellis.

Ashley Martin maintains position of Chair.

As existing Trustees, we elect new trustees in accordance with the terms of our Constitution. On appointment, all new Trustees receive an induction pack, which consists of a copy of the Constitution, together with the Charity Commissions booklet 'Essential Trustee'. Trustees are elected to serve for a maximum of three years after which time they must seek re-election at the next Annual Meeting. Trustees are free to resign from their post at any time. In the event of the Project being wound up the liability of Members (Trustees) is limited to a sum not exceeding £1.

The affairs of the charity are controlled by the Trustees and meetings occur at least 4 times a year at an agreed location. The decisions of the board are carried out by Matthew Jones (Project Manager).

The charity's organisational structure

The day-to-day management of the project is carried out by the Charity founder and former trustee Matthew Jones. This includes purchasing necessary equipment, assigning roles to staff and accessing funds available. He is also responsible for recruitment, training and induction of new employees and volunteers.

Decisions made regarding purchasing large items such as vehicles, rental agreements and management of employee contracts are made together with trustees at Trustee meetings.

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

The Charity's wider network

The charity works closely with Gloucestershire County Council and Monmouthshire Council on many aspects. This includes working with the waste team (Roger Smith, Tony Privitera and Carl Tourig) to raise funds in recycling credits and the Disabilities Commissioning Team at Gloucestershire Council (most significantly Vikki Walters and David Honeybill). Monmouthshire Housing and GDAS have also made strong relationships with the Chepstow branch for volunteer placement and assisting people in our local communities.

Links have been made with Two Rivers Housing Association, Gloucestershire City Housing, Wydean Housing, Salvation Army, Green Square, Monmouthshire Housing, MENCAP, Gwent Drug and Alcohol Support and various churches to ensure all members of society have the essentials of a home in terms of furniture and white goods.

Work experience placements at the project have been provided in conjunction with Cinderford, Coleford & Chepstow Job Centre Plus, Volunteers, Seetec, Mencap, Heart of the Forest School, Forest High School, National Star College, Jobs Growth Wales, and Monmouthshire Housing.

In 2022/2023 there have also been 14 Duke of Edinburgh volunteers each with 6-month placements and 5 work experience placements in conjunction with Wydean School. Many of the volunteers enjoyed their time with us so much that they are eager to stay on even after their placements have ended.

Risk Management

The key controls used by the project and controlled by the Trustees are;

- " Formal agendas for all Board activity
- " Budgeting, planning and management of Accounts.
- " Established structures for the induction of staff and volunteers and clear lines of reporting
- " Detailed written policies that are reviewed yearly
- " Adequate training for staff and volunteers with regards to safe handling, fire and first aid.

It is recognised that systems can only provide reasonable but not absolute assurance that all major risks have been eliminated. Matthew Jones, project manager and his management team are responsible for assessing risks in each location on a day-to-day basis.

Advice on fire safety is sought from our fire officer on a yearly basis and this includes the annual checking of fire extinguishers.

New staff and volunteers are trained in safe lifting and appropriate clothing by the management team. Staff are provided with essential safety wear such as steel toe cap boots and goggles. Volunteers are provided with supervision, the level of which depends on their abilities.

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

The original aims of the charity as set out in its constitution

1. To relieve poverty for families and individuals in need by providing furniture or other goods at a highly reduced rate or in extreme cases free of charge.
2. To advance education for people who are unemployed or otherwise in need of such education to equip them with the skills necessary to be able to find employment.
3. To protect and preserve the environment for the public benefit and future generations by the promotion of waste reduction, re-use, reclamation, recycling and use of recycled products.

Public Benefit

The trustees have regard to the Charity Commission guidance on Public Benefit and to the requirement to report on its observance and delivery.

The public benefit generated by The Forest Upcycling Project can be summarised in one of nine areas:

1. a) Those in need can purchase household goods considerably cheaper than from other retail outlets in Gloucestershire and Monmouthshire, with much greater choice than other second-hand outlets.
- b) A free collection service for those wishing to donate items of furniture
- c) A house move service provided at reduced rates to allow those moving in difficult circumstances to afford it.
2. We provide education and work experience for those in long term unemployment and in addition give assistance to volunteers in CV writing and job applications.
3. Our gardening services are at extremely low cost and we strive to identify those in society that need our help and offer them free gardening assistance.
4. We help to conserve the environment by diverting unwanted goods away from landfill. We re-use and recycle what we can.
5. We support those on the margins of society by providing work experience and paid employment. This includes people with disabilities, learning difficulties, substance abuse, depression, mental health issues and long-term unemployment.
6. Working with Ed Haythornthwaite (a professional bike mechanic) the Charity is employing and training 2 recovering addicts to gain Cytech accreditation. Recycling and Upcycling old bikes over 100 so far this year.
7. We have a large poly tunnel and fruit cage providing organic produce for our café and a space to improve people mental health and gardening skills.
8. We provide a community space within our café open to all which is regularly used by a Ukulele group, Welsh group and Arty Rats.
9. Our café employs a Ukrainian refugee and supports/trains several people with disabilities. Our evening events are staffed with people who have profound needs.

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

Main activities of the Forest Upcycling Project

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

The project runs by collecting people's unwanted furniture, household goods, bicycles and then cleaning, repairing or upcycling it for re-sale in our showrooms in Cinderford and Chepstow. There are also 2 gardening teams who carry out work privately for residents and have completed some larger contract work for local companies. Much of their business comes from repeat customers. The Coffee Shop also holds evening events and classical music concerts have been well received by our local community. Chepstow Cycling Club ran their first ever Audax from our venue. To fund our extensive work in Uganda and Jamica we have employed Gloria to increase our books sales. We also work with Wilcox to reuse all bric-a-brac and clothes/fabric. All broken TVs are recycled by a local electrical firm.

We continue to help those in society that suffer from economic hardship by providing furniture for sale in the Forest of Dean and Monmouthshire at very low prices or in many cases free of charge. The Kids Upcycle, has helped multiple low income, sometimes single parents set up for a newborn or a new home which can often be a costly time.

We also provide a house clearance and house moving service at an affordable rate, we have seen an increase in demand even more 2022/2023 period.

Staffing

At the end of our 9th Year, the staff at Upcycle is made up of 34 people in the UK and 1 employee (Joel) in Uganda.

New appointments this year have included:

David Reith - Recycling Coordinator/Library of Things

Alicia Biggs - Administrator

Nevaeh Tinker - Barista

Katrina Kitchen-Elliott -Coffee Shop Manager

Matilda Share - Part time Barista

Bridgette Jane Izzard - Gardener

Alison Marshall - Recycling Coordinator/Kids Upcycle

Linas Butrimovicius - Recycling Coordinator

Liliya Onopa - Part time Coffee Shop chef

Gloria Godbee - Book sales

Esther Jones -Part time Recycling coordinator

Within our team there are staff with learning disabilities, hearing disabilities, long term unemployment, depression, single parents, autism, PTSD, refugees and those recovering from addiction.

Kids Upcycle Chepstow/Cinderford

Extending the mezzanine floor of the Kid's Upcycle unit in Chepstow had a massive impact. Due to the success of this expansion, we increased the floor space in Cinderford. Thanks again to Ashley Martin, his role in the building of this and making it safe.

The extra floor space has increased recycling and sales, thus creating an additional paid wage for Alison and two Saturday jobs. Thank you to Alison for her input, and hard work in getting the Kids unit to the great place it is in now.

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

Ugandan Book Donations

The bookshop, who's donations are now solely set aside for projects and grants for individuals in Uganda has seen steady week on week increase in donation revenue. A dedicated book shop has also been added to Cinderford and between the two units can generate anywhere between £200 and £400 a week in donations meaning the project is able to support many more people in the Teso region than ever before. We also sell books on eBay which has proved very successful. Books that used to sell for 50p or less now sell for over £4.

We work with Joel Ekaunhannington, who oversee our Ugandan Upcycle programme in Uganda. The following piece is his report.

Jan 2023 to March

Donation of three keyboards to the following Churches in Ngora, Uganda: St. Joseph Catholic Church, St. John's Kaderun church of Uganda and St Leo's Catholic Church.

Jan 2023 to March 2023.

Electrification of the following two churches: St. Johns kaderun Church of Uganda and St, Leo's Catholic Church.

Amount donated: UGX4, 060,000 GBP9227

Installation of the solar systems in the two churches. This has made a big difference in these two churches whereby the churches are able to run the community programs during the evenings, including adult education programs.

This has enabled church members to charge their small cell phones making it easier for them to communicate with the family and manage their lives.

Students in the nearby government schools also use the lighting for evening study.

June 2022-May 2023.

Small grants to vulnerable people in the community

Small sums of money to the most vulnerable people in the community especially the sick, helpless elderly, widows and the orphans to cater for their basic needs.

This has enabled them to meet their medical costs without any debt and to acquire some of the basic needs such soap for washing and also food.

March 2023 to May 2023.

Donated money to Kaderun Church of Uganda, St. Leos Catholic Church and the Pentecostal Assemblies of God Church in Ngora, to run community help funds for the needy.

Amount donated: UGX7, 500,000 GBP1.704.5

Total number of beneficiaries is ninety (90).

This has allowed these churches to give out goats, sheep, and food items to the most vulnerable people in different communities which has increased their chances of living above poverty line.

We have given thirty-two (32) goats, twenty-five (25) sheep and food items of posho, sugar, laundry soap, salt, and beans to thirty-three (33) individuals.

This has benefited a majority of the vulnerable individuals in the community because they are able to secure two meals in a day and to wash their clothes and be smart.

This has not been the case with many of these people.

June 2023 ongoing.

Construction of Teachers house at Onyede primary school

Amount donated: UGX 19,000,000 GBP4.1318.2

This project is going to accommodate two teachers who have been moving long distances from their villages to their place of work.

This is going to create a huge benefit to the school as this will mean that teachers will be well accommodated, and pupils will be attended to on time to improve on their academic needs.

This project is also providing temporal employment to the community members being involved in the construction work and those supplying construction materials thus improving on their standards of living.

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

June 2023 ongoing

A Classroom block at Kaikamosing primary school -Katakwi District, of four classrooms

Amount donated: UGX56, 604,000 GBP: 12.864.5

This project is meant to accommodate three hundred and six (306) pupils in the community to study under well-established classrooms. (145 boys and 161 girls).

This project is going to create a huge change at school because the school has been having only three classes ranging from primary one to primary three.

However, this project is providing four more classes to make the school complete up to primary seven which has not been the case in the school as this will mean that pupils in primary three will no longer walk for long distances to study.

This project is also going to provide employment for teachers in primary four up to seven which has not been the case.

This project is also providing temporal employment to those involved in construction work around the community for their own survival including those supplying and transporting the building materials.

June 2023 ongoing.

Roofing of a Sunday school at PAG, church Ngora.

Amount donated: UGX18, 500,000 GBP4.204.5

This project is going to provide enough space for little children in community for their Sunday school activities, on completion of this project, these children will no longer study from outside as it used to be.

With this project, children will always be attended to without distraction from rain and hot sunshine.

This project is also providing employment to the people involved in the construction work thus enabling them to meet their basic needs of life.

June 2023 ongoing.

Benches to St. Leo's Catholic Church Nyamongo.

Amount donated: UGX5000, 000 GBP1.136.4

This project is going to provide sitting benches for the Christians around the community during church gatherings.

The church hosts more than one hundred Christians every Sunday and more than three hundred during festive seasons and this mean that more seats shall be secured for increasing numbers and people who have been sitting on the floor during church service shall now have a seat.

This is going to be a huge benefit to the church and those involved in the manufacture of the benches.

June 2023 ongoing.

Small grants to the most vulnerable people.

This project is meant to benefit the most vulnerable people in the community such as the sick, elderly, widows and the orphans.

This project is very important because some of these beneficiaries will be able to meet their medical bills and other basic needs of life which has been very hard to meet.

June 2023 ongoing.

Donated money to Kaderun Church of Uganda, St. Leos Catholic Church and Pentecostal Assemblies of God Church in Ngora Uganda to run community help funds for the needy.

Amount donated: UGX7, 500,000 GBP 1.704.5

Each church has received UGX: 2,500,000.

This money is going to be used to provide Goats, Sheep and Food items for the vulnerable people in the community.

" The building of a teachers houses at Nyamongo School and Onyede School that began in May 2021 has now been successfully completed and is providing much needed shelter to the teachers on the school premises. This now allows the teachers to stay on the school premises and ensure the students are receiving a full-time education. Something

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

that was not happening due to the long commutes required by the teachers. In addition, this has provided paid work for tradesmen in an area hit hard by Covid 19.

" Upgraded the kitchen and toilet facilities at St Antony's Health Centre in Ngora. As part of this project, we have also re-equipped their delivery room to help expectant mothers give birth in the safest way possible.

" Funded and equipped a vocational institute in Obalanga.

" Funded and equipped a youth centre with a library and computers in Panyangara, Karamoja region.

The Bike Project

We are now in our fifth year of the Upcycle Bike Project, working with bike mechanic Ed Haythornthwaite. Rob has had an good year and has passed his Cytech level 2 Bike qualification (the gold standard for bike mechanics).

He works one day a week training Ryan (who has been excluded from schools) and Callum two day a week (a young man trying to find his way in life).

Rob has started servicing bikes for customers at Cinderford 2 days a week which is slowly getting better. We look forward to increasing attendance at our community workshops and working closely with Chepstow Cycling Club.

Chepstow Cycling Club ran their first ever Audax (a 200 mile ride) from our Coffee Shop

Coffee @ Upcycle

The Coffee Shop continues to provide a community space for groups to meet, including children's activity clubs, reading groups, craft workshops and toddler reading morning. We strive to source our coffee and raw ingredients from local suppliers to support our community. Our milk now gets delivered from our most local dairy.

The coffee shop has now achieved a 4-star hygiene rating, although good we continue to improve the systems and environment so that we can increase this rating on.

We have also welcomed 4 new volunteers into the coffee shop who have both physical and learning difficulties, Katie and team do an amazing job to support these individuals and ensure they can get involved in as many day-to-day activities of the coffee shop. We also now employ Liliya (a Ukranian refugee) one day a week.

Our evening events have been very successful this year most notable 2 classical concerts by Sinfonia Cymru which were sold out, a ride leader training workshop by British Cycling and a number of local bands.

Tom who has profound learning disabilities has work his first evening event. Everyone was so impressed he worked for twice the number of required hours.

Due to increases in cost particularly heating and wages coffee@upcycle struggles to break even. The increased footfall the coffee shop brings to the main unit is hard to measure and we regard it as a very successful venture.

Gardening

Our gardening diary is now fully booked up until the end of October. Covid seemed to have had quite an impact on our gardeners. The gardening aspect of our charity struggles to break even. It charges a rate of £25 per hour for 2 gardeners including equipment and fuel. Once you take out wages, travel and fuel very little is left to cover other costs.

We have also been offering gardening services at reduced rates to other organisations, including Forest View School, Cinderford Children's Services and Caldicot Church.

Ukrainian Aid

This year the Charity gifted £500 to Chepstow Rotary Club to buy a generator for the Ukraine.

We continue to support our Ukrainian neighbours during this difficult time by providing subsidised furniture for those families arriving in the UK and assisting many local hosts in getting their new guests set up and integrated into the community.

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

Volunteer contributions

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

Once again, a huge thankyou goes out to all our volunteers.

Ashley Martin (Trustee) and Rona Martin (Trustee) have been invaluable in the extension of the mezzanine in both Kids units and building screens to hide our rubbish.

Philip has learning disabilities and continues to work with the gardening team during the week as a gardening assistant. Phil was originally referred to us by National Star College in Cheltenham. He is mainly supported by head gardener Paul and enjoys his time working in customers gardens.

Tom has been with us for almost 8 years. He attends the Cinderford branch of the project 2-3 days a week, making himself available for furniture collections, gardening and house moves. Tom continues to use his woodworking training to help fix and mend items of furniture as necessary and has so far made hundreds of bags of kindling from recycled wood.

Colin and Dave (both now employed one day per week) and Neville our handymen who have worked hard to repair furniture which might otherwise have been disposed of and upcycled scrap wood, teapots and teacups into lovely bird feeders which generated additional revenue for the shop.

Ed Haythornthwaite, a professional bike mechanic who is training our apprentice bike mechanics. His work has been invaluable both in terms of teaching and safety checking our upcycled bikes.

Roger has been incredibly helpful at helping out with collections, deliveries and tip runs at the Cinderford unit. Roger also supplies to café.

Regular volunteers at Cinderford

Brandon from Star Collage

Dave from Stepping Stones

Yvonne from Stepping Stones

Neville who comes in for 2 days a week fixing and building useful things

Janet from Merryden

Wendy for improving the appearance of Cinderford unit and work helping the poorest in society.

Simon has been providing help and advice with staffing and financial advice.

Other fantastic volunteers worth a mention in this report include Spencer, Ben, Robbie, Daffyd, Paige, Hazel, Kelly, Liam, John, Ruth, Wendy and Cilla. Who have helped immensely with small projects around the Charity.

Grants:

Total of £55,000 from the National Lottery to buy a new van.

£1000 from Monmouthshire Building Society's Charitable Foundation - Young Persons Bike Project

The earn-a-bike day was spent with a group of 8 Year 10 students from Chepstow Comprehensive school. They were taught some basic bike mechanic skills including changing punctures inner tubes and replacing brake and gear cables. They enjoyed their time here at Upcycle and left with bikes they'd fixed themselves.

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

Main achievements of the Forest Upcycling Project

The operational period of 1st June 2022 - 31st May 2023 has seen a much-improved performance and recovery after the lockdowns caused by the Covid - 19 pandemics. It must be noted that it took our gardeners a long time to recovery and start being themselves again after the pandemic.

Premises

- " Mezzanine extension - Kids Upcycle Chepstow
- " Mezzanine extension - Kids Upcycle Cinderford
- " Coffee shop outdoor seating area improvement
- " Refuse Area - Thank you to Ashley and Rona for helping us to install gates to both refuse areas to help maintain a better environment for our coffee shop customers
- " New storage unit in Cinderford thanks to Wayne from New Space Solutions

Furniture sales

Across both stores this year we have sold over 20,000 items of furniture and home goods, breakdown as follows:

Chepstow - 14,000+ items of furniture
Cinderford - 12,000+ items of Furniture

Over 45% to people on benefits, and many offered for reduced rates or free delivery in conjunction with the council.

We have given many items away for free to those in need.

Training and development

Staff training day in June proved very successful.

It had 4 main foci.

GDPR

Safeguarding

Team Meetings

Staff reviews

Feedback was excellent and as our staff continues to grow none of them seem to want to leave.

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

Helping the environment

In 2022/2023 we have saved over 334 tonnes of furniture from going to landfill, breakdown as follows:

Chepstow - 140.476 tonnes

Cinderford - 194.741 tonnes

We continue to turn scrap wood into new products or kindling and recycle all the metal from waste products where possible. Our volunteers are a great help in this. We aim to salvage all recyclable materials from products before they are destroyed.

Most of our scrap wood gets turned into kindling and sold in pillow-cases, and what we can't use for this goes to the local recycling centre to be turned into soil conditioner.

Due to the increases in costs the Charity no longer offers eco products.

The Charity now has a massive polytunnel providing organic veg for the community and our coffee shop. In the next year we hope to provide training courses. We are looking at the possibility of growing flowers next year to make hanging baskets.

Helping people

We have many regular volunteers at both sites, referred by a variety of different sources. Some of these volunteers are temporary, but many stay on for longer periods of time, becoming valued members of the team, which improves their self-worth and confidence.

At the end of this year, we now have 34 employees.

We have worked closely with Gloucestershire Welfare Reform, Social Services, Two Rivers Housing, Green Square, The Salvation Army, Monmouthshire Housing and the Barnwood Trust to provide furniture to many clients in desperate need.

We have given away free furniture to many people in need this year, but the below examples really stuck out with the whole team:

" We were able to help 5 separate families with furniture to refill their houses.

As mentioned above we have helped extensively with Ukraine aid in 2023 and helped to welcome refugees into our community by supporting both them and their hosts.

We also provide a much-needed training area for 2 separate dog trainers who specialise in bomb and sniffer dogs for large scale public events. It has been a pleasure to provide our facility on a Wednesday to help ensure the safety of our local community at large Music and public events. This also supports the military veterans who are employed by these trainers.

Lastly, we have been able to provide over 30 families with subsidised furniture whilst we have been working with Lorraine from Monmouthshire housing with our voucher scheme and Gloucestershire Welfare Reform

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

Reserves in the account are kept at £120,000 minimum (yet to be ratified at a trustee meeting). This value has changed through the year as we have acquired more employees, vehicles and premises. It has been calculated by Simon Bunyan (trustee) and may need to increase as the Charity continues to grow.

Sources of funding

Sales of furniture has been our key income, followed by gardening, house moves, house clearances, organic produce, book sales, coffee shop events, bric-a-brac, fabric, metal recycling, vintage clothing and bike sales.

Expenditure

Our main costs are operational and include running vehicles (the Charity now has fleet of 6 vans), paying rent and utility bills and most importantly wages. Income from our products and services support these costs each month.

- " Extension of our book shops
- " Staff Clothing
- " The extension of the mezzanine in Cinderford.
- " New coffee shop equipment
- " A large donation to our project in Uganda

Plans for future periods

Due to the development of the charity over the last 9 years, it will become necessary this year to amend our constitution which was written at the charity's launch. This will be a work in progress throughout this operational year.

There have been no serious incidents at Forest Upcycling Project this year and we continue to review our policies and risk assessments throughout the operational year.

Moving into Year 10 we have some exciting projects lined up:

- Opening of a new branch of Upcycle in Swindon
- Buying a new van
- Various projects in Uganda
- A bike repair shop in the heart of Chepstow

The Forest Upcycling Project

Report of the trustees for the year ended 31 May 2023

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of charity and of the incoming resources and application of resources of the charity for that year. In preparing these 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 enable them to ensure that the financial statements comply with the Charities Act 1993 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other

On behalf of the board

Secretary

The Forest Upcycling Project

Independent examiner's report to the trustees on the unaudited financial statements of The Forest Upcycling Project.

I report on the accounts of The Forest Upcycling Project for the year ended 31 May 2023 set out on pages 2 to 24.

Respective responsibilities of trustees and independent examiner

As the charity's trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act), as amended by section 28 of the Charities Act 2006 does not apply and that an independent examination is needed. It is my responsibility to examine the accounts under section 43(3)(a) of the Act, as amended; to follow the procedures laid down in the General Directions given by the Charity Commission under section 43(7)(b) of the Act, as amended; and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (i) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep proper accounting records in accordance with section 41 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Acthave not been met; or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Mr Ben Hinton
A.C.C.A
Independent examiner
Unit 1C
Crucible Close
Coleford
Gloucestershire
GL16 8RE

The Forest Upcycling Project

Statement of financial activities

For the year ended 31 May 2023

		Unrestricted funds £	2023 Total £	(restated) 2022 Total £
	Notes			
Incoming resources				
Incoming resources from generating funds:				
Voluntary income	2	8,355	8,355	12,533
Activities for generating funds	3	738,401	738,401	588,517
Total incoming resources		<u>746,756</u>	<u>746,756</u>	<u>601,050</u>
Resources expended				
Purchases		58,486	58,486	60,091
Staff costs	4	426,913	426,913	371,111
Establishment costs		67,158	67,158	72,953
Motor and travelling expenses		43,066	43,066	44,922
Accountancy fees		998	998	950
Legal and professional fees		35	35	-
Communications and IT		2,991	2,991	3,096
Other office expenses		13,311	13,311	12,097
Depreciation and impairment		21,005	21,005	11,560
Total resources expended		<u>633,963</u>	<u>633,963</u>	<u>576,780</u>
Total funds brought forward		179,337	179,337	155,318
Prior year adjustment		251	251	-
Restated total funds brought forward		<u>179,588</u>	<u>179,588</u>	<u>155,318</u>
Total funds carried forward		<u>292,381</u>	<u>292,381</u>	<u>179,588</u>

All of the above amounts relate to continuing activities.

The notes on pages 20 to 24 form an integral part of these financial statements.

The Forest Upcycling Project

Income and expenditure account

For the year ended 31 May 2023

	Notes	2023 £	(restated) 2022 £
Income		746,756	601,050
Operating expenditure		(633,963)	(576,780)
Operating surplus		<u>112,793</u>	<u>24,270</u>
Retained surplus for the financial year		<u><u>112,793</u></u>	<u><u>24,270</u></u>

All activities derive from continuing operations.

The notes on pages 20 to 24 form an integral part of these financial statements.

The Forest Upcycling Project

Balance sheet as at 31 May 2023

		2023		(restated) 2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		119,029		65,507
Current assets					
Debtors	8	11,895		3,996	
Cash at bank and in hand		170,195		115,166	
		<u>182,090</u>		<u>119,162</u>	
Creditors: amounts falling due within one year	9	<u>(8,737)</u>		<u>(5,080)</u>	
Net current assets			173,353		114,082
Net assets			<u>292,382</u>		<u>179,589</u>
Funds	10				
Unrestricted income funds			292,382		179,337
Total funds			<u>292,382</u>		<u>179,337</u>

The financial statements were approved by the trustees on and signed on its behalf by

Ashley Martin
Trustee

The notes on pages 20 to 24 form an integral part of these financial statements.

The Forest Upcycling Project

Notes to financial statements for the year ended 31 May 2023

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Charities Act 1993.

1.2. Cashflow

The charity has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small charity.

1.3. 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.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from the charity shop is included in the year in which it is receivable.

The Forest Upcycling Project

Notes to financial statements for the year ended 31 May 2023

1.4. Resources expended

Expenditure is recognised on an accrual 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 including the charity's shop.

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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

1.5. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	15% Reducing Balance
Fixtures, fittings and equipment	-	15% Reducing Balance
Motor vehicles	-	15% Reducing Balance

1.6. Defined contribution pension schemes

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

2. Voluntary income

	Unrestricted funds £	2023 Total £	(restated) 2022 Total £
COVID 19 & JRS Grants	-	-	4,000
Ugandan Donations	8,355	8,355	8,533
	<u>8,355</u>	<u>8,355</u>	<u>12,533</u>

The Forest Upcycling Project

Notes to financial statements for the year ended 31 May 2023

3. Activities for generating funds

	Unrestricted funds £	2023 Total £	(restated) 2022 Total £
Sales - Furniture	535,676	535,676	448,724
Sales - Gardening	35,126	35,126	47,049
Sales - Eco	1,390	1,390	1,963
Sales - House moves	28,862	28,862	13,169
Sales - Cafe	66,287	66,287	56,455
Other Income	71,060	71,060	21,157
	<u>738,401</u>	<u>738,401</u>	<u>588,517</u>

4. Employees

Employment costs	2023 £	(restated) 2022 £
Wages and salaries	397,357	346,021
Social security costs	21,398	17,251
Pension costs	8,158	7,839
	<u>426,913</u>	<u>371,111</u>

No employee received emoluments of more than £60,000 (2022 : None).

Number of employees

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full time equivalents, was as follows:

	2023 Number	(restated) 2022 Number
Project Manager	2	2
Deputy Manager	2	2
Recycling Coordinator	18	13
Gardner	4	3
Coffee Shop / Other	7	7
	<u>33</u>	<u>27</u>

The Forest Upcycling Project

Notes to financial statements for the year ended 31 May 2023

5. Pension costs

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and was as follows:

	2023	2022
	£	£
Pension charge	8,158	7,839

6. Prior year adjustment

7. Tangible fixed assets	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	(restated) Total £
Cost				
At 1 June 2022	13,937	42,068	44,677	100,682
Additions	-	29,313	45,215	74,528
At 31 May 2023	13,937	71,381	89,892	175,210
Depreciation				
At 1 June 2022	6,549	12,089	16,538	35,176
Charge for the year	1,108	8,894	11,003	21,005
At 31 May 2023	7,657	20,983	27,541	56,181
Net book values				
At 31 May 2023	6,280	50,398	62,351	119,029
At 31 May 2022	7,388	29,979	28,139	65,507

The Forest Upcycling Project

Notes to financial statements for the year ended 31 May 2023

8. Debtors	<i>(restated)</i>	
	2023	2022
	£	£
Trade debtors	4,521	2,819
Other debtors	7,374	1,177
	<u>11,895</u>	<u>3,996</u>

9. Creditors: amounts falling due within one year	<i>(restated)</i>	
	2023	2022
	£	£
Pension fund loan	2,509	1,438
Other taxes and social security	5,179	2,692
Other creditors	51	-
Accruals and deferred income	998	950
	<u>8,737</u>	<u>5,080</u>

10. Analysis of net assets between funds	<i>(restated)</i>	
	Unrestricted funds	Total funds
	£	£
Fund balances at 31 May 2023 as represented by:		
Current assets	292,381	292,381
	<u>292,381</u>	<u>292,381</u>

11. Unrestricted funds	<i>(restated)</i>			At 31st March 2023 £
	At 1st April 2022 £	Incoming resources £	Outgoing resources £	
General Funds	<u>179,588</u>	<u>746,756</u>	<u>(633,963)</u>	<u>292,381</u>

Purposes of unrestricted funds

Running cost funds

The Forest Upcycling Project

The following pages do not form part of the statutory accounts.

The Forest Upcycling Project

Detailed statement of financial activities

For the year ended 31 May 2023

	2023 £	(restated) 2022 £
Charitable activities		
Activity 1		
<i>Activities undertaken directly</i>		
Activity1 - Direct - Staff - Wages & Salaries	397,357	346,021
Activity1 - Direct - Staff - Employer's NIC	21,398	17,251
Activity1 - Direct - Staff - Pension costs	8,158	7,839
Activity1 - Direct - Establishment - Rent	49,814	51,015
Activity1 - Direct - Establishment - Rates & water	3,063	4,277
Activity1 - Direct - Establishment - Light & heat	8,280	6,424
Activity1 - Direct - Establishment - Rep. & maint.	1,285	6,693
Activity1 - Direct - Establishment - Insurance	4,716	4,544
Activity1 - Direct - Motor vehicle expenses	42,893	44,275
Activity1 - Direct - Other motor & travel expenses	173	647
Activity1 - Direct - Office expenses - Telephone	2,991	3,096
Activity1 - Direct - Printing, Postage and Station	573	941
Activity1 - Direct - Advertising	-	581
Activity1 - Direct - Computer Costs	3,615	1,232
Activity1 - Direct - Hire of Equipment	3,903	4,222
Activity1 - Direct - Staff Welfare	4,709	3,955
Activity1 - Direct - Training Costs	331	712
Activity1 - Direct - Subscriptions	-	79
Activity 1 - Direct - Licenses	180	376
Activity1 - Direct - Depreciation & impairment	21,005	11,560
	<u>574,444</u>	<u>515,740</u>
Activity 1 total expenditure	<u>574,444</u>	<u>515,740</u>
Total charitable activity expenditure	<u>574,444</u>	<u>515,740</u>
Governance costs		
<i>Activities undertaken directly</i>		
Professional - Accountancy fees	998	950
Professional - Other	35	-
Office expenses - Other	(1)	(1)
	<u>1,032</u>	<u>949</u>
Total governance costs	<u>1,032</u>	<u>949</u>
Net incoming/(outgoing) resources for the year	<u>36,036</u>	<u>(55,180)</u>

The Forest Upcycling Project

Detailed statement of financial activities

For the year ended 31 May 2023

	2023		(restated) 2022	
	£	£	£	£
Incoming resources				
Incoming resources from generating funds:				
<i>Voluntary income</i>				
COVID 19 & JRS Grants		-		4,000
Ugandan Donations		8,355		8,533
		<u>8,355</u>		<u>12,533</u>
<i>Activities for generating funds</i>				
Sales - Furniture		535,676		448,724
Sales - Gardening		35,126		47,049
Sales - Eco		1,390		1,963
Sales - House moves		28,862		13,169
Sales - Cafe		66,287		56,455
Other Income		71,060		21,157
		<u>738,401</u>		<u>588,517</u>
Total incoming resources from generating funds		<u>746,756</u>		<u>601,050</u>
Total incoming resources		<u><u>746,756</u></u>		<u><u>601,050</u></u>
Resources expended				
Costs of generating funds:				
Cost of generating voluntary income				
<i>Donations</i>				
Donations - Purchases		<u>16,132</u>		<u>24,194</u>
		<u>16,132</u>		<u>24,194</u>
Total cost of generating voluntary income		<u>16,132</u>		<u>24,194</u>
Fundraising trading:				
cost of goods sold and other costs				
<i>Shop costs</i>				
Shop costs - Purchases		<u>24,644</u>		<u>15,545</u>
		<u>24,644</u>		<u>15,545</u>
<i>Activity 1</i>				
Activity 1 - Shop Purchases		<u>17,710</u>		<u>20,352</u>
		<u>17,710</u>		<u>20,352</u>

The Forest Upcycling Project

Detailed statement of financial activities

For the year ended 31 May 2023

	<hr/>	<hr/>
Total fundraising trading		
cost of goods sold and other costs	42,354	35,897
	<hr/>	<hr/>
Total costs of generating funds	58,486	60,091
	<hr/> <hr/>	<hr/> <hr/>