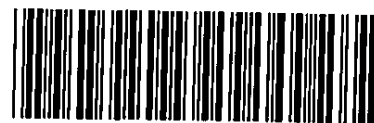


GREEN-WORKS
(A Company limited by guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Registered Number: 04013567
Charity Number 1107247

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GREEN-WORKS

FOR THE YEAR ENDED 30 JUNE 2010

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GREEN-WORKS

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30 JUNE 2010

Trustees

S Crooks
R M Saunders
Dr J N Nicholls (Resigned 25th January 2010)
Dr A M Golding
G A Bentley
Dr J G Mumford
C Fowler (Appointed 1st October 2009)

Company registered number

04013567

Charity registered number

1107247

Registered office

49 – 51 East Road,
Old Street,
London
N1 6AH

Company secretary

G A Bentley

Chief Executive officer

Colin Crooks

Auditors

haysmacintyre
Chartered Accountants
Fairfax House
15 Fulwood Place
London
WC1V 6AY

Bankers

Cooperative Bank
P O Box 250
Delf House
South Way
Skelmerdale
WN8 6WT

GREEN-WORKS

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2010

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements of Green-Works (the company) for the ended 30 June 2010. The Trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

Constitution and objects

The company is registered as a charitable company limited by guarantee and constituted under a Memorandum of Association dated 13/06/2000 as amended by special resolutions on 23/12/2004 and 4/11/2005. It is a registered charity number 1107247.

The principal objects of the company are

- the preservation and protection of the physical environment for the public benefit by recycling and use of recycled products
- to promote the efficiency and effectiveness of charities for the benefit of the public through provision of recycled and reused office furniture and equipment

The charity also aims to provide employment and training opportunities for the long term unemployed and disadvantaged members of the community.

The charity operates from a warehouse in London (Wembley) and through franchise partners in London (Silvertown), Wolverhampton, Bristol and Paisley.

The objectives of the charity are carried out through the reception of used office furniture which is sold on at a discounted rate to the not-for-profit sector and also to small businesses and members of the public. Furniture that cannot be resold is manufactured into new furniture in our joinery department or recycled.

The charity has a zero landfill policy and an ambitious long term reuse target of 75%.

There have been no changes in the objectives since the last annual report.

Method of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Under the Articles the number of Trustees is at least 3. There are currently 6 Trustees. The most recently appointed Trustee was recruited after a competitive process amongst 3 high calibre individuals recommended by existing Trustees and one of our funders and our policy will be to recruit Trustees in this way in the future.

Policies adopted for the induction and training of Trustees

New trustees have induction through visits to the charity's warehouses and offices, discussions with employees and management including the Chief Executive and meetings with other Trustees. They are also provided with past accounts and with the Memorandum and Articles of Association. The purposes of the induction are to provide an understanding of the business and its challenges, and of the obligations of Trustees.

The Trustees are very experienced. There is no formal training policy for Trustees but training will be provided if any gaps in skill and experience become apparent. Our policy will be to continue to recruit trustees in this way.

GREEN-WORKS

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2010

Organisational structure and decision making

The charity is run by its Board of Trustees which meets monthly except for August and December. A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for sales, finance and operations.

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Related party relationships

One of the charity's trustees Mrs S Crooks is the spouse of the charity's Chief Executive Officer (CEO) - Mr Colin Crooks. Mrs Crooks absents herself from all discussions concerning the CEO's remuneration and other matters relating to his employment.

Risk management

The CEO, assisted by the Senior Management Team regularly undertakes a detailed review of the risks facing the charity and has established systems and procedures to mitigate the risks so identified.

The Trustees regularly assess the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems are in place which mitigate the charity's exposure, as far as is possible, to the major risks. Trustees review the risk register every six months and the cashflow forecast monthly.

In light of continued recession and consequent difficult trading position, we are monitoring the reserves position and doing all we can to manage down cost.

Achievements and performance

Review of activities

2009/10 was a very difficult year as the recession in the financial sector significantly affected the amount of furniture that we were contracted to handle. Overall volumes declined by some 40% to 2,630 tonnes diverted from landfill. This forced us to make a number of economies within the organisation which will bear fruit in the years to come. In the main these economies were made in physical warehousing costs and utilities.

Despite the recession, we continued to make improvements in our retail sales processes and our business management systems. Building on our sales efforts of the previous year, we found homes for nearly 12,000 items of furniture last year, with our joinery operation expanding its production to 1,700 items. In addition, we developed our export routes and sent a further 14 containers of furniture to countries ranging from Sierra Leone and Ghana, to St Kitts.

Allied to our policy of maximising reuse we maintained our very high recycling standards. In addition to diverting all furniture waste from landfill (with the exception of approx 1.4% by weight) we operated schemes in our warehouse for recycling packaging and for composting food waste.

In the UK we maintained our level of support to the Third Sector, with more than 50% of the items we reused being supplied to it at large discounts.

As anticipated last year we can report a very significant increase in our employment and/or support for people disadvantaged in the job market. We played a major role in the government's employment programme, Future Jobs Fund. Under this fund we employed 79 young unemployed people in a wide variety of roles across the country. In the year we provided additional employment, volunteering and/or training to 125 people from backgrounds as diverse as recent imprisonment to inability to secure a job since leaving school. The success of the programme is due to its extension across the entire Green-Works operation, with people being trained in areas as varied as machine operation, finance and administration and retail sales. All volunteers joining Green-Works have the opportunity to complete certified IT training and some are able to study toward an NVQ. A major success was 29 individuals who secured full-time staff positions (4 of them with Green-Works) directly from the programme.

GREEN-WORKS

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2010

Achievements and performance (continued)

Review of activities (continued)

Since winning the Queen's Award for Enterprise (Sustainable Development) in 2008 we have been able to develop a significant media presence. In the year we were featured in a variety of media which included articles in Sustain Magazine and Ethical Living as well as regular blogs in FM World. In the coming year we are looking forward to developing a TV programme featuring Green-Works and a blog-spot in the Guardian. We were also visited by Lord Henley, Environment Minister, who was greatly impressed by our work.

We are very proud of our continued strong relationship with First Fruit, who have been our major partners since 2002. We conducted our first ever transfer of franchisee this year as well. Community Transport are now operating our Wolverhampton franchise and we are delighted to welcome them to the Green-Works family. In August of 2010 we started a new franchise with SOFA in Bristol which has enabled us to provide a service to clients from across the West Country and into Wales.

Investment from a number of sources has assisted us greatly in upgrading our systems and enhancing our capacity considerably in what is now a very competitive market.

Public benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2006 and given careful consideration to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives for the year. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set. Full details of activities that have been undertaken for the public benefit can be seen in the Review of Activities section of this report above.

In particular

We diverted 2,630 tonnes of redundant furniture from landfill through our pro-active policies of reuse and recycling, thereby contributing to the conservation of the world's resources and reducing pollution. We assisted a large number of charities and other not-for-profit organisations to obtain nearly 15,000 low-cost items of furniture. These organisations represent more than 62% of the furniture we reused in the UK. In addition to the 79 trainees we employed under the Future Jobs Fund programme we created employment and training experience for 125 people from a variety of backgrounds across the group.

Reserves policy

The Trustees have a medium term goal of achieving a level of free reserves equivalent to 3 months' running costs. The free reserves at 30 June 2010 amounted to £40,408, being less than 1 month's running cost.

Financial review and fundraising

Income from the reception and collection of furniture, and related fees, decreased by 39% to £770,201. Income from the sale of furniture and related services was level at £310,854. Total incoming resources from charitable activities decreased by £99,008 and voluntary, investment and rental income fell by £57,176.

Associated with these activities the charity continued to receive funding via the Technology programme operated by the then DTI (now BIS) to enhance its unique remanufacturing operation. This was supported by support funding from the Realliance programme jointly operated by WRAP and the Third Sector.

We are now in our third year of the Goldman Sachs Capacity Building support programme. It has made a significant difference to our capability in every area of our operation. We are now in a much better position to support our franchise outlets. We have increased both the number of people trained and enhanced the quality of their experience. Of greatest importance though, the programme has enabled us to improve our competitiveness at a time of serious recession and increased competition.

GREEN-WORKS

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2010

Financial review and fundraising (continued)

Our export programme continued to grow and we raised £27,219 to support the direct shipping of furniture, working with partners to send a total of 14 containers abroad. We have worked closely with a number of other charities to achieve this most notably CODEP who have helped us enormously in our efforts to support projects in Sierra Leone. We are very grateful to Business Moves Group for their continued support for this programme. They have again very generously agreed to support the employment of a professional fundraiser to develop this work even further.

The net movement of funds for the year showed net outgoing resources of £87,847 compared with net outgoing resources of £122,004 in the previous year. At 30 June 2010 the charity had an outstanding loan of £23,171 through the Co-operative and Community Finance London Development Agency Fund. At the very end of the year, the charity also secured a 5 year development loan of £130,000 from Social Investment Business.

Future developments

We aim to continue to fulfil our objectives as set out on page 2.

We will continue to seek to maximise the amount of redundant furniture that has found a new home and to divert the remainder from landfill to the highest possible extent.

We are actively seeking new partners to work with across the country so that we can offer the social, environmental and practical benefits of our service to other communities.

We will also be working hard to increase the number of disadvantaged people that we work with and provide training and employment for.

Trustees' responsibilities

The trustees (who are also directors of Green-works 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 judgements 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,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of 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 we are aware

- There is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

GREEN-WORKS

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2010

Auditors

The auditors, haysmacintyre, will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006

This report was approved by the Trustees on 25th January 2011 and signed on its behalf, by

A handwritten signature in black ink, appearing to read 'R M Saunders', followed by a long horizontal flourish.

R M Saunders - Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREEN-WORKS

We have audited the financial statements of Green-works for the year ended 30 June 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

The Trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with those financial statements. In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 30 June 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Report is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

GREEN-WORKS (continued)

Emphasis of matter – going concern

In forming our audit opinion on the financial statements, which is not qualified, we have considered the adequacy of disclosures made in note 1.1 to the financial statements concerning the charitable company's ability to continue as a going concern. The charity has net current assets at the balance sheet date, with a further commitment to repay long term liabilities. It has unrestricted funds of £58,037 which would be reversed if the rent arrears referred to in note 1 were payable. These conditions, along with other matters explained in note 1.1 to the financial statements, indicate the existence of uncertainty which may cast doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would be necessary if the company was unable to continue as a going concern.



Murtaza Jessa
(Senior Statutory Auditor)
for and on behalf of Haysmacintyre

25 January 2011

Fairfax House
15 Fulwood Place
London WC1V 6AY

GREEN-WORKS

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure account)

FOR THE YEAR ENDED 30 JUNE 2010

	Notes	Restricted Funds £	Unrestricted Funds £	Total funds 2010 £	Total funds 2009 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	26,396	823	27,219	67,379
Activities for generating funds	3	-	-	-	12,161
Investment income	4	-	715	715	5,570
Incoming resources from charitable activities					
Recycling operations	5	472,821	1,093,555	1,566,376	1,665,384
TOTAL INCOMING RESOURCES		<u>499,217</u>	<u>1,095,093</u>	<u>1,594,310</u>	<u>1,750,494</u>
RESOURCES EXPENDED					
Cost of generating funds					
Costs of generating voluntary income	6	-	5,760	5,760	2,910
Charitable activities					
Recycling operations	7	458,090	1,205,060	1,663,150	1,857,944
Governance costs	8	-	13,247	13,247	11,644
TOTAL RESOURCES EXPENDED		<u>458,090</u>	<u>1,224,067</u>	<u>1,682,157</u>	<u>1,872,498</u>
NET INCOME/(EXPENDITURE) FOR THE YEAR – BEFORE TRANSFERS		41,127	(128,974)	(87,847)	(122,004)
Transfers between funds		(117,542)	117,542	-	-
NET INCOME/(EXPENDITURE) FOR THE YEAR – AFTER TRANSFERS		(76,415)	(11,432)	(87,847)	(122,004)
Total funds at start of period		138,119	69,469	207,588	329,592
TOTAL FUNDS AT END OF YEAR		<u>£61,704</u>	<u>£58,037</u>	<u>£119,741</u>	<u>£207,588</u>

The Statement of Financial Activities includes all gains and losses recognised in the year

The notes on pages 11 to 17 form part of these financial statements

GREEN-WORKS

COMPANY NUMBER: 04013567

BALANCE SHEET

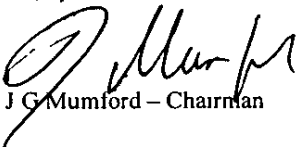
AS AT 30 JUNE 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible fixed assets	12	37,486	42,394
CURRENT ASSETS			
Debtors	13	309,066	269,078
Cash at bank		243,476	170,063
		<u>552,542</u>	<u>439,141</u>
CREDITORS , amounts falling due within one year	14	(356,139)	(246,549)
NET CURRENT ASSETS		<u>196,403</u>	<u>192,592</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		233,889	234,986
CREDITORS : amounts falling due after more than one year	15	(114,148)	(27,398)
NET ASSETS		<u>£119,741</u>	<u>£207,588</u>
CHARITY FUNDS			
Restricted Funds	16	61,704	138,119
Unrestricted funds - General	16	58,037	69,469
		<u>£119,741</u>	<u>£207,588</u>

The financial statements have 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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The notes on pages 11 to 17 form part of these financial statements

The financial statements were approved and authorised for issue by the trustees on 25th January 2011 and signed on their behalf, by


Dr J G Mumford – Chairman


Dr A M Golding - Trustee

GREEN-WORKS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 2006. Following the publication of the revised SORP, certain figures disclosed in the comparative figures have been restated to comply with the revised guidance.

Going concern

Green Work's financial performance in the year 2009/10 resulted in a deficit of £87,847 compared to the previous year's deficit of £122,004.

The Charity has prepared detailed financial projections which show that it will have sufficient financial resources to continue to meet its liabilities as they fall due, however this is dependent upon previous rent arrears not being payable. The previous landlords they have verbally agreed to write off these arrears amounting to £99,000 as at 30 June 2010. Whilst this has not been evidenced in writing, no provision has been made in these accounts on the basis of discussions to date. The current landlords have agreed to reduce the rent for the next 12 months to £100,000 per annum. Having carefully considered the matters referred to above, the trustees believe it is appropriate for the financial statements to be prepared on a going concern basis.

If the organisation was unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce balance sheet values of the assets to their recoverable amount, to provide for further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company 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

All incoming resources are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grants for activities are recognised when receivable, unless there are conditions for entitlement under the grant which amount to preconditions for use or which limit the ability of the company to control the use of the resources. In this case the income is recognised when the charity is satisfied that it has met the conditions imposed.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Membership fees are accounted for on a receivable basis and thereby spread across the period of membership.

Where incoming resources are received in advance and the charity does not have entitlement to these resources until the goods or services are provided, they are shown in the accounts as deferred income.

GREEN-WORKS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2010

1. ACCOUNTING POLICIES (continued)

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources as described below.

Charitable activities comprise all activities identified as delivering direct charitable services and include an appropriate proportion of support costs. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management.

Support costs have been allocated to charitable and fundraising activity on the basis of time spent by staff in supporting the operation.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Governance costs are those incurred in connection with enabling the charity to comply with external regulation, constitutional and statutory requirements and in providing support to the Trustees in the discharge of their statutory duties.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

S/Term Leasehold Property	-	Over the term of the lease
Plant and equipment	-	25% reducing balance
Motor Vehicles	-	25% reducing balance
Furniture and Fixtures	-	At varying rates on cost between 3-5 years
Computer Equipment	-	At varying rates on cost between 3-4 years

2 VOLUNTARY INCOME

	Total funds 2010 £	Total funds 2009 £
Donations	<u>£27,219</u>	<u>£67,379</u>

3 ACTIVITIES FOR GENERATING FUNDS

	Total funds 2010 £	Total funds 2009 £
Rental income	<u>£-</u>	<u>£12,161</u>

4 INVESTMENT INCOME

	Total funds 2010 £	Total funds 2009 £
Interest receivable	<u>£715</u>	<u>£5,570</u>

GREEN-WORKS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2009

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - RECYCLING OPERATIONS	Total funds 2010 £	Total funds 2009 £
Department for Works and Pensions	426,000	-
Goldman Sachs Capacity Building Programme	17,000	90,000
Awards for All	10,000	-
WRAP	-	16,560
BMG	9,000	-
Venture Partnership Foundation	12,500	-
DTI	10,821	5,764
Membership fees	109,944	144,580
Franchise fees	12,000	3,000
Reception and collection fees	648,257	1,107,779
Furniture sales and delivery charges	307,326	271,391
Consultancy and equipment sales	3,528	26,310
	<u>£1,566,376</u>	<u>£1,665,384</u>
6 FUNDRAISING COSTS	Total funds 2010 £	Total funds 2009 £
Staff costs (see note 11)	4,644	1,500
Support costs	1,116	1,410
	<u>£5,760</u>	<u>£2,910</u>
7 CHARITABLE EXPENDITURE – RECYCLING OPERATIONS	Total funds 2010 £	Total funds 2009 £
Staff costs (see note 11)	710,366	580,000
Direct costs	843,412	1,139,765
Support costs	109,372	138,179
	<u>£1,663,150</u>	<u>£1,857,944</u>
8. GOVERNANCE COSTS	Total funds 2010 £	Total funds 2009 £
Auditors' remuneration	5,890	6,025
Support costs	1,116	1,410
Staff costs (see note 11)	6,241	4,209
	<u>£13,247</u>	<u>£11,644</u>

GREEN-WORKS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2010

9	ANALYSIS OF SUPPORT COSTS	Fundraising £	Recycling Operations £	Governance £	Total 2010 £	Total 2009 £
	Staff costs (see note 11)	598	58,640	598	59,836	60,000
	Premises costs	42	4,102	42	4,186	21,416
	Communication	111	10,870	111	11,092	14,422
	Printing, postage and stationery	30	2,903	30	2,963	6,428
	Repairs and maintenance	144	14,106	144	14,394	13,921
	Depreciation	70	6,976	70	7,116	11,956
	Accounting and payroll	88	8,588	88	8,764	11,966
	Others	33	3,187	33	3,253	890
	Total	£1,116	£109,372	£1,116	£111,604	£140,999

Support costs have been allocated to activities on the basis of time spent by staff

10.	NET INCOME/(EXPENDITURE)	2010 £	2009 £
	This is stated after charging		
	Depreciation of tangible fixed assets - owned by the charity	15,350	18,616
	Auditors' remuneration	5,890	6,025
	Interest on bank loan	1,158	2,664

During the year, no Trustee received any remuneration (2009- £Nil)

During the year, no Trustee received any benefits in kind (2009 - £Nil)

During the year, no Trustee received any reimbursement of expenses (2009 - £Nil)

11.	STAFF COSTS	2010 £	2009 £
	Staff costs were as follows		
	Wages and salaries	720,336	589,372
	Social security costs	60,751	56,338
		£781,087	£645,710

As a result of employing people on the Future Jobs Fund programme our staff costs have increased substantially. These costs were covered by the Department for Works and Pensions grant received in the year

	No	No
The average monthly number of employees during the year was as follows		
Recycling operations	41	24
Support	2	2
Governance	1	1
	44	27
The number of higher paid employees was		
In the band £60,001 - £70,000	1	1
	1	1

GREEN-WORKS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2010

12. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Furniture fittings and equipment £	Total £
Cost				
At 1 July 2009	83,045	16,365	35,096	134,506
Additions	740	-	9,701	10,441
Disposals	(10,668)	-	-	(10,668)
At 30 June 2010	73,117	16,365	44,797	134,279
Depreciation				
At 1 July 2009	59,144	9,372	23,596	92,112
Charge for the year	6,160	1,748	7,441	15,349
On disposals	(10,668)	-	-	(10,668)
At 30 June 2010	54,636	11,120	31,037	96,793
Net Book Value				
At 30 June 2010	£18,481	£5,245	£13,760	£37,486
At 30 June 2009	£23,901	£6,993	£11,500	£42,394

13. DEBTORS

	2010 £	2009 £
Trade debtors	198,981	201,212
Other debtors	1,789	9,056
Prepayments	52,288	49,365
Accrued income	22,158	9,445
Grants receivable	33,850	-
	£309,066	£269,078

14 CREDITORS amounts falling due within one year

	2010 £	2009 £
Bank loan	39,023	11,640
Trade creditors	133,827	135,498
Accruals	95,229	29,632
Social security and other taxes	15,008	14,981
Other creditors	760	6,720
Deferred income (see below)	40,636	48,078
VAT Liability	31,656	-
	£356,139	£246,549
DEFERRED INCOME		
Deferred income at the start of the year	52,080	102,661
Utilised in the year	(48,472)	(92,661)
Income deferred in the year	37,028	42,080
	£40,636	£52,080
Income deferred less than one year	40,636	48,078
Income deferred more than one year	-	4,002
	£40,636	£52,080

GREEN-WORKS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2010

15. CREDITORS. amounts falling due after more than one year				2010 £	2009 £
Bank loan				114,148	23,396
Deferred income (see above)				-	4,002
				<u>£114,148</u>	<u>£27,398</u>
16. STATEMENT OF FUNDS	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers £	Carried forward £
Unrestricted funds					
General funds	69,469	1,095,093	1,224,067	117,542	58,037
Total unrestricted funds	<u>69,469</u>	<u>1,095,093</u>	<u>1,224,067</u>	<u>117,542</u>	<u>58,037</u>
Restricted funds					
Business Moves Group	4,000	9,000	10,696	-	2,304
Wembley Capital Fund	20,849	-	3,995	-	16,854
Furniture to Africa	16,228	26,396	43,300	-	(676)
DTI Technology Programme	7,027	10,821	316	(17,532)	-
DEFRA – Business Reuse Fund	873	-	218	(655)	-
Goldman Sachs Capacity Building Programme	89,142	17,000	102,815	(3,327)	-
Awards For All	-	10,000	-	-	10,000
Department for Works and Pensions	-	426,000	296,750	(96,028)	33,222
Total restricted funds	<u>138,119</u>	<u>499,217</u>	<u>458,090</u>	<u>(117,542)</u>	<u>61,704</u>
Total funds	<u>£207,588</u>	<u>£1,594,310</u>	<u>£1,682,157</u>	<u>£-</u>	<u>£119,741</u>

RESTRICTED FUNDS

Business Moves Group

Private funding to support Green-Works' capacity to export initiatives to Africa

Wembley Capital Fund

This fund has been granted by London Remade for the purpose of purchasing vehicles and equipment for the Wembley warehouse. The balance represents the net book value of the assets acquired.

DTI Technology Programme

2 year funding to develop the manufacture of joinery products from used furniture

Furniture to Africa

This fund represents donations made expressly for the purposes of supporting Green-Works export initiative. Green-Works is assisting the redevelopment of deprived communities across Africa most notably in Sierra Leone, a country seriously affected by a terrible civil war, by shipping out furniture, hospital beds, clothing, toys, books and other items. The fund was temporarily in deficit at the end of year but donations of over £15,000 were received soon after the year end to put it into surplus.

DEFRA Business Reuse Fund

This grant was given as part of the DEFRA Business Reuse Fund. The aims of the project are to protect the environment by reducing the amount of waste or redundant carpet tiles sent to landfill, assist charities and small businesses reduce the cost of obtaining low cost carpet tiles, and to create additional employment and training opportunities.

GREEN-WORKS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2010

16 STATEMENT OF FUNDS (continued)

Goldman Sachs Capacity Building Programme

This fund was granted to support the development of Green-Works capacity to extend its operations and to expand. The programme of works is quite broad covering investments in IT, processes and procedures, fundraising and staff training and development.

Department for Works and Pensions

We contracted directly with DWP to provide employment under the Future Jobs Fund. Under this fund we created 79 jobs for young people who were unemployed for more than 6 months.

Awards For All

A lottery fund directed at supporting the training and personal development of the trainees and volunteers that work with us and who need to obtain new skills.

SUMMARY OF FUNDS	Brought forward	Incoming resources	Resources expended	Transfers	Carried forward
	£	£	£	£	£
Unrestricted funds	69,469	1,095,093	1,224,067	117,542	58,037
Restricted funds	138,119	499,217	458,090	(117,542)	61,704
	<u>£207,588</u>	<u>£1,594,310</u>	<u>£1,682,157</u>	<u>£-</u>	<u>£119,741</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Restricted Funds £	Unrestricted Funds £	Total funds 2010 £	Total funds 2009 £
Tangible fixed assets	16,854	20,632	37,486	42,394
Current assets	44,850	507,692	552,542	439,141
Creditors due within one year	-	(356,139)	(356,139)	(246,549)
Creditors due in more than one year	-	(114,148)	(114,148)	(27,398)
	<u>£61,704</u>	<u>£58,037</u>	<u>£119,741</u>	<u>£207,588</u>

18. OPERATING LEASE COMMITMENTS

The company operates from leased premises in Wembley. The lease, which expires in January 2015, provides for rent of £224,000 per annum. For the year ended 30 June 2010 a reduced rent of £125,000 per annum was negotiated. This increased to £160,000 per annum for the six months to 31 December 2010. A reduction to £100,000 per annum for 2011 has been agreed and the Charity is hopeful of negotiating reduced terms for the remainder of the lease.

19. RELATED PARTY TRANSACTIONS

The charity employs as its CEO Mr Colin Crooks, the spouse of one of the trustees Mrs S Crooks. Mrs Crooks absents herself from all discussions concerning the CEO's remuneration and other matters relating to his employment.