

Report of the Director and  
Unaudited Financial Statements  
for the Year Ended 31 January 2006  
for  
Nat. Community Wood Recycling Project

Ogilvie & Co  
94 Highdown Road  
Hove  
East Sussex  
BN3 6EA

Nat. Community Wood Recycling Project

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for the Year Ended 31 January 2006

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Nat. Community Wood Recycling Project

Company Information  
for the Year Ended 31 January 2006

**DIRECTOR:** R Mehmed

**SECRETARY:** Mrs B Mehmed

**REGISTERED OFFICE:** 94 Highdown Road  
Hove  
East Sussex  
BN3 6EA

**REGISTERED NUMBER:** 04626984 (England and Wales)

**ACCOUNTANTS:** Ogilvie & Co  
94 Highdown Road  
Hove  
East Sussex  
BN3 6EA

**BANKERS:** National Westminster Bank plc  
8-11 Pavilion Buildings  
Castle Square  
Brighton  
East Sussex  
BN1 1DP

Nat. Community Wood Recycling Project

Report of the Director  
for the Year Ended 31 January 2006

The director presents his report with the financial statements of the company for the year ended 31 January 2006.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of recycling consultant

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**Achievements**

In last years Director's Report, I was hopeful that this financial year would see the number of wood recycling projects double.

That confidence was well placed as there are now 15 projects operating - with a further six to start by the summer of 2006. Without doubt, these projects are making a real contribution to waste minimisation nationwide and have collectively diverted more than 1630 tonnes of wood from landfill. In addition, they are adding real value to their local communities; they have created 54 jobs and provided more than 3500 volunteering and training days for marginalised people – ranging from those with drug and alcohol problems to mental health and learning difficulties and ex-offenders. And interest in the business model is still very high - with a couple of new enquires coming in each week from those interested in starting a project or from builders wanting to recycle their wood waste.

**The Future**

But our financial health seems to be inversely proportionate to our "business" success. Few of those we help are able to pay us - meaning we must secure further grant funding to continue offering the high level of support that has doubtless been instrumental in seeing such a rapid growth in projects. We did not manage to secure further grants in this financial year, so have been unable to recruit, but we have several applications pending and with the environmental and social outcomes we are achieving, are confident of further financial support. We also intend to develop a range of paid-for services that we can offer to the community sector as a whole to help us toward our own financial sustainability

Although we are sure that this coming year will bring its challenges, we look forward to seeing more projects set up, many more jobs created and many thousands of tonnes of timber saved from landfill.

**DIRECTOR**

R Mehmed was the sole director during the year under review.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**

.....  
R Mehmed - Director

Date: .....

Nat. Community Wood Recycling Project

Profit and Loss Account  
for the Year Ended 31 January 2006

		<u>31.1.06</u>	<u>31.1.05</u>
Notes		£	£
<b>TURNOVER</b>		55,364	51,651
Administrative expenses		<u>(60,929)</u>	<u>(44,444)</u>
		(5,565)	7,207
Other operating income		<u>1,586</u>	-
<b>OPERATING (LOSS)/PROFIT</b>	2	(3,979)	7,207
Interest receivable and similar income		<u>347</u>	<u>90</u>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(3,632)	7,297
Tax on (loss)/profit on ordinary activities	3	<u>-</u>	<u>-</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		(3,632)	7,297
Retained profit brought forward		<u>12,424</u>	<u>5,127</u>
<b>RETAINED PROFIT CARRIED FORWARD</b>		<u><u>£8,792</u></u>	<u><u>£12,424</u></u>

The notes form part of these financial statements

Nat. Community Wood Recycling Project

Balance Sheet  
31 January 2006

		31.1.06	31.1.05
	Notes	£	£
<b>FIXED ASSETS:</b>			
Tangible assets	4	2,091	1,969
<b>CURRENT ASSETS:</b>			
Debtors	5	2,225	535
Cash at bank and in hand		8,672	13,707
		10,897	14,242
<b>CREDITORS:</b> Amounts falling due within one year	6	(4,196)	(3,787)
<b>NET CURRENT ASSETS:</b>		6,701	10,455
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>		£8,792	£12,424
<b>RESERVES:</b>			
Profit and loss account		8,792	12,424
		£8,792	£12,424

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 January 2006.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2006 in accordance with Section 249B(2) of the Companies Act 1985.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

**ON BEHALF OF THE BOARD:**

.....  
R Mehmed - Director

Approved by the Board on .....

The notes form part of these financial statements

Nat. Community Wood Recycling Project

Notes to the Financial Statements  
for the Year Ended 31 January 2006

1. **ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

**Turnover**

Turnover represents net invoiced sales of services, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 15% on cost

2. **OPERATING (LOSS)/PROFIT**

The operating loss (2005 - operating profit) is stated after charging:

	31.1.06	31.1.05
	£	£
Depreciation - owned assets	369	347
Loss on disposal of fixed assets	-	400
	<u>          </u>	<u>          </u>
Director's emoluments and other benefits etc	<u>15,867</u>	<u>14,800</u>

3. **TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 January 2006 nor for the year ended 31 January 2005.

Nat. Community Wood Recycling Project

Notes to the Financial Statements  
for the Year Ended 31 January 2006

4. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc
	£
<b>COST:</b>	
At 1 February 2005	2,763
Additions	492
	3,255
At 31 January 2006	
<b>DEPRECIATION:</b>	
At 1 February 2005	795
Charge for year	369
	1,164
At 31 January 2006	
<b>NET BOOK VALUE:</b>	
At 31 January 2006	2,091
At 31 January 2005	1,969

5. **DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	31.1.06	31.1.05
	£	£
Trade debtors	1,839	-
Prepayments	386	535
	2,225	535

6. **CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	31.1.06	31.1.05
	£	£
Directors current accounts	330	446
Sundry creditors and accruals	2,084	729
HM Customs and excise	784	1,721
PAYE and NIC	998	891
	4,196	3,787

7. **SHARE CAPITAL**

The company is limited by guarantee and therefore has no share capital. Each member's guarantee liability is limited to £1.



Nat. Community Wood Recycling Project

Report of the Accountants to the Director of  
Nat. Community Wood Recycling Project

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 January 2006 set out on pages three to six and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Ogilvie & Co  
94 Highdown Road  
Hove  
East Sussex  
BN3 6EA

Date: .....

Nat. Community Wood Recycling Project

Profit and Loss Account  
for the Year Ended 31 January 2006

	31.1.06		31.1.05	
	£	£	£	£
<b>Income:</b>				
Grants	37,070		33,520	
Fees receivable	18,294		18,131	
		55,364		51,651
<b>Other income:</b>				
Rents received	1,586		-	
Deposit account interest	347		90	
		1,933		90
		57,297		51,741
<b>Expenditure:</b>				
Directors' remuneration	15,867		14,800	
Social security	1,404		1,188	
Wages and national insurance	17,421		11,692	
Telephone	1,778		1,276	
Postage and stationery	2,819		999	
Motor and Travel	4,951		5,208	
Fees and subscriptions	7,266		4,382	
Accommodation and subsistence	550		739	
Sundry expenses	975		481	
Accountancy fees	1,044		835	
Bad debts	-		24	
Rent	5,135		1,379	
Insurance	287		274	
Light and heat	-		104	
Repairs and renewals	837		190	
		60,334		43,571
		(3,037)		8,170
<b>Finance costs:</b>				
Bank charges and interest		226		126
		(3,263)		8,044
<b>Depreciation:</b>				
Fixtures and fittings		369		347
		(3,632)		7,697
<b>Loss on disposal of fixed assets:</b>				
Fixtures and fittings		-		400
<b>NET (LOSS)/PROFIT</b>		£(3,632)		£7,297

This page does not form part of the statutory financial statements