

Charity Registration no. 1182905

THE USEFUL WOOD COMPANY

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

UsefulWoodCompany

THE USEFUL WOOD COMPANY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Anthony Hewat Michael Deavin George Varney Stephen Barter Brian Henry
Charity number	1182905
Registered office and Principle address	15-29 Goldsworth Road Woking Surrey GU21 6JT
Independent Examiner	P I Vickerman 31a Nightingale Road Godalming Surrey GU7 2HP
Bankers	HSBC 6 Commercial Way Woking Surrey GU21 6EZ

THE USEFUL WOOD COMPANY

CONTENTS

	Page
Trustees' report	4 - 5
Independent Examiner's report	6
Statement of financial activities	7
Balance sheet	8
Notes to the financial accounts	9 - 14

THE USEFUL WOOD COMPANY

TRUSTEES' REPORT (INCLUDING DIRECTORS'REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees have pleasure in submitting the Report and Accounts for the year to 31st March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document 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 the Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Governance

The charity is a Charitable Incorporated Organization (CIO), and is a member of the National Community Wood Recycling Project, which supports a national network of over 30 wood recycling organisations with similar aims, providing marketing to national construction companies, training resources and advice.

Activities

The heart of the trustees of The Useful Wood Company (TUWC) continues to see those on the margins of society, and who have suffered various traumas that result in loss of confidence and self-esteem, get work experience, training and support to enable them to achieve employment and contribute back to society and the community.

The TUWC continues to operate from premises which are rent and rates free, and which include yard, workshops and a retail/display area. We currently have three collection vans which collect waste wood from building and commercial sites which is then sorted and suitable timber used to make bespoke and stock products, selling wood on and to use this for our products. This supports both the wood recycling project and our work with beneficiaries.

The charity continues to work towards its vision being helped by volunteer "alongsiders/ supervisors" helping beneficiaries by mentoring, encouragement and advice. Our beneficiaries are referred to us by statutory and non-statutory bodies such as Welcome Church, Woking Job Centre, Probation Service (Payback), Surrey Choices, The York Road Project (Homeless) amongst others.

Achievement

Since TUWC started operations in September 2019 we have seen year on year growth in the numbers of volunteers and beneficiaries, in 2022/23 we have been able to achieve saving approximately 12,156 cubic yards of wood from landfill. In terms of our social action, we have achieved a total of 1,104 work experience days and notable achievement with 37 beneficiaries and we have been helped by 12 volunteer supervisors. During this operating period the year saw 9 beneficiaries achieve employment which has been exciting and encouraging.

Operations

TUWC has continued to operate from premises in Goldsworth Road Woking which are provided by Welcome Church who continued to lease these from a development company. Within the lease there is provision for the landlord to serve 3 months' notice. The landlord is in the process of drawing up a new lease for our current premises which will run to March 2026.

Collection of waste wood, continues to be the main source of income but encouragingly we have again seen increases in both retail and wood sales. The collection service is actively marketed nationally by NCWRP to major construction companies and TUWC remains free to source such collections with a greater focus having been made locally. Wood that cannot be used or resold is sent to be chipped for biomass fuel.

The charity currently employs 3 full time and one part staff, an operations manager, two drivers and workshop manager, and there are three vans in use.

The opportunities for the beneficiaries include working in the retail area, helping the van in wood collections, sorting the wood, marketing, office/administrative help, and working in the workshop to produce retail and bespoke products and gain competence in using machinery.

Finances

No applications for grant support were submitted during this reporting period,

The charity has continued to benefit from premises that are rent-free and with 100% rate relief. We are mindful that new premises may be needed from 31st of March 2024 with the subsequent increase in costs. The trustees have built up reserves in the charity in order to be able to relocate when necessary.

In the year to March 2023, the charity recognised grant income of £7,826, received donations of £1,476, interest of £269 and earned income of £254,181, mainly from wood collection, but also from the sale of recycled wood and products made in the workshop. Expenditure, all on, or in support of, charitable activities amounted to £224,651, leaving a surplus of £39,101 in the year. Reserves at the year-end were £124,714.

Trustees' Responsibilities

Charity law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial period. In preparing those financial statements, the trustees should follow best practice and:

- Select suitable accounting policies and the apply them consistently
- Make judgements and estimates that are reasonable and prudent, and
- Prepare the financial statements on the ongoing concern basis unless it is not appropriate to assume that the charity will continue on that basis.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. The trustees are also responsible for safeguarding the assets of the charity and to take reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees on 14 December 2023 and signed on their behalf by:

Anthony A Hewat
(Chair of Trustees)

THE USEFUL WOOD COMPANY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE USEFUL WOOD COMPANY

I report to the trustees on my examination of the financial statements of The Useful Wood Company (the charity) for the year to 31 March 2023 as set out on pages 7 to 14.

Responsibilities and basis of report

The charity's trustees are responsible for the preparation of the financial statements. The Charity's trustees consider an audit is not required for this financial period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act;
- To follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- To state whether particular matters have come to my attention.
-

Basis of independent examiner' report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning 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' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

- (1) Which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met: or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

P I Vickerman FCA
Practising Accountant
31a Nightingale Road
Godalming
Surrey
GU7 2HP

THE USEFUL WOOD COMPANY

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2023

		2023			2022		
	Notes	Unrestricted funds	Restricted Funds	Total funds	Unrestricted funds £	Restricted funds £	Total funds £
Income from:							
Donations & legacies	3	1,476	-	1,476	2,370	-	2,370
Grants	3	-	7,826	7,826	-	7,542	7,542
Charitable activities	4	254,181	-	254,181	164,355	-	164,355
Investment Income	5	269	-	269	6	-	6
Total Income		255,926	7,826	263,752	166,731	7,542	174,273
Expenditure on:							
Charitable activities	6	215,746	12,815	228,561	154,300	7,542	161,842
Net Income		40,180	(4,989)	35,191	12,431	-	12,431
Opening fund balances		80,624	4,989	85,613	68,193	4,989	73,182
Net income for the year / Net movement of funds		40,180	(4,989)	35,191	12,431	-	12,431
Closing fund balances		120,804	-	120,804	80,624	4,989	85,613

THE USEFUL WOOD COMPANY

**BALANCE SHEET
AS AT 31 MARCH 2023**

		As at 31 March 2023	As at 31 March 2022
	Notes		£
Fixed Assets:			
Tangible assets	11	31,007	27,536
Current Assets:			
Stock	12	1,197	795
Debtors & prepayments	13	41,081	21,836
Cash at bank and in hand		<u>92,373</u>	<u>73,386</u>
		134,651	96,018
Creditors: Amounts falling due within one year	14	<u>36,389</u>	<u>21,626</u>
		<u>98,262</u>	<u>74,392</u>
Total assets less current liabilities		129,269	101,928
Creditors: Amounts falling due after more than one year	14	<u>8,465</u>	<u>16,315</u>
Net Assets		<u>120,804</u>	<u>85,613</u>
Income funds:			
Unrestricted funds		120,804	80,624
Restricted funds		=	<u>4,989</u>
Total		<u>120,804</u>	<u>85,613</u>

The notes on pages 10 – 16 form part of these financial statements.

Approved by the trustees on 14 December 2023 and signed on their behalf by:

Anthony A Hewat
(Chair of Trustees)

THE USEFUL WOOD COMPANY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

The Useful Wood Company was incorporated in England and is a charitable incorporated organisation which is registered with the Charity Commissioners for England and Wales. It's registered office is at 15-29, Goldsworth Road, Woking, Surrey, GU21 6JT.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, The charities Act 2011 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 the 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 charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, 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 financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and use of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require the deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

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 reliability.

1.6 Tangible fixed assets

The acquisition of minor capital items such as fixtures, fittings and equipment below a cost of £200 are charged to revenue in period they were purchased.

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. This also applies to gifted assets which are valued at an amount in excess of £200.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

- Fixtures, fittings and equipment 20% straight line
- Motor vehicle 25% straight line

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the 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).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments.

1.9 Financial assets and liabilities

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

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 grants

	2023			2022		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Donations and legacies						
Donations & Gifts (non gift-aided)	826	-	826	1,970	-	1,970
Donations & Gifts (gift-aided)	-	-	-	-	-	-
Grants Received	-	7,826	7,826	-	7,542	7,542
Donations in Kind	650	-	650	400	-	400
	9,302	7,826	9,302	2,370	7,542	9,912
Grants receivable for core activities						
Woking Borough Council	-	4,086	4,086	-	4,250	4,250
Shanley Foundation	-	625	625	-	-	-
Clothworkers	-	3,125	3,125	-	-	-
Grant income deferred	-	-	-	-	(3,708)	(3,708)
Grant income recognised	-	-	-	-	7,000	7,000
Grants Received	-	7,826	7,826	-	7,542	7,542

4 Income from charitable activities	2023			2022		
	Unrestricted Funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Sales within charitable activities - wood recycling						
National Collections	173,789	-	173,789	105,819	-	105,819
Local Collections	26,173	-	26,173	13,430	-	13,430
Product Sales	16,039	-	16,039	10,503	-	10,503
Wood Sales	31,953	-	31,953	29,087	-	29,087
Hardware Sales	3,200	-	3,200	2,543	-	2,543
Pallet Sales	1,868	-	1,868	1,469	-	1,469
Firewood Sales	138	-	138	487	-	487
Miscellaneous Sales	1,021	-	1,021	1,017	-	1,017
	254,181	-	254,181	164,355	-	164,355

5 Investments	2023			2022		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Interest Received (Gross)	269	-	269	6	-	6

6 Expenditure on charitable activities	2023			2022		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Workshop consumables	2,117	-	2,117	2,505	-	2,505
Small tools & minor equipment	4,075	-	4,075	6,205	-	6,205
Machinery maintenance	828	-	828	273	-	273
Hardware purchases	3,097	-	3,097	2,695	-	2,695
Wood purchases	113	-	113	939	-	939
Paints, adhesives & finishes	1,009	-	1,009	464	-	464
Packaging materials	-	-	-	27	-	27
Waste disposal costs	56,672	-	56,672	28,112	-	28,112
Van costs (incl van hire)	33,173	-	33,173	15,882	-	15,882
Van depreciation	2,849	7,826	10,675	2,160	6,299	8,459
Protective clothing	998	-	998	1,592	-	1,592
Staff costs	75,292	4,989	80,281	65,718	-	65,718
Light, heat & power	13,718	-	13,718	8,883	-	8,883
Volunteers' expenses (incl refreshments)	1,660	-	1,660	633	-	633
	195,601	12,815	208,416	136,088	6,299	142,387
Support costs (note 7)	18,668	-	18,668	16,989	1,243	18,232
Governance costs (note 8)	1,477	-	1,477	1,223	-	1,223
	215,746	12,815	228,561	154,300	7,742	161,842

7 Support Costs

	2023			2022		
	Unrestricted funds	Restricted Funds	Total Funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Printing, postage & stationery	189	-	189	14	-	14
Telephone & internet	702	-	702	618	-	618
IT costs	391	-	391	540	-	540
Repairs & maintenance	47	-	47	157	-	157
Marketing, PR & website	3,316	-	3,316	2,262	-	2,262
Travelling & motor expenses	133	-	133	36	-	36
Cleaning	478	-	478	401	-	401
Safety & first aid	967	-	967	886	-	886
Franchise fee	190	-	190	190	-	190
Sundry expenses	295	-	295	855	-	853
Training	262	-	262	222	-	222
Fixtures & fittings (moveable)	-	-	-	100	-	100
Water supply	4,000	-	4,000	8,000	-	8,000
Merchants' charges	1,077	-	1,077	779	-	779
Bank charges	56	-	56	40	-	40
Payroll services	263	-	263	228	-	228
Provision for doubtful debts	3,910	-	3,910	(96)	-	(96)
Equipment Depreciation	2,392	-	2,392	1,757	1,243	3,000
	18,668	-	18,668	16,989	1,243	18,232

8 Governance Costs

	2023			2022		
	Unrestricted funds	Restricted funds	Total Funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Business insurance	727	-	727	723	-	723
Independent Examiners fee	750	-	750	500	-	500
	1,477	-	1,477	1,223	-	1,223

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period (2022 – none).

10 Employees

The charity had, on average, 3 employees during the year (2022 - 2).

11 Tangible Fixed Assets	31 March 2023			31 March 2022		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£	£	£	£	£	£
Cost:						
Additions in period	16,447	92	16,539	953	4,250	5,203
Balance brought forward	13,507	32,950	46,457	12,554	28,700	41,254
Total	29,954	33,042	62,996	13,507	32,950	46,457
Depreciation:						
Provision for period	5,242	7,826	13,068	3,187	8,272	11,459
Balance brought forward	7,663	11,258	18,921	4,476	2,986	7,462
Total	12,905	19,084	31,989	7,663	11,258	18,921
Net Book Value at start of period	5,844	21,692	27,536	8,078	25,714	33,792
Net Book Value at end of period	17,049	13,958	31,007	5,844	21,692	27,536

	31 March 2023			31 March 2022		
	Plant & Machinery, etc	Motor vehicles	Total	Plant & Machinery, etc	Motor vehicles	Total
	£	£	£	£	£	£
Cost:						
Additions in period	1,339	15,200	16,539	5,203	-	5,203
Balance brought forward	12,622	33,835	46,457	7,419	33,835	41,254
Total	13,961	49,035	62,996	12,622	33,835	46,457
Depreciation:						
Provision for period	2,393	10,675	13,068	3,000	8,459	11,459
Balance brought forward	5,404	13,517	18,921	2,404	5,058	7,462
Total	7,797	24,192	31,989	5,404	13,517	18,921
Net Book Value at start of period	7,218	20,318	27,536	5,015	28,777	33,792
Net Book Value at end of period	6,164	24,843	31,007	7,218	20,318	27,536

12 Stocks	31 March 2023	31 March 2022
	£	£
Stock of consumable items	1,197	795

13 Debtors	31 March 2023	31 March 2022
	£	£
Amounts falling due within one year:		
Trade debtors	44,253	19,555
Provision for doubtful debts	(3,910)	-
Other debtors	738	2,281
Total	41,081	21,836

14 Creditors	31 March 2023	31 March 2022
	£	£
Creditors: amounts falling due within one year		
Trade creditors		-
VAT	9,137	4,276
Other creditors	423	398
Accrued expenses	18,979	9,126
Deferred Income	7,850	7,826
Total	36,389	21,626
 Creditors: amounts falling due after more than one year		
Deferred Income	8,465	16,315
Total	8,465	16,315

15 Rent free accommodation

The charity currently benefits from rent free accommodation, which includes a workshop, a retail area and a storage area. The charity has been advised that the landlord is in the process of drawing up a new lease for our current premises which will run to March 2026.