

Charity Registration No. 1064588

Company Registration No. 3286173 (England and Wales)

TOOGOODTOWASTE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



TOOGOODTOWASTE LIMITED

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TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31st December 2018 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

We are pleased to report that during the year, the core charity activities were maintained and a number of individually funded projects managed.

OBJECTIVES AND ACTIVITIES	
Objects & principal activities of the charity	The company is registered to assist with the relief of poverty: • Providing access to affordable household items. • To advance the development and education of people by providing opportunities to volunteer and to train, so as to develop work skills, social skills, gain work experiences and encourage social integration. • Recycling of furniture which would otherwise be thrown away and by advancing more sustainable waste management practices.
Sustainability	Key to long term sustainability of the company has been the acquisition of property from which to provide its services. Renovations took place during 2018 on our building in Treorchy to turn it into our third charity showroom which started trading to the public on 10th December 2018.
Providing access to affordable household items	The company now operates three charity showrooms covering three South Wales valleys (Cynon Valley, Rhondda Fach & Rhondda Fawr Valley) Within the showrooms, donated goods are offered for sale at second hand market value after they have been quality controlled, sorted, cleaned and safety checked. The company also operates an electrical & gas domestic appliances re-use facility that complies with all WEEE & Gas Safe regulations.
Helping low income households	The company offers free or discounted furniture packages to individuals referred to them for help and at times of crisis. Events are organised during the year to target low income households. The company sources donations of graded mattresses for re-sale to match up with pre-owned beds to meet the level of demand from referrals.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

OBJECTIVES AND ACTIVITIES (continued)	
Providing opportunities to volunteer & train	The organisation aims to increase social skills and employment opportunities by providing volunteers with work based learning throughout its range of activities. The trainer has developed a work based learning that can be assessed and verified and is now accredited by Agored Cymru. School placements are also supported for work based experience taster sessions.
Recycling & waste management	The company provides residents of Rhondda Cynon Taf with a reliable free collection service for household items that are toogoodtowaste. People can also drop items off for re-use. Items received are sorted, cleaned and tested before being offered for sale within their charity showrooms. The company also offers a collection service for re-useable household goods, to commercial organisation (end-of-line or returned goods). The company operates an Ethical House Clearance Service to the public, solicitors, landlords and housing associations. This professional, income generating service aims to recycle or re-use the products cleared by working with partner organisations. The organisation holds a waste carriers licence and is an Approved and Authorised Transfer Facility (AATF) and an Approved Re-use Centre (ARC)

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

PUBLIC BENEFIT	
The trustees have referred to the guidance contained in the Charity Commissions' general guidance on public benefit. The trustees will continue to consider how planned activities will contribute to the aims and objectives they have set.	
Significant activities undertaken to further its charitable purposes for public benefit	All services, including buying from the charity showrooms are open to everyone in order to maximise the volume of items re-used and income generated to support the charitable aims and objectives of this organisation. Low income households were offered a discounted delivery charge and those people who are referred by a partner organisation as being 'in need' are offered free or discounted essential furniture items, as a means of alleviating the effects of poverty. The organisation has also created its own hardship budget, to cover the costs of stock provided free of charge to individuals who have no other means of financial support to cover the essential items they need. We work in partnership with other organisations that provide 'emotional or housing support' (e.g. social services departments, Women's Aid, drug & alcohol support services, churches, mental health groups, etc.) The practical help provided by this organisation enhances the work of its partners, therefore increasing the overall impact of the assistance provided. For example, a child receiving help on a bed wetting programme with a partner organisation, can be provided with a replacement bed because the organisations are working together. Or, a homeless person being provided with their first tenancy can be provided with furniture, household items, curtains, cutlery, etc., as a start-up package, thus turning an empty property into a home. Many of the people referred to this organisation for help are in crisis situations without any financial support. The organisation helps immediately to people affected by domestic violence and other life affecting crisis situations. The organisation values the contribution received from its volunteers and strives to provide services that help customers and beneficiaries feel positive about the help received. With high levels of unemployment in the area and few opportunities for people to gain work experience, the organisation is committed to developing its ability to deliver work-based learning. The training room and use of ICT equipment and software, gives us the opportunity to provide volunteers and placements with transferable skills to enhance their employment opportunities. Items are quality control checked. Minor repairs and cleaning is provided where necessary before being resold through our charity shops. External grants are sought to provide match funding for our activities.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

ACHIEVEMENTS AND PERFORMANCE	
The organisation has seen significant growth in 2018 by retaining key staff, securing new commercial contracts and opening our third Charity Showroom.	
Sustainability	The organisation completed the renovations on our building in Treorchy enabling us to open our third charity showroom, workshop and extensive community space. The organisation now owns three of the four buildings that we operate out of and are able to generate income through our showrooms to help sustain the organisation.
Providing access to affordable household items	We opened our third Charity Showroom (Treorchy) to the public in December 2018. All three of our showrooms are open to the public 7 days per week and also operate a late night one day per week increasing accessibility to our services. Over 12,000 customers used the services of toogoodtowaste in 2018 and selected over 78,000 re-use items from our charity showrooms.
Maintaining & increasing quality & quantity of goods available	The partnership working with DHL / Dixon Carphone Group has continued providing access to returns and re-usable domestic appliances WEEE. We continue to work with Airsprung & Gainsborough beds which gives us access to nearly new beds and mattresses that have been returned from retailers. We have also signed agreements with the John Lewis Partnership and IKEA to receive returned furniture and electrical stock. Partnership working with Play it Again Sport has enabled the supply of a large selection of bargain sports kit which is available to buy in both our showrooms.
Helping low income households	We worked with 15 different referral partners to identify individuals and families in need, 469 requests were received benefitting 905 people. The value of furniture provided to those people referred to us for help for furniture and equipment was over £78,000.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

ACHIEVEMENTS AND PERFORMANCE (continued)	
Providing opportunities to volunteer & train	Our aim is to facilitate and develop a learning culture within this organisation that nurtures talent every day for everyone. All participants were provided with instruction into their role and health and safety training. Individuals were also able to access specific work based training to improve their skills and qualifications within various roles in the organisation. A competency based training programme has been introduced within different roles in the organisation to enable individuals to gain skills and measure their performance (similar to the NVQ format). We continued to be an Agored Cymru Recognised Training Centre in 2018; being able to offer Agored Cymru accredited training to our volunteers & placements. In total, 283 people supported us in an unpaid capacity and they provided the organisation with 50,245 hours in an unpaid capacity. We worked with a number of external organisations that identified potential volunteers and placements that were looking to expand their work experience or learn new skills. These placements included many individuals who were referred for work-taster sessions, who are considered to be furthest away from the labour market and/or difficult to engage. 31 people finished their volunteering/work placement with us to start paid employment.
Special Events and Celebrating volunteering	Recognising and valuing the support of volunteers is at the heart of this organisation. We held a big celebration at end of the year with a Christmas meal held at the Heritage Park Hotel with awards presented to individuals who had made a significant difference to the organisation or others during the year.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

ACHIEVEMENTS AND PERFORMANCE (continued)	
Recycling & waste management	729 tonnes of waste was diverted from landfill in 2018, an increase of 9 tonnes from 2017. The number of items donated for re-use in 2018 rose to over 92,000. Partnership working with other organisations continued in 2018 and these provided new and innovative ways of increasing community re-use. For example: Vision Aid (Invalid Aids), Specsavers (Spectacles). As part of the Furniture Reuse network, partnership working has been established with: • DHL and Dixon Carphone for domestic appliance re-use • Airsprung & Gainsborough for beds and mattresses • IKEA for furniture and electrical products • John Lewis for Furniture Items • LG for Electrical items
Social Enterprise – Property Clearance Project	Income generated from our Ethical House Clearance project and related online sales were £23,720 and 74 clearances were completed, collecting over 7,000 items. We continue to gain referrals through probate solicitors and work actively with 4 practices on a regular basis.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

FINANCIAL REVIEW	
Income from donations and legacies	Income generated from Gift Aid Retail Scheme was £15,338.
Income from Charitable Activities	The Service level agreement with RCT Environmental services was maintained at £20,000 for the year. Income generated through our two showrooms from the supply of household items increased by 6% to £739,877 in the year. The increase has been achieved by maintaining the services, opening a new showroom, increasing the number of beneficiaries that use our services and the expansion of commercial contracts as part of the Furniture Reuse Network (FRN). The value of performance related grants was £526,692 (£19,602 Revenue and £507,090 Capital) All of the capital grant income was towards the renovations of the Treorchy Showroom.
Expenditure for Charitable Activities	The cost of providing Charitable activities increased in the year to £988,718 (£898,338 in 2017). To support the growing needs of the organisation, the staff and volunteer personnel were increased in the year which resulted in an increase in costs to £596,367 (£546,448 in 2017). Increases were also seen in transport costs due to increasing our fleet of vehicles and providing a collection service for take-back items; and in property & Insurance due to the additional buildings we now operate from. Included in the above costs for Charitable activities are depreciation costs of £78,629, a decrease on the previous year of £16,205.
Net movement in funds	The increase in own generated income has helped cover the reduced amount of revenue funding received in the year with an overall operating surplus on unrestricted funds of £1,622 for 2018 (2017: £2,221). A surplus of £403,276 (2018: Deficit of £1,529) in restricted funds this year is as a result of expenditure on the Treorchy building being capitalised in the year and held within restricted fixed assets. The previous year deficit was as a result of the depreciation charge for renovations to the processing unit where the income has been received in previous years. The £1,622 unrestricted surplus for the year will be retained within the General Fund.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

FINANCIAL REVIEW (continued)	
Reserves Policy	The organisation aims to retain adequate reserves to fund both fixed assets and working capital. It is the Trustees' view that working capital reserves amounting to three months' expenditure are adequate. Whilst this remains the organisations objective, recent investment into infrastructure has reduced working capital reserves below three months' expenditure. The free reserves i.e. those not tied up in fixed assets and designated funds held at 31st December 2018 amounted to £31,148 (2017: £20,844) whereas three months' expenditure (excluding depreciation) is £200,000. While this is significantly below the figure set by the trustees, the intention remains to rebuild reserves to the desired level as soon as feasible. The trustees are aware of the risks of not having sufficient reserves and the reserves policy will be reviewed as part of our future strategy planning.
Pay Policy for senior staff	The pay of senior staff is reviewed annually by the board of directors. The organisation, guided by the board of directors, have adopted a set of principles when setting charity staff remuneration so as to achieve a balance between fair pay to attract and keep appropriately qualified staff to lead, manage and support or deliver the charity's aims.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

RISK MANAGEMENT	
Risk review	The board of directors have a risk management strategy which comprises: • An annual review of the principal risks and uncertainties that the charity faces; • the establishment of new policies, systems and procedures to mitigate those risks identified in the annual review; and • The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise. Main Risks identified are: • Compliance with environmental legislation • Change in Government position on volunteering • Lack of Income • Fraud Attention is also focused on non-financial risks by having a proactive approach to Health & Safety, which is managed by a NEBOSH qualified member of the organisation. As part of the induction process all new personnel (paid and unpaid) receive health & safety awareness and manual handling training. 49 minor accidents (including near miss incidents) were recorded. No RIDDOR notifications were required to be reported to the HSE.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

FUTURE PLANS	
Increase accessibility	Continue to open all three branches to the public 7 days per week including a late night opening every Thursday. Explore a new outlet to replace existing premises in Aberdare to better serve the local communities.
Increase turnover	• Negotiate more contracts for end-of-use furniture items supplied by commercial organisations. • Additional retail outlet (consideration will be given to a pop-up or temporary shop). • Target more affluent areas to increase donations of higher-value items. • Increase demand for property clearance service (ideally via service level agreements with landlords and/or solicitors). • Increase Gift Aid donations. • Improve stock flow and quality control.
Development	Develop own capacity: Management team to scale up the organisation to meet increased turnover and effectively manage and deliver the growth of services. Management team (with support of staff team) to develop improved processes flows (stock, people, reporting) to effectively manage use of additional premises. Improve evaluation and monitoring.
Volunteering and Work	Improve the recruitment and retention of Volunteers throughout the organisation: • Training staff and key volunteers in supervision and monitoring. • Renewing our Investors in Volunteering Award • Targeting a range of volunteers including those who have academic qualifications (e.g. Graduates) that would benefit from the work based learning and training we offer.
Waste minimisation	Continue to maintain a free collection service for all re-usable goods.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

STRUCTURE, GOVERNANCE & MANAGEMENT

The organisation by special resolution on 30th May 2017 changed its name to toogoodtowaste Limited. (Previous name Valleys Furniture Recycling Limited).

The organisation registered as a charity in September 1994 and incorporated on 2 December 1996. On 19 June 2000 it registered as a company limited by guarantee and adopted its Memorandum and Articles of Association. The business of the company is managed and administered by a Board of Directors (trustees) who are accountable to the members of the company. The Board of Trustees can have up to 15 members (12 elected at the Annual General Meeting [AGM]) and 3 co-opted members.

Full Board Meetings, Finance, Employment and Marketing Sub Committee meetings are held quarterly, on alternate months (where possible).

Appointment of Trustees

As set out in the Articles of Association, new trustees are nominated and seconded by FULL members of the company prior to the Annual General Meeting. Only a FULL member can be proposed for nomination. A third of trustees must retire by rotation (longest in office) at each AGM, but may put themselves forward for re-election provided they are nominated and seconded by FULL members. The trustees have the power to co-opt a further three individuals to fill specialist roles. Co-opted Trustees must retire prior to the next AGM but may present themselves for nomination. The Chair of the Trustees is elected by the Board at the first full board meeting following the AGM.

Trustee recruitment: Induction and training

Potential new trustees are provided with an induction pack and encouraged to attend an informal meeting with representatives from existing Board members to discuss the Values, Aims and Objectives of the company and their obligations under Charity and Company Law, prior to nomination. Official checks are undertaken to ensure applicants meet the legal requirements of acting as a charity trustee. Following appointment, new trustees undergo an induction process which includes familiarisation with key documents including: Memorandum and Articles of Association, Business Plan and Financial Budgets.

During the induction process, new trustees are encouraged to spend some time within the organisation, meeting current paid and unpaid personnel, customers and stakeholders. Specific training on governance is also provided.

Company Members

The directors may admit to 'FULL' membership, individuals over the age of 18 years and/or any society, unincorporated association or company, who are in agreement with the objects of the company. The directors may also accept employees of the company or their immediate family as an 'ASSOCIATE' Member (an associate member cannot be nominated as a trustee).

As at December 2018, there were 69 paid up members of the company (64 in 2017) (24 Full members, 24 Organisations, 21 Associate members)

The liability of the members of the company is limited to £1 each. Every member of the company undertakes to contribute £1 to the company assets, if the company should be dissolved whilst she/he is a member.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

STRUCTURE, GOVERNANCE & MANAGEMENT (continued)	
Vision Statement	Maximise potential – Minimise waste
Mission Statement	toogoodtowaste is committed to changing people's lives every day, through developing and implementing sustainable Social Enterprises that meet the changing needs of the communities we serve.
Organisational Structure	The Chief Executive Officer (CEO) is responsible for the strategic growth and vision of the organisation, reporting to the Board of Directors. The Finance Manager is responsible for the financial accountability and financial analysis, reporting to the CEO and Finance Sub Committee. Other core staff include: Retail Manager, Operations Manager, Marketing Officer, Property Clearance co-ordinator, Trainer/ Volunteer Co-Ordinator, Workshop Supervisor, Workshop Assistant, Finance Assistant, 4 Domestic Appliance Engineers, 4 Van supervisors, 6 customer service supervisors, Warehouse Supervisor, Logistics Clerk, 2 electrical cleaning supervisors and a call centre supervisor. In addition to these 29 paid positions, the organisation relies on volunteer support from around 50 individuals each day.
Related parties	To identify and assist those people in greatest need the organisation works with other Charities, Housing Associations, Community groups and Local Authority Social Services Departments, to accept referrals for free or discounted furniture packages. There is a Memorandum of Understanding with the Local Authority (L.A) Environmental Services Department and a partnership agreement with the Children's Services Department. As part of FRN (Furniture Reuse Network) agreements have been established with: • DHL and Dixon Group for domestic appliance re-use • Airsprung for beds and mattresses • IKEA for furniture and electrical products • John Lewis for Furniture Items There is a legal charge on the property (Ynyshir Road, Ynyshir CF390AT) as part of the Big Lottery/WG Community Asset Transfer Grant. There is a legal charge on the property (Horeb Street, Treorchy, CF42 6RU) as part of the Big Lottery People & Places Grant.

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

LEGAL AND ADMINISTRATIVE DETAILS		
Charity name	toogoodtowaste Limited	
Registered numbers	Company Number: 3286173 Charity Number: 1064588	
Registered office	Ynshir Road, Porth, CF39 0AT.	
Other operating premises	Unit 3 Aberaman Ind. Park, Aberaman, Aberdare, Rhondda Cynon Taf CF44 6DA Units 1 & 2 Ynyshir Road. Ynyshir, Porth, Rhondda Cynon Taf CF39 0AT Horeb Street, Treorchy, Rhondda Cynon Taf, CF42 6RU	
Board of Directors and Trustees	Martyn Birch - resigned 8/8/2018 David Lewis Dave Henderson Dr. Dafydd Trystan Davies Malcolm Gay Rhiannon Holtham Michael Bryan Lee Foulkes Philip Moss Natasha McCarthy Ceridwen Eleri-Hughes Jenkins Sheila Rees	Chairman to 8/8/2018 Vice – Chairman Chairman from 8/8/2018 Appointed 8/8/2018 Appointed 8/8/2018
Advisors	Auditors Baldwins Audit Services, Chartered Accountants & Statutory Auditors, Waters Lane Chambers, 1-3 Waters Lane, Newport, NP20 1LA Bankers Barclays Bank Plc, Pontypridd, Rhondda Cynon Taf. CF37 4YA Solicitors Eversheds Sutherland, 1 Callaghan Square, Cardiff. CF10 5BT	
Key Management	Shaun England Rhian Edwards Miranda Keen Geraint Davies	Chief Executive Officer Finance Manager & Company Secretary Retail Manager Operations Manager

TOOGOODTOWASTE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees (who are also directors of toogoodtowaste Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 judgments 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 charitable company will continue in business.

Auditors

The auditors, Baldwins Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Small company exemptions

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the trustees are aware:

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

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

The trustees report was approved by the Board of Trustees.



Dave Henderson

Dated: 19/09/19



David Lewis (Vice Chairman)

Dated: 19/09/19

TOOGOODTOWASTE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF TOOGOODTOWASTE LIMITED

Opinion

We have audited the financial statements of toogoodtowaste Limited (the 'charity') for the year ended 31 December 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

TOOGOODTOWASTE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF TOOGOODTOWASTE LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Sarah Case FCA DChA (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services

19/9/19

Chartered Accountants
Statutory Auditor

Waters Lane Chambers
1-3 Waters Lane
NEWPORT
UK
NP20 1LA

Baldwins Audit Services is eligible for appointment as audit of the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006

TOOGOODTOWASTE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
<u>Income from:</u>					
Donations and legacies	3	43,335	-	43,335	27,989
Charitable activities	4	821,231	526,692	1,347,923	871,023
Other trading activities	5	2,358	-	2,358	-
Investments	6	-	-	-	18
Total income		866,924	526,692	1,393,616	899,030
<u>Expenditure on:</u>					
Charitable activities	7	865,305	123,413	988,718	898,338
Net incoming resources before transfers		1,619	403,279	404,898	692
Gross transfers between funds		3	(3)	-	-
Net income for the year/ Net movement in funds		1,622	403,276	404,898	692
Fund balances at 1 January 2018		366,489	596,980	963,469	962,777
Fund balances at 31 December 2018		368,111	1,000,256	1,368,367	963,469

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TOOGOODTOWASTE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	11		1,316,219		921,625
Current assets					
Stocks	12	1,000		600	
Debtors	13	90,447		60,339	
Cash at bank and in hand		55,398		34,957	
		146,845		95,896	
Creditors: amounts falling due within one year	14	(94,697)		(54,052)	
Net current assets			52,148		41,844
Total assets less current liabilities			1,368,367		963,469
Income funds					
Restricted funds	16		1,000,256		596,980
<u>Unrestricted funds</u>					
Designated funds	17	30,000		20,000	
General unrestricted funds		338,111		346,489	
			368,111		366,489
			1,368,367		963,469

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2018, although an audit has been carried out under section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustees on 19/09/19.



Dave Henderson (Chairman)



David Lewis (Vice Chairman)

Company Registration No. 3286173

TOOGOODTOWASTE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	24		493,666		63,361
Investing activities					
Purchase of tangible fixed assets		(473,225)		(96,728)	
Interest received		-		18	
Net cash used in investing activities			(473,225)		(96,710)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			20,441		(33,349)
Cash and cash equivalents at beginning of year			34,957		68,306
Cash and cash equivalents at end of year			55,398		34,957

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the Board in furtherance of the general objectives of the Society and which have not been designated for other purposes.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose the aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Society for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income consists of the invoiced value (excluding VAT) of goods sold/supplied to third parties and members.

No amounts are included in the financial statement for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

Membership and Subscriptions income is credited to the Statement of Financial Activities in the year in which they are due. Income received in advance is deferred to the appropriate financial year.

Sponsorship income is credited to the Statement of Financial Activities in the year in which they are due.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Capital grants are released to the SOFA in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from furniture supplied

A minimum fixed price is required for each item of furniture supplied and is accounted for on a receipts basis.

Furniture auction income and other donations

These sources of income are accounted for on a receipts basis.

Income from donated goods is recognised when the donated goods are sold.

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

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

- Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.
- By helping to meet the furniture and household items needs of people on a low income, by, but not limited to, recycling household items which would otherwise be thrown away and by advancing more sustainable waste management practices.
- By advancing the education and development of people, through providing opportunities to volunteer, train, develop work and social skills, gain work experience and encourage social integration.

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

Allocation of costs

Expenditure by the charity, in the year, has been split between unrestricted and restricted funds and analysed between charitable activities, governance costs and the cost of generating funds. Expenditure was allocated on the basis of staff time spent on the various activities.

Liabilities Policy

Liabilities are recognised in the Statement of Financial Activities as they become payable.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

1.6 Tangible fixed assets

Fixed assets purchased are included at cost. Assets donated to the company are included at market value. All fixed assets are held for the company's own use.

Depreciation or amortisation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives on an annual basis as follows:

Freehold property	5-20% per annum
Leasehold improvements	20% on cost
Office equipment	25% on cost
Tools and equipment	33.3% on cost
Motor vehicles	25% per annum

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Community asset transfer:

Land	not depreciated
CAT construction costs	5% on cost
Entrust	20% on cost
Rank	20% on cost
Welsh Church Act	20% on cost
Professional/other fees	100% on cost

Any tools or equipment costing less than £500 are immediately written off against revenue.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Unsold donated items are not included in closing stock since their cost is nil and their value is uncertain until sold.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

1.10 Financial instruments

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

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Debtors

Basic financial assets

Basic financial assets, which include cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

1.14 Creditors and provisions

Basic financial liabilities

Basic financial liabilities, including creditors and are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.15 Taxation

As a registered charity, Valleys Furniture Recycling Ltd is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Total
	2018	2017
	£	£
Donations and gifts	42,405	26,345
Members contributions	690	644
Sponsorship	-	1,000
Other	240	-
	<u> </u>	<u> </u>

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

4 Charitable activities

	2018 £	2017 £
Service level agreement	20,000	20,000
Performance related grants	526,692	122,862
Household items supplied	739,877	691,666
Social enterprise projects	61,354	36,495
	<u>1,347,923</u>	<u>871,023</u>
Analysis by fund		
Unrestricted funds	821,231	
Restricted funds	526,692	
	<u>1,347,923</u>	
For the year ended 31 December 2017		
Unrestricted funds		748,461
Restricted funds		122,562
		<u>871,023</u>
Performance related grants		
Big Lottery - People & Places	383,169	24,561
Groundwork UK (Tesco)	-	1,000
Lloyds Bank Foundation	10,417	25,002
Rhondda Trust	-	10,000
WRAP	-	6,210
Welsh Government CFP - Ynyshir 2	-	51,741
Miscellaneous Grants	463	4,348
National Lottery Awards for all	4,400	-
Co-op Community Fund	4,322	-
Pen Y Cymoedd Wind Farm	123,921	-
	<u>526,692</u>	<u>122,862</u>

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

5 Other trading activities

	Unrestricted funds	Total
	2018 £	2017 £
Sundry income	2,188	-
Rental income	170	-
	<u> </u>	<u> </u>
Other trading activities	2,358	-
	<u> </u>	<u> </u>

6 Investments

	Unrestricted funds	Total
	2018 £	2017 £
Interest receivable	-	18
	<u> </u>	<u> </u>

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

7 Charitable activities

	2018 £	2017 £
Staff costs	525,452	487,227
Volunteer costs	70,915	59,221
Transport costs	88,021	50,600
Cost of goods	82,486	80,086
	<u>766,874</u>	<u>677,134</u>
Share of support costs (see note 8)	216,844	216,304
Share of governance costs (see note 8)	5,000	4,900
	<u>988,718</u>	<u>898,338</u>
Analysis by fund		
Unrestricted funds	865,305	774,247
Restricted funds	123,413	124,091
	<u>988,718</u>	<u>898,338</u>
For the year ended 31 December 2017		
Unrestricted funds	774,247	
Restricted funds	124,091	
	<u>898,338</u>	

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

8 Support costs

	Support costs	Governance costs	2018	2017	Basis of allocation
	£	£	£	£	
Depreciation	78,628	-	78,628	94,833	Staff costs
Advertising and meetings	13,719	-	13,719	12,992	Staff costs
Premises costs	69,644	-	69,644	55,404	Staff costs
Telephone and administration	36,275	-	36,275	28,816	Staff costs
Legal and professional fees	4,039	-	4,039	13,026	Staff costs
Insurances	10,518	-	10,518	8,273	Staff costs
Bank charges	4,021	-	4,021	2,960	Staff costs
Audit fees	-	5,000	5,000	4,900	Governance
	<u>216,844</u>	<u>5,000</u>	<u>221,844</u>	<u>221,204</u>	
Analysed between					
Charitable activities	<u>216,844</u>	<u>5,000</u>	<u>221,844</u>	<u>221,204</u>	

Governance costs includes payments to the auditors of £5,000 (2017: £4,900) for audit fees.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

10 Employees

Number of employees

The average number of employees, analysed by function was:

	2018 Number	2017 Number
Charitable activities	24	21
Governance	2	2
	<u>26</u>	<u>23</u>

Employment costs

	2018 £	2017 £
Wages and salaries	482,061	446,262
Social security costs	33,969	34,124
Other pension costs	4,903	2,089
Staff training and expenses	4,519	4,752
	<u>525,452</u>	<u>487,227</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Freehold property £	Leasehold improvements £	Office equipment £	Tools and equipment £	Motor vehicles £	Total £
Cost						
At 1 January 2018	1,115,299	7,960	16,216	43,498	43,518	1,226,491
Additions	473,225	-	-	-	-	473,225
Disposals	-	-	-	(11,194)	-	(11,194)
At 31 December 2018	<u>1,588,524</u>	<u>7,960</u>	<u>16,216</u>	<u>32,304</u>	<u>43,518</u>	<u>1,688,522</u>
Depreciation and impairment						
At 1 January 2018	209,255	6,368	12,901	40,089	36,255	304,868
Depreciation charged in the year	66,474	1,592	1,343	3,409	5,811	78,629
Eliminated in respect of disposals	-	-	-	(11,194)	-	(11,194)
At 31 December 2018	<u>275,729</u>	<u>7,960</u>	<u>14,244</u>	<u>32,304</u>	<u>42,066</u>	<u>372,303</u>
Carrying amount						
At 31 December 2018	<u>1,312,795</u>	<u>-</u>	<u>1,972</u>	<u>-</u>	<u>1,452</u>	<u>1,316,219</u>
At 31 December 2017	<u>906,047</u>	<u>1,592</u>	<u>3,315</u>	<u>3,409</u>	<u>7,262</u>	<u>921,625</u>

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

11 Tangible fixed assets (Continued)

The Big Lottery Fund has a legal charge dated 1 February 2018 over the charity's property previously known as Treorchy Youth Centre, Horeb Street, Treorchy.

12 Stocks

	2018 £	2017 £
Finished goods and goods for resale	1,000	600

13 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	23,460	6,639
Other debtors	20,941	3,423
Prepayments and accrued income	46,046	50,277
	<u>90,447</u>	<u>60,339</u>

14 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Deferred income		38,756	10,417
Trade creditors		36,884	23,954
Other creditors		11,245	12,457
Accruals and deferred income		7,812	7,224
		<u>94,697</u>	<u>54,052</u>

15 Deferred income

Deferred income relates to performance related grant funding received in advance and which relates to future financial periods.

	2018 £	2017 £
Balance brought forward	15,419	9,055
Income received in the year	23,607	30,000
Released to income	<u>(28,609)</u>	<u>(5,526)</u>
Balance carried forward	<u>10,417</u>	<u>15,419</u>

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds				
	Balance at 1 January 2017	Incoming resources	Resources expended	Balance at 1 January 2018	Incoming resources	Resources expended	Transfers	Balance at 31 December 2018
	£	£	£	£	£	£	£	£
Welsh Church Act	12,000	-	(4,000)	8,000	-	(2,000)	-	6,000
Big Lottery - Community Asset Transfer	391,466	-	(14,797)	376,669	-	(14,797)	-	361,872
Entrust	8,314	-	(8,312)	2	-	-	(2)	-
RANK Foundation	200	-	(200)	-	-	-	-	-
Wales Co-op	3,724	-	(2,127)	1,597	-	(1,596)	(1)	-
SEWCED Electrical	18,202	-	(7,695)	10,507	-	(2,626)	-	7,881
WRAP	5,153	-	(2,290)	2,863	-	(2,290)	-	573
RCT Together	9,450	-	(462)	8,988	-	-	462	9,450
Welsh Government CFAP	150,000	51,741	(40,348)	161,393	-	(40,348)	-	121,045
Big Lottery - People & Places	-	24,561	-	24,561	343,477	-	-	368,038
Miscellaneous	-	1,400	-	1,400	-	(462)	(462)	476
Pen y Cymoedd Wind Farm	-	-	-	-	123,921	-	-	123,921
Groundwork UK (Tesco)	-	1,000	-	1,000	-	-	-	1,000
Lloyds Bank Foundation	-	10,000	(10,000)	-	-	-	-	-
WRAP	-	25,002	(25,002)	-	-	-	-	-
Miscellaneous	-	6,210	(6,210)	-	-	-	-	-
Big Lottery - People & Places	-	2,648	(2,648)	-	39,692	(39,692)	-	-
Charities Aid - Co-op	-	-	-	-	4,322	(4,322)	-	-
Awards for all	-	-	-	-	4,400	(4,400)	-	-
Barclays Community	-	-	-	-	463	(463)	-	-
	<u>598,509</u>	<u>122,562</u>	<u>(124,091)</u>	<u>596,980</u>	<u>507,090</u>	<u>(103,811)</u>	<u>(3)</u>	<u>1,000,256</u>

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

16 Restricted funds (Continued)

The following funds represent **capital items** purchased that are being depreciated over their useful lives:

Welsh Church Act – Grant towards the purchase of Ynyshir Warehousing building.
Grant to complete the preliminary groundworks at Ynyshir site before the extension.

RANK Foundation- A grant from the RANK Foundation towards the Ynyshir extension works.

Big Lottery – Community Asset Transfer for the Ynyshir building and extension to include a training room, additional offices and canteen.

Entrust – Grant to complete the preliminary ground works at the Ynyshir site

Wales Co-operative – Grant towards new ICT equipment and EPOS system.

SEWCED Electrical – Grant towards the purchase of Ynyshir Warehousing building. Grant to purchase a new vehicle and equipment for electrics department.

WRAP – Grant to complete the preliminary groundworks at the Ynyshir site before the extension.

Welsh Government CFAP - Grant to complete the refurbishment works at the Treorchy site.

CFAP - Grant to complete the refurbishment works at the Ynyshir site.

Big Lottery - People & Places - Grant towards the renovations of former Treorchy Youth Centre.

Miscellaneous - Grant from Construction Excellence in Wales towards the racking in the warehouse.

Pen y Cymoedd Wind Farm - This funding was received for the roof renovations of the former Treorchy Youth Centre.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

16 Restricted funds (Continued)

Other funds:

Groundwork UK (Tesco) - This funding was received from the Bag for Life scheme towards the purchase of new computers for volunteers.

Lloyds Bank Foundation - This funding was received to be used for the creation of two new job roles over a two year period and associated costs.

The Co-operative Local Community - This funding was received towards corporate clothing for volunteers.

Big Lottery - Awards for all - This funding was received towards the Volunteer Christmas celebration.

Barclays Community - This funding was received for materials used at a Barclays Community Event.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2017	Movement in funds Incoming resources	Balance at 1 January 2018	Transfers	Balance at 31 December 2018
	£	£	£	£	£
Project closure costs	20,000	-	20,000	10,000	30,000
	20,000	-	20,000	10,000	30,000

Project closure - The board recognise the need to maintain a reserve to cover the closure costs arising from a significant reduction in income. The amount has been increased in 2018 by £10,000 and will continue to be increased to £80,000 in future years when funds become available.

18 Analysis of net assets between funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Unrestricted funds 2017 £	Restricted funds 2017 £	Total 2017 £
Fund balances at 31 December 2018 are represented by:						
Tangible assets	316,963	999,256	1,316,219	325,645	595,980	921,625
Current assets/ (liabilities)	51,148	1,000	52,148	40,844	1,000	41,844
	368,111	1,000,256	1,368,367	366,489	596,980	963,469

19 Members' Contributions

Contributions for membership for individuals were set at £5 for waged and £1 for unwaged. Organisations contributed £25 for membership. Each member's liability is limited to £1. At 31 December 2018, there were 67 members of the company (2017: 64).

20 Capital commitments

As at 31 December 2018, the charity had committed £21,889 to capital expenditure.

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

21 Indemnity Insurance

The charity has purchased insurance to protect it from loss arising from the neglect or defaults of its trustees and employees, and to indemnify the trustees against the consequences of any neglect or default on their part. The cost of this insurance is included within the overall cost of a specialist charity policy which includes property insurance and employer's liability insurance and cannot therefore be separately identified.

22 Related party transactions

No related party transactions occurred during the current or previous year which are required to be disclosed under FRS 102.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018 £	2017 £
Aggregate compensation	117,384	89,169

The key management personnel of the charity comprise of the Chief Executive Officer, General Manager, Operations Manager and Finance Manager.

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	30,426	32,165
Between two and five years	48,037	26,075
	<u>78,463</u>	<u>58,240</u>

TOOGOODTOWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

24	Cash generated from operations	2018 £	2017 £
	Surplus for the year	404,898	692
	Adjustments for:		
	Investment income recognised in statement of financial activities	-	(18)
	Depreciation and impairment of tangible fixed assets	78,628	94,833
	Movements in working capital:		
	(Increase) in stocks	(397)	-
	(Increase) in debtors	(30,108)	(21,446)
	Increase/(decrease) in creditors	12,306	(5,698)
	Increase/(decrease) in deferred income	28,339	(5,002)
	Cash generated from operations	493,666	63,361
25	Analysis of changes in net funds		
	The charity had no debt during the year.		