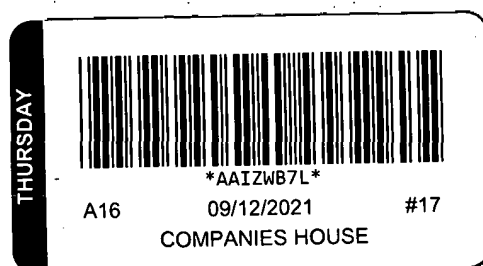


Registered Company Number 02427258

Registered Charity Number 1151578

Forest Recycling Project Limited
Report and Accounts
for the year ended 31 March 2021



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 2020/21 were:

Jo Winyard (Chair)
Thomas Fox (Company Secretary)
Mona Vakil (Treasurer)
Nicola Hughes
Eleanor McDougall

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

Independent examiner

Waqas Hussain ACCA
10 Knebworth Avenue
London E17 5AJ

Accountants

Brookfield & Co
18 Concanon Road
London SW2 5TA

Registered company number 02427258

Registered charity number 1151578

Forest Recycling Project Limited

Directors Report for the year ended 31 March 2021

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 28th September 1989 and is governed by Articles of Association that were adopted on 16th 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 2021. 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 2020-21

After a year of surviving a global pandemic, we are proud and fortunate to be able to positively reflect on the financial year ending 31st March 2021.

Our organisational resilience was largely down to our staff and volunteers. We want to say thank you to our incredible staff and volunteer team. Without their resilience and adaptability we would never have managed to deliver and adapt our work in such challenging circumstances; whilst maintaining an excellent service to the community.

We would also like to mention a big thank you to our funders, The National Lottery Community Fund and William Morris Big Local, without whose flexibility and generosity we would not have come out of this year as strongly as we have and been able to continue to deliver our work to make the borough greener and more inclusive as well as achieve greater impact.

Despite the challenges that the pandemic presented, a great deal was achieved throughout the year. Below are just a few of the highlights.

1. **Direct Covid response.** From the early stages of the pandemic, we collaborated with local organisations and helped the community to come together to fight covid and support each other. We used our shop space for emergency food distribution with local food projects at the Hornbeam. We put on free online mask making workshops for the local community, bringing people together safely to help them to protect themselves and others in a greener and safer way. We also held workshops to make free washbags from recycled fabrics for NHS staff.
2. **Adapting our working model.** With both the retail side of our delivery and our work with volunteers being significantly affected, we had to adapt our delivery model and become more

resilient in the face of the pandemic. After consultation with staff, we did not furlough anyone as the preference was to keep working and we adapted work plans from day to day operations to future proofing the organisation and moving as much of our work with volunteers as possible online. Volunteers were supported and engaged through online sessions, with packs of materials being sent out to their houses, and social distanced sessions organised when restrictions allowed. We also concentrated on addressing the backlog of paint in the warehouse, safely disposing of 5000 tonnes of waste paint, as well as refreshing both retail sites. These changes allowed us to use our space more effectively for retail and volunteers and to be ready to respond to future opportunities.

3. **Green Champions impact.** Green Champions is our excellent peer-led learning model, providing volunteer pathways to build people's skills and confidence, leading on to employment and new opportunities. Our Green Champion volunteers are the heart and soul of FRP and we are proud to report that after conducting a wellbeing survey in March 2021, 100% of volunteers surveyed said that their engagement with the Green Champions programme improved their wellbeing during the first year of the pandemic (more detail of which can be found on page 12).
4. **Tool Library opened.** After a cautious start in a covid safe way, the Tool Lending library opened and by the end of March 2021 was fully operational with 46 Community Members borrowing tools for personal and community projects, and a number of people donating tools as well to make the project possible.
5. **Strategic review.** We took time to review our 3 year strategy at its halfway point in July 2020. This was done
 - to review progress;
 - check in on its relevance against the rapidly changing external covid environment; and to
 - start to think about planning and strategy going forward.We found that we had made good progress, our work was even more relevant in the current climate and we set priorities for the next 1.5 years to feed into bigger plans going forward (more information of which is below).

Looking ahead

The year was not without challenges and we have continued to listen and learn along the journey, building resilience into the organisation along the way. We lost significant income from having to close our retail operations, which was cushioned by securing government covid support grants, but we will be looking to diversify our income streams further and build upon our retail operations.

From our strategic review our short term priorities are

1. **Develop and diversify our volunteering and skills opportunities.** There has been some good diversification in this area with the Tool Library but we would like to develop more opportunities in retail and provide qualifications for the skills gained.
2. **Address backlog of paint in the warehouse.** Good progress has been made in this area, but there is more to do. This will open up more opportunities to use space differently, provide more volunteer workshop spaces and make us more agile and ready to respond to the potential opportunities of a new site.

3. **Retail improvements.** We need to reach a greater customer base through online trading and better communications; increasing sales of paint; stabilising scaffolding supply; and developing new fabric models.
4. **Greater presence in the community.** We need to spread the word about who we are, what we do and how we do it better.

These 4 priorities will feed into a new strategic plan in 2022 which is currently being developed. This will build on our greener and more inclusive model.

We are looking forward to making more impact both environmentally and socially over the coming years.

Jo Winyard, Chair of Trustees for the year 2020/21, December 2021

Trustees and Workforce Team in 2020/21

Board of Trustees (Directors)

Chair: Jo Winyard

Company Secretary: Thomas Fox

Treasurer: Mona Vakil

Board members: Nicola Hughes, Eleanor McDougall

Staff

Chief Executive: Alison Griffin

Operations Manager to July 2020: Scott Taylor

Retail and Operations Manager from September 2020: Gosia Rokicka

Retail and Admin Assistant to August 2020: Gosia Rokicka

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 from January 2021: Emily Palmer

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 2020-21, pandemic conditions meant that trustees met virtually, using Zoom or Skype as their platform.

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 2021

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 area is reclaiming, repurposing and affordably selling waste material that would otherwise fill and pollute local landfill sites, 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 sometimes used for crafting/upskilling workshops or sold affordably as bundles to local schools.

Re-sell: We sell a growing range of recycled and repurposed products, offering a cheap alternative to mainstream 'green' products. 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

At FRP we monitor the impact of our operational work through environmental savings. We are also developing impact measurement for the social benefit of our work.

The weight of reclaimed paint, timber and fabric is measured. Wherever possible, this measurement is converted to the CO2 emissions that would have impacted our environment if this material had been wasted. In this way, the impact of FRP's operations can be presented as the carbon footprint saved. We detail the impact of our work across our different operational areas below.

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

- Reclaimed materials ensure valuable resources are conserved.
- The prevention of additional landfill or incineration of waste reduces the risk of soil and water contamination.
- 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.

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.¹

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.

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

¹ <https://communityrepaint.org.uk/>

Paint impact 2020-21:

Our paint operation was affected by prolonged lockdowns. In April and May 2020 we followed strict lockdown rules and neither collected nor distributed any paint. From June 2020 onwards we have been collecting but our sales and distribution abilities were limited by further restrictions. As a result, we did not sell any paint in June 2020 and from January to March 2021 which is obviously reflected in the figures below.

- Paint collected: 18,061 litres
- Paint distributed: 6,944 litres
- Representing 35.26 tonnes of CO2 savings
- 5000 litres of unusable paint derived from a clearout of our warehouse, which was safely disposed of

2020-21 was a year marked by lockdowns and restrictions. The safety of our staff, volunteers, customers and visitors is always our highest priority, but this year it was a very pressing concern. Therefore our work was very modified, and for periods of time FRP was not open to the public and collections were not possible. When the shop and the warehouse were open, this was done in a Covid-safe way, which reduced our capacity but kept everyone safe. Meanwhile, throughout the year, when staff were able to come into the premises in a managed way (and particularly those team members who were not able to work from home), our focus was on organising our paint for sale and also for necessary disposal of unusable paint, putting us in a position for much higher impact in future.

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 recycled² – leaving some 2 million tonnes going to waste.

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

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.

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

Timber impact 2020-21:

- 607m of scaffold boards were sold between April 2020 and March 2021.
- Assuming a weight of 5kg/m, this equals 3.04 tonnes of scaffold boards. Using the most conservative figure for calculating CO2 savings (which is compared with using new wood), this equals 895 kg of CO2 saved (based on 295kg/tonne).
- If we take into account the 165m (825kg) of wood that we know has been sanded and/or oiled for indoor use by our Green Champions, we know that this wood has effectively become a carbon store until it is disposed of. This represents a further saving of 409 kg per tonne - 337kg of CO2. Further CO2 savings would also have been created where buyers have kept boards inside long term (such as any they have made into furniture).
- The positive carbon impact was therefore an estimated minimum of 1.23 tonnes of CO2.

As with paint, our ability to work with and use or sell timber was profoundly affected by the lockdown conditions. As described above, we were closed to customers, working with social distancing, and severely restricting the number of people we could have on site, in order to keep everyone safe. Donor companies were also closed for parts of the year, 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' during the latter part of this year, which proved very successful, and we plan to continue to offer this service in future.

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 CO2 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, or offered a collection service, for 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.

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 2020-21:

- FRP sold around 116kg of fabric, diverting it from landfill, this year - equating to around 0.52 tonnes of CO2 savings.
- Additional impact and savings came from using donated and reclaimed fabrics for events and workshops, although these were greatly reduced during this year, and for fabrics projects such as facemask making and scrubs and washbags for the NHS - an estimated further 20kg of fabric, equating to a further 0.1 tonnes of CO2 savings.

As with paint and timber above, our work with fabric has been seriously impacted by the pandemic in this year. 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.

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 second year of three of our 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 the first 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

Unfortunately, as year one came to an end, lockdowns and restrictions hit and throughout year two - April 2020 to March 2021 - continued to challenge us. Our volunteers and team rose to the challenge, with online innovations, new ways of working, making our programmes more flexible, and focussing on the possible and the important aspects of the programmes that we provide. Throughout the year, we were enormously thankful for the support and flexibility of our funder, The National Lottery Community Fund, with whom we were in regular contact. We are also really appreciative of all of the Green Champions who stayed with our programmes, supported each other, and meant that we could still achieve a lot - even when, so often, everyone was doing so from home.

Examples of delivery and innovations in this year are:

- Face mask making workshops from early in the first lockdown, using Zoom, and later delivered to the wider public.
- Delivering reuse fabrics and prepared carpentry kits for home working on workshops that we delivered virtually.
- Select fabrics that we were able to donate, and volunteer and staff created fabric products, for supporting the local NHS with vital supplies, such as washable scrubs.
- Socially distanced volunteer workshops between lockdowns, with extensive planning for everyone's wellbeing and safety.
- Introducing the Walthamstow Tool Library as a Green Champion activity.

We are hugely grateful to The National Lottery Community Fund for their support.

Volunteering programmes impact 2020/21:

Engagement

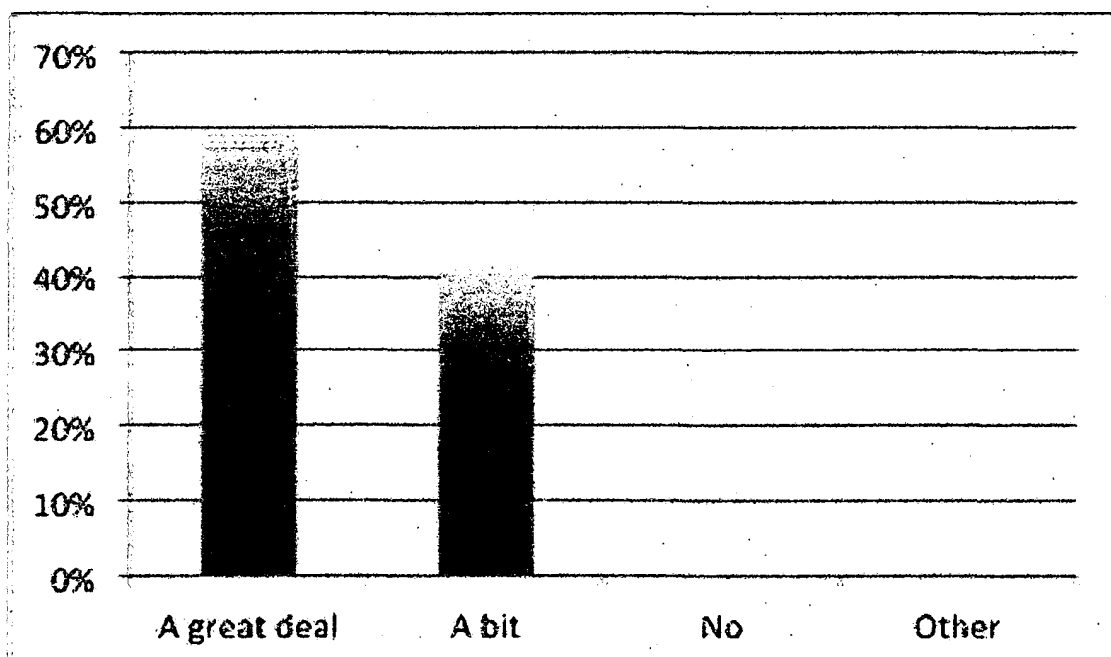
In 2020/21, the Green Champions programme participation was adapted and reduced in numbers by the pandemic, but comprised nonetheless:

Fabrics	12 people
Carpentry	13 people
Paint	5 people
Conservation	6 people
Tool Library	6 people
Retail and Admin	2 people

Wellbeing

We carefully take confidential wellbeing data and assessments of everyone who enrolls onto the Green Champions programme, so that we can monitor the contribution that the programme makes to their wellbeing. A crucial part of this is reassessing wellbeing when they complete their programme. However, as the year ended most of us were experiencing diminished wellbeing because of the pandemic and its restrictions. So in March 2021 we conducted a special wellbeing survey to gain feedback and data as to the specific impact of this year's engagement on our Green Champions' wellbeing.

Has your work and volunteering with FRP helped your wellbeing this year?



"The most important aspect has continued to be the supportive and encouraging staff at FRP, across the board, they have all been an invaluable source of positive input. I was also given the opportunity to learn to make covid masks which I got a lot out of, both in terms of learning something new and feeling like I was doing something useful. I was particularly unwell at the time as well, and the patience and kindness of the tutor really helped me a great deal, beyond the practical task itself, in giving me confidence and feeling valued."

"Being able to learn new skills and share knowledge with tips on varying topics has been therapeutic. I also look forward to this as a means to volunteer my time for a worthy cause."

"FRP has helped my mental wellbeing and kept me productive."

"I really appreciated being able to get involved in the paint warehouse and get to know the lovely team there. Thank you for being so welcoming and taking the time to share your knowledge and experience with me."

"You guys do a stellar job and thanks for the unwavering support."

"It was helpful to have fabric delivered as I haven't gone to shops & am avoiding public transport."

"I would like to emphasise what an important, pivotal role in my wellbeing that FRP and all their staff have had for me, over the duration of my involvement with them."

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 2020/21:

Within the year, FRP collected and recycled 2,000kg 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 this particular year, 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.

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 is a 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. As at the end of March 2021, it was ready to fully launch and realise its potential. Meanwhile some 46 members of the community had joined, borrowing tools for personal and community projects, and a number of people kindly donating tools as well to make the project possible. This will be a great project in terms of both its social and environmental impact. We are committed to supporting it to the end of 2021 and potentially beyond.

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 5th April 2020 to 2nd April 2021, 1270 KWh of solar electricity was generated through the panels, corresponding to a saving of 0.29 tonnes of CO2 equivalent.

Financial Review

Income for the year amounted to £216,458 (2020: £223,027), £96,797 of which was unrestricted (2020: £112,106). Expenditure of £181,461 (2020: 168,610) resulted in net incoming resources for the year of £34,997 (2020: £54,417).

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. At March 2020, we were delighted to have achieved our reserves target of 3-6 months of running costs held in reserves, and we have maintained this having increased our reserves in 2021.

The retail closures and limitations of the pandemic significantly undermined our ability to earn business income. However, we successfully applied for the award of government grants to compensate for retail closures, including the zeroing of our business rates for our retail premises for this year, and these were a huge help. 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.

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 - 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 2021 with £101,547 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 ongoing and 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.

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

FRP is currently operating with a surplus, but is reliant on several large grants to fund expenditure. There can be uncertainty over grant income and the timing of cash receipts 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 assets available for investment. 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 this year. 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. 2021/22 holds the prospect of a review of our strategy, our retail and our fundraising, to build and reinforce our foundations for the future, and this will be a priority for the Chief Executive and the trustees.

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, representing a loss of all retail income - 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. As we go into 2021/22, we continue to assess for risks and put

safety measures in place, following all guidelines and recommendations, to continue to look after everyone and make sure that our work can continue as safely as possible.

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. In this year, we have done a lot of work around 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.

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



Thomas Fox

Trustee, Director and Company Secretary

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 2021.

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: 30/11/2021

Signed:



Statement of Financial Activities

For the year ended 31 March 2021

				2021	2020
	Note	Restricted Funds	Unrestricted Funds	Total Funds	Total Funds
		£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary Income: grants & donations	2	119,661	64,282	183,943	139,167
Activities for Generating Funds			32,481	32,481	83,818
Investment Income			34	34	42
TOTAL INCOMING RESOURCES		119,661	96,797	216,458	223,027
RESOURCES EXPENDED					
Fundraising Costs					
Charitable activities		119,661	61,050	180,711	167,085
Governance Costs		-	750	750	1,525
Total Resources Expended	3	119,661	61,800	181,461	168,610
Net Incoming Resources					
- Net Income for the Year			34,997	34,997	54,417
Total Funds at the start of the year		-	66,550	66,550	12,133
Total Funds at the end of the year		-	101,547	101,547	66,550

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

All of the above amounts relate to continuing activities.

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	6	-	-
Current assets			
Debtors & Prepayments	7	15,632	12,555
Bank & Cash at hand		98,703	94,320
			106,875
Creditors: amounts falling due within one year	8	(12,788)	(36,198)
Net current assets		101,547	70,677
Creditors: amounts falling due after more than one year	8	-	(4,127)
Net assets		101,547	66,550
Funds			
General Funds		101,547	66,550
TOTAL FUNDS		101,547	66,550

The notes on pages 3-7 form part of these accounts.

For the year ended 31 March 2021 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 6th December 2021 and are signed on their behalf by:



Thomas Fox

Trustee, Director and Company Secretary

1. ACCOUNTING POLICIES

(a) Basis of accounting

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.

1. ACCOUNTING POLICIES (continued)

- 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 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.

(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

	2021 Total	2020 Total
Voluntary Income	£	£
Grants & Donations		
The National Lottery Community Fund	116,317	105,421
Tool Lending Library WMBL	3,344	5,500
Garfield Weston	-	25,000
National Government Covid Grants	60,479	
Donations	3,803	3,246
Total Voluntary Income	183,943	139,167

3. Resources expended

Charitable expenditure	2021 £	2020 £
Administration and office running costs	15,699	7,254
Project and direct costs	7,957	14,577
Premises costs	30,985	34,567
Staff and Volunteer Costs	126,070	110,687
Other Costs		
Governance Costs		
Independent Examiner's Fees	750	1,525
Total Costs	181,461	168,610

4. NET INCOMING RESOURCES

	2021 £	2020 £
This is stated after charging:		
Rentals under operating leases	24,846	22,873
Independent Examiner's Fees	750	1,525

5. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:	2021 £	2020 £
Gross pay	118,864	101,467
Social Security costs	6,735	6,821
Total	125,599	108,288

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. (2020: Nil).

	2021	2020
Average number of employees during the year was:	5	5

6. TANGIBLE FIXED ASSETS

	Equipment £	Total £
Cost:		
At 1 April 2020	25,744	25,744
Additions	-	-
At 31 March 2021	<u>25,744</u>	<u>25,744</u>
Depreciation:		
At 1 April 2020	25,744	25,744
Charge for the year	-	-
At 31 March 2021	<u>25,744</u>	<u>25,744</u>
Net book value:		
At 1 April 2020	-	-
At 31 March 2021	<u>-</u>	<u>-</u>

7. DEBTORS AND PREPAYMENTS

	2021 £	2020 £
Trade debtors	5,702	10,602
Grants receivable	-	-
Other debtors and Prepayments	9,930	1,953
	<u>15,632</u>	<u>12,555</u>

8. CREDITORS

Amounts falling due within one year:	2021 £	2020 £
Trade creditors	12,525	9,305
Loan from London Re-use Limited	-	4,043
Other creditors and accruals	263	7,218
Taxation and Social Security Costs	-	1,184
Deferred grants	-	14,448
	<u>12,788</u>	<u>36,198</u>

Amounts falling due more than one year:	2021 £	2020 £
Loan from London Re-use Limited	-	4,127
	<u>-</u>	<u>4,127</u>

The loan came into effect in August 2012, and was repayable over a ten-year period and interest charged at 4% per year. This loan was fully repaid during the year.

9. ANALYSIS OF MOVEMENT IN FUNDS

Total Funds	At 1 April 2020	Incoming	Outgoing	Transfers	At 31 March 2021
Analysis of Movement in Funds	£	£	£	£	£
Restricted Funds					
Tool Lending Library WMBL		3,344	(3,344)	-	-
The National Lottery Community Fund		116,317	(116,317)	-	-
Total Restricted Funds		119,661	(119,661)		
Unrestricted					
General	66,550	96,797	(61,800)		101,547
Total Unrestricted Funds	66,550	96,797	(61,800)		101,547
Total Funds	66,550	216,458	181,461		101,547

Tool Lending Library WMBL

William Morris Big Local restricted grant for development and piloting of a Tool Lending Library in Walthamstow.

The National Lottery Community Fund

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

10. DIRECTORS AND RELATED PARTY TRANSACTIONS

There were no payments made during the year to Directors and related parties (2020: nil).