

Registered number  
02427258

Forest Recycling Project Limited

Report and Accounts

31 March 2018

Report and Unaudited Accounts

**Forest Recycling Project Limited  
Company Information**

**Status**

Forest re-cycling Project has charitable status and is a company limited by guarantee and not having a share capital.

**Directors and company secretary serving throughout the year**

S Allan	(Resigned 8 March 2018)
T Fox	(Appointed 4 December 2017)
N Hughes	
S Levy	Joint Chair
J V Lopez-Real	Joint Chair ( Resigned 6 December 2017)
S E Murray-Johnson	(Resigned 8 March 2018)
S Lambert	(Resigned 2 May 2017)
R Patel	(Resigned 15 September 2017)
A Reynolds	(Resigned 15 September 2017)
J Winyard	(Appointed 4 December 2017)

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

All of the Trustees are volunteers who do not receive remuneration.

**Registered office**

2c Bakers Avenue  
Walthamstow  
London  
E17 9AW

**Accountants**

Brookfield & Co  
18 Concanon Road  
London  
SW2 5TA

**Registered number**

02427258

**Charity Reference Number**

1151578

**Forest Recycling Project Limited  
Report of the trustees  
for the year ended 31 March 2018**

**Introduction and Executive Summary**

Forest Recycling Project (FRP) is a company limited by guarantee and a registered charity. FRP meets environmental challenges with solutions that provide local benefits on both an individual and community level.

We were incorporated on 28th September 1989 and are governed by Articles of Association, adopted on 16th January 2013. We are based in Walthamstow, East London.

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

**A Personal Message from the Manager and Board of Trustees**

The Manager and Board of Trustees are delighted to report that 2017-18 has been an exciting and positive time for FRP, despite challenges along the way.

FRP's green community projects of reclaiming, reusing and reselling waste materials have continued to grow, increasing our environmental and social impact.

Waltham Forest Foundations Project is our flagship project, funded by the Big Lottery Fund. This volunteer development programme provides skill building opportunities to people who are otherwise marginalised in our community. Over the past year, our volunteer programme has exceeded our initial targets. We now have a waiting list of people wishing to enter the programme and develop skills and confidence within the green economy.

Volunteer pathways include working with paint, retail and carpentry as well as outdoor conservation projects. This year we also introduced a fabric reuse project, opening up a new pathway for volunteers to engage in.

As part of FRP's Big Lottery funding, we underwent an external organisational review over the course of the year. The resulting report highlighted the positive impact of FRP's work in meeting unmet local social needs and positive environmental outcomes. The report also highlighted weaker areas within our organisation. These included finances and governance.

As a result of these findings we have made the following changes:

- We carried out a board skills audit and recruited new board members with the necessary skills and commitment.
- A strategic review has been undertaken, focusing on the future development of the organisation. This is a 3-stage process and we are currently consulting with external stakeholders to attain their impression of FRP.
- The continued development of the volunteer programme is an ongoing process, providing new opportunities and helping our volunteers engage in their local community.
- FRP continue to work in collaboration with other organisations, promoting our environmental agenda.

Through these changes we feel positive about the development and growth of our organisation over the coming year.

## **Trustees And Workforce Team**

### **Board of Trustees:**

**Chair:** Jo Winyard

**Company Secretary:** Tom Fox

**Board Members:** Nicola Hughes and Scott Levy

### **Staff:**

**Manager:** Pernille Møller

**Operational Manager and Finance Lead:** Nilesch Patel

**Carpentry Lead and Safeguarding Officer:** Greg Dickenson

**Fabric and Design Lead:** Hannah Ford

**Paint Mixer:** Clive Henry

**Driver:** Les Nicholas

## **Strategic Report**

The Trustees present their report and updated accounts for the year ended 31 March 2018.

The accounts comply with the accounting policies set out in note 1 of the accounts and comply with the organisation's governing document, *Statement of Recommended Practice - Accounting and Reporting by Charities: SORP; March 2005*.

## **Forest Recycling Project Aims**

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

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

## **Forest Recycling Project Objectives**

### **FRP's Solution to Improve Local Sustainable Living**

At FRP, our main operational area is reclaiming, repurposing and affordably reselling waste material that would otherwise fill and pollute local landfill sites.

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

**RECLAIM** - We take waste items of unwanted paint, fabric and timber and we stop them entering local landfill sites.

### **REPURPOSE:**

- Paint is cleaned, sorted and sometimes re-mixed.
- Timber is cut, sanded and oiled and may be used to build items to assist the biodiversity of local ecosystems, such as habitat boxes and planters.
- Fabric is sorted and bundled before being sold to local schools.

**RE-SELL** - We resell the recycled products, offering a cheap alternative to mainstream 'green' products. This ensures all sections of the community can afford sustainable living.

### **Providing Opportunities to Marginalised Individuals - The Waltham Forest Foundations Project:**

FRP operations are made possible by working in collaboration with volunteers. The processes of handling and repurposing the reclaimed materials are carried out by volunteers who are often marginalised in our community.

FRP currently runs a Big Lottery funded project; 'Waltham Forest Foundations'. As part of this project we work with mental health organisations to identify people who may benefit from volunteering with us.

Our team of staff and our volunteers work closely together and the unique skills and attributes each individual brings are valued and fostered.

As an organisation, FRP could not continue to run without the time and commitment our volunteers provide. In return, at FRP, we hope to offer our volunteers the opportunity to develop skills and provide them training.

Each individual volunteer is offered a 2.5 hour session every week for three months to learn about how to work with reclaimed materials. Some of our volunteers have found that being a member of the volunteer project at FRP has helped them to gain paid employment and directly improved their confidence, self esteem and general mental health.

Overall, the objective of the Waltham Forest Foundations Project is to deliver environmental benefits while promoting social inclusion.

### **Achievements of the Year**

FRP had a good year, with potential for further growth identified.

In October, 2017 an independent organisational strength review was carried out as part of our Big Lottery Funding.

The resulting report demonstrated the following:

FRP offer a unique service, which promotes sustainable living and meets both environmental and social needs within the local Borough.

FRP's volunteer scheme provides a valuable service for people with mental health problems or who are socially excluded. Individuals who are otherwise marginalised.

Significant environmental benefits of FRP's operations were identified, with potential for development.

In March, 2018 our shop on Bakers Avenue, Walthamstow, was reopened following refurbishment.

We were proud that the re-opening was supported by Stella Creasy MP.

## **Impact and Value**

At Forest Recycling Project we monitor the impact of our operational work through environmental savings.

The weight of reclaimed paint, timber and fabric is measured. Whenever possible, this measurement is converted to the CO2 emissions that would have impacted our environment if this material had been wasted. In this way, the impact of FRP's operations are presented as the carbon footprint saved.

The environmental savings of the work FRP carry out also extends in the following ways:

Reclaimed materials ensure valuable resources are conserved.

The prevention of additional landfill or incineration of waste reduces the risk of soil and water contamination.

FRP makes a sustainable lifestyle an option to more people by providing good quality, affordable, re-usable goods available to wider sections of our community.

FRP's work increases awareness of the environmental and economic benefits of reducing, re-using and recycling waste and enables people to take environmental action.

The Impact of FRP's Work by Reclaimed Material:

### **PAINT**

Every year in the UK over 330 million litres of paint are sold. Of these, it is estimated that 50 million litres (the equivalent of 20 Olympic sized swimming pools) are unused, stored in homes or garages or thrown away.

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

### **BUSINESS MODEL:**

- Paint is reclaimed from recycling centres or commercial companies (by prior arrangement).
- At the FRP warehouse our teams of volunteers sort, quality check and re-mix the paint, ready for redistribution.
- The paint is sold as a sustainable, low cost alternative to new paint to the general public. On average, a litre of reclaimed paint is £3 cheaper than the new equivalent.
- FRP has two retail outlets for the sale of the reclaimed paint - our paint shop in Walthamstow and paint warehouse in Leytonstone.
- Free or discounted paint is also offered via FRP paint schemes to:
  - Not for profit organisations
  - Charities
  - Community groups
  - Housing associations

### **FRP PAINT SOLUTION IMPACT 2017-18**

- The paint place collected around 44,000 litres of paint (approximately 62 tonnes) from 10 recycling centres and commercial companies across London.
- 34,600 litres (48 tonnes) of reclaimed paint were distributed to organisations and individuals.
- 90 tonnes of CO2 emissions were stopped from entering the atmosphere.
- The Paint Place saved the local community approximately £104k in the costs of purchasing paint (assuming a saving of £3 per litre).
- FRP's annual paint membership included 27 members on 31st March 2018.
- Reclaimed paint was used in the local community on projects, such as decorating stages at music festivals and creating murals.

In 2017 Forest Recycling Project partnered with Global Street Art to create one of the largest murals in the world in Hackney Wick. The mural was created using over 3000 litres of reclaimed paint in our warehouse. The project took two months to complete and over 20 volunteers worked on it.

Reclaimed paint continues to be the backbone of FRP's operations. We are truly proud of the impact of our work on reclaiming and reusing paint. Appendix One details the steady growth in our achievements since 2006.

### **SCAFFOLDING**

Reclaiming scaffolding boards, can have significant benefits to the economy and the environment. In 2011, it was estimated that just 60% (2.8 million tonnes) of the UK's waste wood was recycled. We reclaim and reuse scaffolding boards that are no longer required by building sites.

Reclaiming scaffolding is a practical act, but it is also a very symbolic act. Scaffolding is used to put up new housing in our community, often referred to as gentrification. Gentrification can be a source of conflict so reclaiming a by-product of this can serve to weave our communities closer together again.

### **BUSINESS MODEL:**

- Building developers donate used scaffolding to FRP, which would otherwise have been sent to landfill or incinerated.
- The boards are stored in our local yard and workshop.
- A small proportion of the reclaimed wood is sold on in its basic state.
- The majority of the timber is repurposed by FRP's team of staff and volunteers who cut the wood to bespoke size, sand and / or polish it to be sold on to the public.
- Timber is often used in our workshops to create planters, biodiversity boxes or raised beds. This provides added social and environmental benefits in our community as it creates new areas for green growth.
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### **FRP SCAFFOLDING SOLUTION IMPACT 2017-18**

- FRP received 2,100 meters of used scaffolding from building sites over the year.
- Preventing this timber entering landfill or being incinerated equates to a significant saving in terms of carbon emissions.
- A significant proportion of the scaffolding was used to build raised beds for community spaces and allotments. This creates a complete circle whereby discarded wood is used to facilitate new green areas.

### **FABRIC**

Statistics made available by Greenpeace estimate that globally, of 400 billion m2 of fabric produced annually; 60 billion m2 will end up on the cutting room floors as waste. This equates to approximately 4 times the area of London. This wasted fabric will either be sent to landfill, incinerated or sit unused.

FRP believe that any fabric cuts are useful resources with potential for re-use.

FRP commenced a pilot project in January 2018 to reclaim unwanted fabric in our communities. The aim of this project is to reduce the impact of wasted fabric on landfill and CO2 emissions. The fabric would be repurposed and sold back to the community, generating FRP a sustainable income.

#### BUSINESS MODEL:

- Sole traders and businesses across London are offered a collection service by FRP for their wasted fabrics. To date, businesses we collect from include:
  - Interior designers
  - Fashion designers
  - Furniture companies
  - Film production companies
  - Theatres
  - Upholsterers
- Donated fabrics are weighed and sorted by volunteers into fabric type (man-made or natural) and into colour and tone.
- The processed fabrics are sold by colour and weight to community organisations and schools via our membership schemes.
- Further reclaimed fabrics are sold to individuals at reduced prices at local bring and buy sales.

#### FRP FABRIC SOLUTION IMPACT 2017-18

Between January and April 2018, the fabric pilot project achieved the following: 386 kg of fabric was diverted from landfill. This equates to a saving of over 795 kg in CO2 emissions.

FRP recognise the potential impact from this project is much greater.

Currently, 56 schools sit in the Waltham Forest Borough. If each of these schools were to take out membership with FRP the projected savings could be 4,000 kg of fabric; translating to 53,438 kg of saved CO2 emissions!

Companies who donate to the FRP Fabric Pilot Project will receive a Certificate detailing their donations and environmental impact:

At FRP, we are delighted with the initial success of this pilot project.

As the project develops we aim to provide volunteers with sewing skills and knowledge of fabrics in order to produce items that FRP can sell, further supporting our ongoing work.

The pilot is due to end in Spring 2019 when FRP plan to develop a social enterprise model for reclaimed fabric.

#### **4. PAPER**

In addition to FRP's three main reclaimed products (as above), we also offer a paper recycling service, 'Green Office'.

#### **BUSINESS MODEL:**

- FRP collects office paper for recycling from small businesses and not for profit organisations within our locality.
- The service offered includes collection of normal and confidential waste paper and cardboard.
- The paper is taken to a local paper mill to be recycled.

#### **THE IMPACT OF 'GREEN OFFICE' 2017-18**

Within the year of 2017-18 FRP collected and recycled 22,350 kg of paper from local businesses and charities.

#### **The Impact of FRP's Waltham Forest Foundations Project**

Between 2017 - 2019 the FRP led Waltham Forest Foundations Project aims to provide green volunteering opportunities to 120 vulnerable and marginalised adults in Waltham Forest, London.

Each volunteer undertakes a pathway which can be in one of the following areas of skill development:

- Carpentry
- Gardening
- Food growth
- Collecting, mixing and delivering unused paint
- Selling recycled goods in one of FRP's retail outlets.

At the project's half-way point, an evaluation showed excellent results.

#### **- DAISY'S STORY -**

#### **VOLUNTEER WITH THE WALTHAM FOREST FOUNDATIONS PROJECT**

Daisy worked as a volunteer under the Waltham Forest Foundations Project, undertaking the carpentry pathway. Over the course of three months with FRP Daisy completed a personal project of making a bench with reclaimed timber.

Daisy has a history of mental illness, regularly experiencing anxiety and panic attacks.

Here are Daisy's words:

*"I wasn't really too sure what to expect when I first started, whether or not I was too much of a mentalist for them to cope with me or not. But I felt like they were really genuine people and listened to me, which doesn't sound like a lot, but I've done other volunteering before and that doesn't happen. So you feel more accepted when you know someone's not judging you and is genuinely interested in how you are."*

Over the three month period Daisy worked with FRP her confidence levels grew. Staff noted that she appeared to cope with her anxiety better, despite some difficult external events. As Daisy's confidence grew she took on a mentoring role to other volunteers, providing peer support and sharing both carpentry skills and coping mechanisms.

Despite Daisy being 'gutted' that her time with FRP on the project came to an end, Daisy's final words regarding her time on the project were,  
*"I've totally loved it here and think it's brilliant for people like me."*

### **FRP Involvement in Community Events**

FRP value being engaged with our local community. Throughout the year we took part in a number of events:

- Give or Take Events -

In contract with Hackney Council, FRP managed four 'give or take' events. These are popular community based exchanges where people can give away reusable items they do not need and / or take things they would like.

- Christmas Toy Project, "Re-Present" -

FRP again worked in contract with Hackney Council to provide toys to underprivileged children in the community. Unwanted toys were donated by the public to local collection points. Our volunteers and staff sorted, cleaned and wrapped the donations. The toys were delivered to children who would not usually get a Christmas present; including to women's shelters and family units within prisons.

- Community Occasions -

FRP took part in a number of wider community events, including the Walthamstow Garden Party, which generated considerable interest in our work.

- Community Murals -

At FRP we assist in the consultation, design and painting of community mural projects. In order to achieve this, our team of staff and volunteers use our reclaimed paint and work alongside local communities and artists.

### **Public Benefit**

All the activities of the Forest Recycling Project provide a direct public benefit.

The Trustees follow the Charity Commission's general guidance on public benefit by:

Planning future activities

Setting business models of Recycling, Reusing and Reselling paint, timber and fabric

Our well-being model to develop and educate individuals in the community.

## **Structure, Governance & Management**

### **Our People:**

#### **Volunteers**

Forest Recycling Project could not work without our team of volunteers.

We extend immense gratitude to all our volunteers for their time, commitment, work and enthusiasm over the past year.

The Board of Trustees at FRP acknowledge and greatly appreciate the contribution of each individual who has given their time to us.

#### **Staff and Trustees**

The team at FRP over the year of 2017 - 2018 was made up of 7 members of staff and 4 volunteer Trustees. This team made the delivery of the services provided by Forest Recycling Project possible.

The Trustees work closely with the General Manager who is responsible for the day-to-day management of the charity.

Trustees meet at least 6 times a year to consider the activities of the charity. Additional electronic meetings are often held in between these times and each Trustee has regular contact with the General Manager or other staff members, depending on the projects on which they are working between meetings.

Trustees can be appointed to the Board by the other Trustees at any time.

The appointment of any new Trustees is something which is decided and approved by all existing members.

New Trustees are briefed on their legal obligations under Charity Law, the decision-making processes, the business plan and recent performance of the charity.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

#### **Risk Management:**

The Trustees regularly review potential risks associated with the charity's activities.

The following risks are currently identified:

#### **Finance -**

The key risks facing the charity, in the current economic climate, relate to income generation.

We plan to diversify our sources of income in order to manage this risk and we are working on building our earnings as a priority, alongside grant funding.

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

All staff have undergone safeguarding training and FRP has invested in an employee support programme with Education Support Partnership, which provides mental health and well-being support face to face and over the phone.

We have updated our safeguarding policy and will continue to review this regularly.

### **GDPR –**

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

### **Health and Safety –**

All staff receive up-to-date health and safety training.

### **Liabilities –**

FRP's operational work occasionally necessitates the disposal of paint which is unusable for re-sale. This paint poses a liability risk to FRP.

Steps are in place to reduce the collection of unusable paint in the first instance. Procedures are also set up to ensure the disposal of any waste paint is appropriate and environmentally friendly as it can be.

### **Finances**

Forest Recycling Project is both a charity and social enterprise and this is clearly demonstrated in our annual accounts.

In the year 2017-18 there was an approximate 50:50 split between trading and grant-funded activities within the organisation.

The year ending 31 March, 2018 showed FRP producing a small profit. Total unrestricted income for the year amounted to £100,041 (£88,953 in 2017), this alongside a significant reduction of £32,133 in unrestricted expenditure £82,578, (£114,711 in 2017), has allowed FRP to return to a stronger operating position.

The WFF project allowed FRP to recruit project specific staff to run the various volunteer pathways, which is reflected in the staff numbers in the accounts. All staff have been exceptional in accepting the organisational changes and the Board are committed to reviewing their hours and pay once the organisation's finances allow.

FRP has worked hard to make significant positive cultural and operational changes at all levels to improve our finances and build on existing beneficiary outcomes. We have a range of income generating activities, allowing us to work with a range of partners and reduce our financial risk. Developing further income streams and partnerships is an ongoing process within our organisation.

An organisational restructure in 2017 created closer links between the operations and book-keeping teams. This provided the following benefits:

- A reduction in overdue receivables
- Lower administrative costs
- A shift in resources to provide more direct value to beneficiaries
- An increase in project staff costs, as a reflection on our greater level of activity.

We intend to continue to invest in strengthening our financial management systems over the forthcoming year. The Board hope that our income will continue to grow and these funds can be used for the following:

- Funding our operations where necessary
- To provide monetary funds for unexpected expenditure, e.g. a project overrunning
- To fund shortfalls in income when income does not reach expected levels.

### **Reserves and risks**

The Trustees maintain that it is appropriate to maintain free reserves of approximately 3 to 6 months of overheads.

Following a deficit in the previous financial year, the board had to work hard to re-establish a balanced operating position in 2017-18.

A number of steps were taken to focus on our strategic priorities within the organisation and bring expenditure in line with income. These included:

- i) Cost reductions and tighter financial controls
- ii) Independent organisational strength review.
- iii) Revenue growth from existing operations and partnerships.
- iv) Revenue growth from new partners.

In addition, FRP enlisted the help of a trained and qualified volunteer Accountant through the organisation, Accounting for International Development (AfID). For a small fee AfID spent time with FRP, established Quickbooks accounting software and advised staff on tighter financial controls. This has helped to implement daily procedures and reduce risks.

Free reserves at 31st March 2018 were £220.

Whilst this is well below the upper target level set by the Trustees of a 6 month operating budget, equating to £85k, it is the long term aim to build reserves up to this target.

Available funds in our accounts as of 31st March 2018 were £26,170.

With cash flow being appropriately managed, the working capital for the organisation is secure. It is the Trustees aim to increase income from trade and income generating activities to build up its reserves to the target level.

At FRP we feel positive about our financial position at the end of the 2017-18 financial year. The results gained over the course of the year are a result of a firm commitment from the Board and from our staff to ensure a balanced operating position.

### **Ambitions / Long Term Plans**

At FRP we are proud of the achievements we have made over the past year, as outlined in this report.

Over the coming year, FRP envision continued growth, with a range of opportunities in which we can do so.

#### **VOLUNTEERS:**

The work FRP carries out provides volunteering opportunities to marginalised people from our society. The volunteers benefit from their work with us in building their confidence and gaining key skills that will promote their chances of obtaining future paid employment elsewhere.

We intend to continue to work on and develop our existing operations, providing ongoing volunteering opportunities to marginalised individuals in our community.

One area that we have identified to develop further is our fabric reclaim pilot project.

FRP recognise the potential to develop volunteers with skills in needlecraft, benefitting the volunteers and creating further products for FRP to sell.

#### **PARTNERSHIPS:**

FRP is actively seeking new partnerships that will be positive for both our organisation and offer further environmental and social solutions.

We would like to work with more community organisations to create innovative solutions to complex problems.

In addition, FRP are keen to collaborate with a wider selection of private companies who will donate their waste materials to us and improve their own environmental impact.

**SCHOOL MEMBERSHIP:**

We plan to recruit more schools into our membership scheme. This growth in the project will increase our social benefits, in terms of wider opportunities for our volunteers and develop mutually beneficial relationships with schools.

**INCOME GENERATION:**

Finally, at FRP we intend to increase our income generating activities. Income generation is key to ensure that FRP can continue to grow as an organisation. Streams of financial growth will include more sales, community and fundraising events and donations. Alongside this will be the development of new partnerships.

**BOARD OF TRUSTEES’ RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

Company law requires the Directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company as at the end of the financial period and of its surplus or deficit for the financial year.

The Directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 March 2016.

The Directors also confirm that applicable accounting standards have been followed and that it is appropriate for the financial statements to have been prepared on the going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enables them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT EXAMINER**

The Independent Examiner, Brookfield and Co, will be proposed for re-appointment in accordance with the Companies Act 2006.

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

Signed: .....

For and on behalf of the Board of Trustees

Approved by the Board of Trustees on:

## **INDEPENDENT EXAMINER'S REPORT**

**to the trustees of** Forest Recycling Project Limited

We report on the accounts of the company for the year ended 31 March 2018 which are set out on pages 15 to 21.

## **RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND EXAMINER**

The trustees, who are also the directors of the company for the purpose of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under Charities Act and that an independent examination is needed. .

Having satisfied ourselves that the charity is not subject to audit under company law and is eligible for independent examination, it is our responsibility to:

- examine the accounts under the Charities Act.
- to follow the procedures laid down in the general Directions given by the Charity Commission under the Charities Act; and
- to state whether particular matters have come to our attention

## **BASIS OF INDEPENDENT EXAMINER'S REPORT**

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

## **INDEPENDENT EXAMINER'S STATEMENT**

In connection with our examination, no matter has come to our attention which gives us reasonable cause to believe in any material respect the requirements:  
to keep accounting records in accordance with section 386 of the Companies Act 2006; and  
to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice; Accounting and reporting by Charities  
have not been met.

Brookfield & Co  
Chartered Accountants  
18 Concanon Road  
London  
SW2 5TA

28 November 2018

**Forest Recycling Project Limited**  
**Statement of Financial Activities**  
**for the year ended 31 March 2018**

		<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total Funds</b>	Total Funds year to 31 March 2017 £
	<b>Notes</b>	<b>2018 £</b>	<b>2018 £</b>	<b>2018 £</b>	
<b>Incoming resources</b>					
<i>Incoming resources from generated funds:</i>					
Voluntary Income - Grants and donations	5	95,046	3,202	98,248	81,681
Activities for generating funds		-	96,839	96,839	86,256
Investment income		-	-	-	63
Other Income		-	-	-	-
<b>Total Incoming Resources</b>		<b>95,046</b>	<b>100,041</b>	<b>195,087</b>	<b>168,000</b>
<b>Resources expended</b>					
Costs of generating funds		-	-	-	
Charitable activities		95,046	81,115	176,161	192,238
Governance		-	1,463	1,463	1,520
<b>Total resources expended</b>	<b>6</b>	<b>95,046</b>	<b>82,578</b>	<b>177,624</b>	<b>193,758</b>
Net incoming resources for the Year		-	17,463	17,463	(25,758)
Transfers between funds		-		-	-
Funds brought forward		-	(17,243)	(17,243)	8,515
<b>Total Funds carried forward</b>		<b>-</b>	<b>220</b>	<b>220</b>	<b>(17,243)</b>

All of the above results derive from continuing charitable grants and activities and there were no recognised gains or losses other than the above results

The notes on pages 17 to 21 form part of these accounts.

**Forest Recycling Project Limited**  
**Balance Sheet**  
**as at 31 March 2018**

	Notes	2018 £	2017 £
Fixed Assets - Equipment		-	-
<b>Current assets</b>			
Stocks		-	-
Debtors	8	25,749	16,784
Cash at bank and in hand		26,169	41,120
		<u>51,918</u>	<u>57,904</u>
<b>Creditors: amounts falling due within one year</b>	9	(38,766)	(58,606)
<b>Net current assets/(liabilities)</b>		<u>13,152</u>	<u>(702)</u>
<b>Creditors: amounts falling due more than one year</b>		(12,932)	(16,541)
<b>Net assets/(liabilities)</b>		<u>220</u>	<u>(17,243)</u>
<b>Funds of the Charity</b>	12		
General Funds		220	(17,243)
<b>Total Funds</b>		<u>220</u>	<u>(17,243)</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for

complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

The notes on pages 17 to 21 form part of these accounts

Director

Approved by the board on 28 November 2018



**Forest Recycling Project Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2018**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>2 Net Income for the year is stated after charging:</b>		
Rentals under operating leases	20,250	21,624
Independent Examiners' Remuneration ( Inc VAT) - Brookfield & Co	1,463	1,520
<b>3 Expenses paid to trustees or persons connected with trustees</b>		
The aggregate amount of expenses paid to trustees was	0	0
<b>4 Staff Costs and Emoluments</b>		
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Gross Salaries	91,040	70,705
Social security costs	6,826	4,817
	<u>97,866</u>	<u>75,522</u>
<b>Numbers of full time employees or full time equivalents</b>	<b>2018</b>	<b>2017</b>
None of the Trustees received any remuneration during the year (2017: Nil)	<b>Nos</b>	<b>Nos</b>
No employees earned more than £60000 pa or more. (2017: Nil)		
<b>The average number of employees/ full-time equivalents</b>		
Engaged on Project Service	<u>4.5</u>	<u>4.5</u>

**Forest Recycling Project Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2018**

**5 Voluntary Income - Grants and donations**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Reaching Communities	93,946	-
Postcode Lottery Grant	-	20,000
LSF	-	42,330
Funding for hornbeam	-	9,960
Other grants for projects	1,100	6,757
Donations	3,202	2,634
	<u>98,248</u>	<u>81,681</u>

**6 Resources Expended**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
	<b>Total</b>	<b>Total</b>
<b>Charitable Expenditure</b>		
Other administration and office running costs	9,288	28,836
Project and direct costs	34,849	52,915
Premises costs	31,805	31,982
Staff and volunteer expenses	100,219	78,505
<b>Governance Costs</b>		
Independent examination	1,463	1,520
	<u>177,624</u>	<u>193,758</u>

**7 Fixed Assets - Equipment**

<b>Cost</b>	
Balance at 31 March 2016	25,745
Additions in the year	-
Balance at 31 March 2017	<u>25,745</u>
<b>Depreciation</b>	
Balance at 31 March 2016	25,745
Charge for the year	-
Balance at 31 March 2017	<u>25,745</u>
<b>Net Book Value</b>	
Balance at 31 March 2017	<u>-</u>
Balance at 31 March 2016	<u>-</u>

**Forest Recycling Project Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2018**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>8 Debtors</b>		
Trade debtors	19,081	8,570
Grants receivable	-	-
Other debtors and prepayments	6,668	8,214
	<u>25,749</u>	<u>16,784</u>

**9 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	8,202	18,171
Loan from London Re-use Limited	5,362	3,539
Other creditors and accruals	2,804	11,741
Other taxes and social security	1,330	4,003
Deferred grants	21,068	21,152
	<u>38,766</u>	<u>58,606</u>

**10 Creditors: amounts falling due more than one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Loan from London Re-use Limited	12,932	16,541
	<u>12,932</u>	<u>16,541</u>

The loan came into effect in August 2012, it is repayable over a ten year period and interest is charged at 4% per year

**11 Analysis of net assets between funds**

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Tangible fixed assets	-	-	-
Current Assets	-	51,918	51,918
Current Liabilities	-	(38,766)	(38,766)
<b>Creditors: amounts falling due more than one year</b>	-	(12,932)	(12,932)
	<u>-</u>	<u>220</u>	<u>220</u>

**Forest Recycling Project Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2018**

**12 Funds of the charity**

	At 1/4/17	Incoming Resources	Outgoing Resources	Transfers	At 31/3/18
<b>Restricted Funds:</b>					
Reaching Communities	-	93,946	(93,946)		-
Other grants for projects	-	1,100	(1,100)		-
<b>Total Restricted Funds</b>	<u>-</u>	<u>95,046</u>	<u>(95,046)</u>	<u>-</u>	<u>-</u>
<b>Unrestricted Funds:</b>					
<b>Total Unrestricted Funds</b>	(17,243)	100,041	(82,578)		220
<b>Total Funds</b>	<u>(17,243)</u>	<u>195,087</u>	<u>(177,624)</u>	<u>-</u>	<u>220</u>

**PURPOSES OF RESTRICTED FUNDS HELD DURING THE YEAR AND AT 31<sup>ST</sup> MARCH 2018.**

**Reaching Communities**

A two year programme that aims to deliver both environmental benefits and promote social inclusion.

We're doing this by supporting volunteers from local communities in East London, especially those who are at risk of marginalisation and social exclusion. Our team works alongside them and provides the opportunity to experience the sustainability sector. These include carpentry with recycled scaffolding boards; retail and customer service in our Paint Place shop; stock management and upcycling paint at our warehouse; conservation work in the local

**13 Related party transactions and trustees' remuneration**

**Trustees' Remuneration**

Trustees received no remuneration in respect of their services as Trustees (2017 £nil). Expenses of £Nil were paid in the period (2017 £Nil).

**14 Related Party Transactions**

There were no related party transactions in the year