



**LEEDS
WOOD
RECYCLING**

**LEEDS WOOD RECYCLING CIC
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**



**Third Sector
Accountancy Ltd**

**Leeds Wood Recycling CIC
Directors' Report and Financial Statements
For The Year Ended 31 March 2021**

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**Leeds Wood Recycling CIC
Company Information
For The Year Ended 31 March 2021**

Directors	Howard Bradley Peter Tatham Jackson Turner St Luke's Community and Regeneration Enterprises
Secretary	LS14 Trust
Company Number	11272758
Registered Office	Unit 6, Croydon Street Leeds West Yorkshire LS11 9RT
Accountants	Third Sector Accountancy Limited Chartered Accountants and Registered Auditors Holyoake House Hanover Street Manchester M60 0AS

The directors present their report and the financial statements for the year ended 31 March 2021.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Review of Business

Leeds Wood Recycling is predominately a volunteer led organisation and the Covid-19 pandemic had a huge impact on the way we worked and our business model. The business shut completely for 5 weeks in April 2020 and upon re-opening our first priority was to ensure the safety of staff, volunteers and our customers. In response we reduced numbers in the building to create a safe environment and part of this overhaul required organising our collections team to work in 'bubbles'. Traditionally going out and collecting waste wood was a job done by our amazing volunteers, but we felt it was unreasonable to ask people who were volunteering to share a van. In response we made the decision to offer permanent part-time positions to two of our long-standing volunteers. This job creation was life changing for everyone and enabled our team to work safely in their bubbles.

Despite the challenges and the changes 2020-21 has seen a 34% increase in our collections and a 106% increase in the amount of wood waste that we can recycle and repurpose on site. Increasing this figure next year through expansion of our local collection service is our primary aim and we will continue to do this whilst working alongside the National Community of Wood Recycling Project. The impact of COVID-19 has been huge but it is a true testament to the hard work of our staff and volunteers that we have seen continued growth.

As the safety of all was the top priority we had to adapt and change other areas of the business. We introduced an appointment system in the shop, to ensure social distancing, which was very successful, and our turnover has continued to grow in this area despite the challenges. In addition to selling the reclaimed timber we increased our product range within the shop and have plans to expand this further during the next financial year.

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**Leeds Wood Recycling CIC
Directors' Report (continued)
For The Year Ended 31 March 2021**

Review of Business - continued

Due to the pandemic our woodwork courses were thrown into jeopardy but spurred on by the negative effect the lockdown was having on people we employed 5 fantastic woodwork tutors and moved from delivering courses in person to running them online. Working alongside Leeds Community Foundation we invested in 10 tool kits that we could deliver directly to people's homes together with packs of wood to enable us to live stream the courses via Zoom. Although it was a steep learning curve for all our team the courses were such a huge success and provided a much-needed lifeline for those at home. We started with two-week courses then, as a result of positive feedback, we extended the courses to a four-week online course with great success. It was clear from the feedback that the impact our courses had on our participants this year was tremendous and we have been humbled by their response. Our first course fell at a time when many people had struggled through two months of lock down and many commented that the course gave them 'something to look forward to' and 'a light at the end of the tunnel'.

Early in 2020 we had launched our new project called the 'Skill Tree'. Volunteers were taught to make products for our shop with the intention of then passing on their new found knowledge to their peers building a confident, capable workforce. This project was postponed during the pandemic but we used this time to develop a series of 'blue prints' and prep kits ready for when the volunteers could come back.

This year also saw a growth in our commission base and, working with Leeds City Council, we were commissioned to make a series of planters which were to be used for traffic calming throughout the city. This commission created temporary jobs for 7 people, 6 of whom were long-term volunteers or who have come through our previous woodwork courses. The skills they learnt and the teamwork that developed between them was fantastic creating ownership of this new branch of our business. We have plans to expand on this area of the business whilst utilising their skills and hope to start manufacturing furniture, amongst other things, next year.

Despite the obvious challenges we have managed to continue to grow and develop the business which is a huge testament to staff and volunteers alike. The Directors would like to extend their thanks to all for their enthusiasm, commitment and hard work. Leeds Wood Recycling is only thriving due to their continued and enduring efforts.

We are grateful to our third sector partners, St Luke's Cares, LS14 Trust and Hyde Park Source for their ongoing support over the year and to the grant funders, Leeds Community Foundation, whose valuable input help ensure our continued development of services to benefit both our community and the environment.

**Leeds Wood Recycling CIC
Directors' Report (continued)
For The Year Ended 31 March 2021**

Directors

The directors who held office during the year were as follows:

Howard Bradley

Peter Tatham

Jackson Turner

St Luke's Community and Regeneration Enterprises

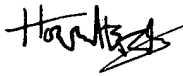
RESIGNED 29/04/2020

APPOINTED 29/04/2020

Small Company Rules

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

On behalf of the board



Howard Bradley

Director

Date 08 / 11 / 2021

**Leeds Wood Recycling CIC
Accountant's Report
For The Year Ended 31 March 2021**

Chartered Accountant's report to the directors on the preparation of the unaudited statutory accounts of Leeds Wood Recycling CIC For The Year Ended 31 March 2021

In order to assist you to fulfil your duties under the Companies Act 2006, I have prepared for your approval the accounts of Leeds Wood Recycling CIC For The Year Ended 31 March 2021 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given to us.

As a practising member of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the directors of Leeds Wood Recycling CIC, as a body, in accordance with the terms of our engagement letter dated . Our work has been undertaken solely to prepare for your approval the accounts of Leeds Wood Recycling CIC and state those matters that we have agreed to state to the directors of Leeds Wood Recycling CIC, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Leeds Wood Recycling CIC and its directors, as a body, for our work or for this report.

It is your duty to ensure that Leeds Wood Recycling CIC has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit or loss of Leeds Wood Recycling CIC. You consider that Leeds Wood Recycling CIC is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit of the accounts of Leeds Wood Recycling CIC. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Third Sector Accountancy Ltd

Date 09 / 11 / 2021

Third Sector Accountancy Limited
Chartered Accountants and Registered Auditors

Holyoake House
Hanover Street
Manchester
M60 0AS

**Leeds Wood Recycling CIC
Income and Expenditure Account
For The Year Ended 31 March 2021**

	Notes	2021 £	2020 £
TURNOVER		211,486	160,157
Cost of sales		<u>(69,245)</u>	<u>(20,549)</u>
GROSS SURPLUS		142,241	139,608
Administrative expenses		<u>(135,043)</u>	<u>(98,543)</u>
OPERATING SURPLUS		7,198	41,065
Interest payable and similar charges		<u>(719)</u>	<u>(1,081)</u>
SURPLUS BEFORE TAXATION		6,479	39,984
Tax on Surplus		<u>(1,382)</u>	<u>(7,642)</u>
SURPLUS AFTER TAXATION BEING SURPLUS FOR THE FINANCIAL YEAR		<u><u>5,097</u></u>	<u><u>32,342</u></u>

The notes on pages 9 to 12 form part of these financial statements.

Leeds Wood Recycling CIC
Balance Sheet
As at 31 March 2021

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible Assets	3		533		733
Tangible Assets	4		3,006		3,801
			<u>3,539</u>		<u>4,534</u>
CURRENT ASSETS					
Stocks	5	2,035		972	
Debtors	6	30,741		22,631	
Cash at bank and in hand		<u>73,646</u>		<u>57,480</u>	
		106,422		81,083	
Creditors: Amounts Falling Due Within One Year	7	<u>(35,077)</u>		<u>(30,705)</u>	
NET CURRENT ASSETS (LIABILITIES)			<u>71,345</u>		<u>50,378</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>74,884</u>		<u>54,912</u>
Creditors: Amounts Falling Due After More Than One Year	8		<u>(21,446)</u>		<u>(6,571)</u>
NET ASSETS			<u>53,438</u>		<u>48,341</u>
RESERVES					
Other reserves			5,400		5,400
Income and Expenditure Account			<u>48,038</u>		<u>42,941</u>
MEMBERS' FUNDS			<u>53,438</u>		<u>48,341</u>

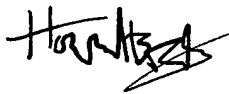
**Leeds Wood Recycling CIC
Balance Sheet (continued)
As at 31 March 2021**

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- 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 companies subject to the small companies' regime.

On behalf of the board



Howard Bradley

Director

Date 08 / 11 / 2021

The notes on pages 9 to 12 form part of these financial statements.

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

1.3. Intangible Fixed Assets and Amortisation - Other Intangible

Other intangible assets are National Community Wood franchise fee. It is amortised to income and expenditure account over its estimated economic life of 15 years.

1.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	5 year straight line.
Motor Vehicles	5 year straight line.
Fixtures & Fittings	5 year straight line.

1.5. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract basis by recording turnover and related costs as contract activity progresses.

Leeds Wood Recycling CIC
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2021

1.6. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable surplus for the year. Taxable surplus differs from surplus as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable surplus will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable surplus will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in surplus or deficit, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 11 (2020: 4)

3. Intangible Assets

	Other £
Cost	
As at 1 April 2020	1,000
As at 31 March 2021	<u>1,000</u>
Amortisation	
As at 1 April 2020	267
Provided during the period	200
As at 31 March 2021	<u>467</u>
Net Book Value	
As at 31 March 2021	<u>533</u>
As at 1 April 2020	<u>733</u>

Leeds Wood Recycling CIC
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2021

4. Tangible Assets

	Plant & Machinery	Motor Vehicles	Fixtures & Fittings	Total
	£	£	£	£
Cost				
As at 1 April 2020	1,132	4,163	569	5,864
Additions	123	-	300	423
As at 31 March 2021	<u>1,255</u>	<u>4,163</u>	<u>869</u>	<u>6,287</u>
Depreciation				
As at 1 April 2020	362	1,666	35	2,063
Provided during the period	242	833	143	1,218
As at 31 March 2021	<u>604</u>	<u>2,499</u>	<u>178</u>	<u>3,281</u>
Net Book Value				
As at 31 March 2021	<u>651</u>	<u>1,664</u>	<u>691</u>	<u>3,006</u>
As at 1 April 2020	<u>770</u>	<u>2,497</u>	<u>534</u>	<u>3,801</u>

5. Stocks

	2021	2020
	£	£
Stock - materials	2,035	972
	<u>2,035</u>	<u>972</u>

6. Debtors

	2021	2020
	£	£
Due within one year		
Trade debtors	25,968	6,625
Prepayments and accrued income	4,573	11,154
Other debtors (Debtors < 1 year)	200	475
VAT	-	4,377
	<u>30,741</u>	<u>22,631</u>

Leeds Wood Recycling CIC
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2021

7. Creditors: Amounts Falling Due Within One Year

	2021	2020
	£	£
Trade creditors	4,265	756
Corporation tax	1,382	7,642
VAT	2,776	-
Other loans	154	69
Northern Impact Fund	-	4,150
Bounce Back Loan < year	3,554	-
Accruals and deferred income	22,946	18,088
	<u>35,077</u>	<u>30,705</u>

8. Creditors: Amounts Falling Due After More Than One Year

	2021	2020
	£	£
Northern Impact Fund > 1 year	-	6,571
Bounce Back Loan > 1 yr	21,446	-
	<u>21,446</u>	<u>6,571</u>

9. Company limited by guarantee

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £1.

10. General Information

Leeds Wood Recycling CIC is a private company, limited by guarantee, incorporated in England & Wales, registered number 11272758. The registered office is Unit 6, Croydon Street, Leeds, West Yorkshire, LS11 9RT.

100219/15

CIC 34

Community Interest Company Report

For official use
(Please leave blank)

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*Please
complete in
typescript, or
in bold black
capitals.*

Company Name in
full

Leeds Wood Recycling CIC

Company Number

11272758

Year Ending

(31/03/21)

(The date format is required in full)

Please ensure the company name is consistent with the company name entered on the accounts.

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)

PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

As a volunteer led organisation the pandemic has had a huge impact on our volunteering base. Our priority of course was to look after everyone, so we reduced numbers in the building to create a safe environment. Part of this overhaul required getting our collections team to work in 'bubbles'.

Traditionally going out and collecting waste wood was a job done by our amazing volunteers, but we felt it was unreasonable to ask people to volunteer sharing a van. However there was a silver lining to this problem. We decided to take the plunge and offer permanent part time positions to two of our long standing volunteers. This job creation was life changing for everyone, and enabled our team to work safely in bubbles.

2020 was due to be the expansion of the collection side of the business, but we decided to consolidate and invest in the team we had. We also decided to raise the wages of all of our staff to show our appreciation for all their hard work during this time.

We were set to start our 'Skill Tree' volunteering programme, and the second year of our woodwork courses. We refused to halt on reaching people suffering from isolation and loneliness in Leeds and were spurred on by the negative effect that lock down was having on people. We employed 5 fantastic woodwork tutors and started running courses online. Working alongside Leeds Community Foundation we invested in 10 tool kits that we could deliver directly to people's houses alongside packs of wood, so we could run Zoom woodwork courses. Although it was a steep learning curve for all of our team, the courses were such a success. Our 'Skill Tree' project had to be postponed for a few months, which gave Conrad our Workshop tutor time to make a series of 'blue prints' and prep kits ready for when the volunteers could come back, which they did.

We have also been growing our commission base, working with Leeds City Council to make a series of planters, which are to be used for traffic calming. This commission has given jobs to 7 people, 6 of whom were long-term volunteers or who have come through our previous woodwork courses last year. We are so proud of the work they have done.

2020 was our launch of a new project called the 'Skill Tree', volunteers learn to make products for our shop and then pass on their new found knowledge to their peers, building a confident capable workforce! This team came as new volunteers, some are ex-course participants that want to learn more and stay with us, everyone comes from a range of backgrounds and experiences. The skills they learnt and teamwork that has developed between them has been fantastic creating ownership of this new branch of our business.

(If applicable, please just state "A social audit report covering these points is attached").

(Please continue on separate continuation sheet if necessary.)

PART 2 – CONSULTATION WITH STAKEHOLDERS – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

Our stakeholders are the community of Leeds, with particular focus to those in South Leeds.

We design our education programmes around people's needs, constantly monitoring feedback forms that we give to participants.

We have worked alongside Leeds Community foundation, to deliver services that cater to people's needs. The business works in a collaborative manner, where volunteers have a voice to discuss the direction the business takes.

(If applicable, please just state "A social audit report covering these points is attached").

PART 3 – DIRECTORS' REMUNERATION – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

No remuneration was received

PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below.

*No transfer of assets other than for full consideration
has been made below.*

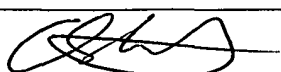
(Please continue on separate continuation sheet if necessary.)

PART 5 – SIGNATORY (Please note this must be a live signature)

(DD/MM/YY)

The original report
must be signed by a
director or
secretary of the
company

Signed



Date

8/12/21

Please note that it is a legal requirement for the date format to be provided in full throughout the CIC34 report.

Applications will be rejected if this information is incorrect.

Office held (delete as appropriate) Director/Secretary

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Tel	
DX Number	DX Exchange

When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38
Linenhall Street, Belfast, BT2 8BG

(N.B. Please enclose a cheque for £15 payable to Companies House)