

FCC Communities Foundation Limited

Strategic report,

Report of the directors and

Financial statements

For the year ended

31st March 2019

Haines Watts
Statutory Auditor
8 Hopper Way
Diss
Norfolk
IP22 4GT

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For The Year Ended 31st March 2019

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Directors:

Mr C J Ellis
Mr G Allen
Mr M J Woods
Mrs S A Scott
Mrs J A Fourcade

Registered office:

Unit 1E
Snetterton Business Park
Snetterton
Norwich
Norfolk
NR16 2JU

Registered number: 03368008 (England and Wales)

Auditors:

Haines Watts
Statutory Auditor
8 Hopper Way
Diss
Norfolk
IP22 4GT

Solicitors:

Fisher Jones Greenwood LLP
Charter Court, Newcomen Way
Severalls Business Park
Colchester
Essex
CO4 9YA

**Strategic report
For The Year Ended 31st March 2019**

The directors present their strategic report for the year ended 31st March 2019.

The purpose of the Strategic Report is to inform stakeholders in the Landfill Communities Fund (LCF) and Scottish Landfill Communities Fund (SLCF) and to help them assess how the directors have performed their duty under section 172 (duty to promote success of the company).

CHANGE OF COMPANY NAME

On 17th April 2019 the business changed its name from Waste Recycling Environmental Limited (WREN) to FCC Communities Foundation Limited (FCC Communities Foundation). This was the final phase of a two year restructuring plan and sees the business position itself more directly in line with its donor waste and resource management company, FCC Environment.

REVIEW OF BUSINESS

The 2018/19 financial year saw FCC Communities Foundation relocate its head office to a much smaller and more fit for purpose office. The year on year cost savings involved are substantial and the move was able to be delivered under budget. The staffing structure has remained the same adding a level of stability to the business that hasn't happened in the previous two financial years, where a programme of redundancies was being worked through. Both LCF and SLCF income remained strong throughout the financial year and whilst the business had forecast a reduction in income of around 15% on the previous financial year, the year ended with income remaining consistent with the 31st March 2018 position.

An ongoing programme of investment in technology has seen the business move away from relying on the back-up of data to on site based servers to a solely cloud based back-up system. A commitment to improve the use of technology throughout the business has allowed the company to continue to operate efficiently and effectively with largely the same successful business model, but with a vastly reduced staff base and with substantially reduced overheads costs.

LCF

The Chancellor made no reference to the Landfill Communities Fund in the Autumn 2018 Budget Statement, so the forecast value of the Landfill Communities Fund remained unchanged for the 2018/19 financial year at £39.3 million. With the diversion rate remaining unchanged at 5.3%.

HMRC, through ENTRUST is continuing to monitor the level of uncommitted funds held and unspent funds held by Environmental Bodies, as well as the level of overheads costs being incurred by Environmental Bodies across the sector. Environmental Bodies are expected to continue to reduce the level of uncommitted and unspent funds being held and to contain their administration costs to within 7.5% cost to spend. FCC Communities Foundation continues to make good progress in all three of these key areas and ended the financial year with reduced levels of both uncommitted and unspent funds held and with LCF overhead costs being contained at 5.38% cost to spend, (5.44% cumulatively for the whole business).

SLCF

The diversion rate remained unchanged at 5.6%, but with reducing levels of waste being disposed of by landfill in Scotland, the total value of the SLCF has reduced from £9.8 million in 2017/18 to £7,733,320 in the 2018/19 financial year.

FCC Communities Foundation saw income in Scotland drop off in the final quarter of the financial year, however this was forecast and had been accounted for in the business planning. SLCF overhead costs were contained at 8.47% cost to income and within the target set by SEPA of 10% cost to income.

EXECUTIVE SUMMARY

After consideration of the results for the year and the position at the year-end the Directors feel that the company has performed well with all the critical targets set by HMRC having been met.

Strategic report

For The Year Ended 31st March 2019

This assessment is based on the following key performance indicators (KPI's)* of the financial performance. The KPI's have been split in to LCF and SLCF as FCC Communities Foundation reports to ENTRUST for its business activity in England and Wales and SEPA for its business activity in Scotland:

	LCF	SLCF
Landfill tax credit income received	£7,714,554	£1,278,023
Operating costs for the business	£435,186	£109,473
Cost to spend ratio (%)	5.38	N/A
Cost to income ratio (%)	N/A	8.47
New Grant commitments made during the year	£8,206,222	£1,917,403
Commitment Balance at the year end	£6,918,039	£1,818,519
Project spend during the year	£8,068,257	£1,912,866
Level of unspent funds held at the end of the year	£578,107	£96,470
Level of uncommitted funds held at the end of the year	£1,028,335	£56,190
Level of funds retained for wind up of the business	£212,500	£37,500

*The above data is based on a cash basis as required by and reported to ENTRUST and SEPA as at 31 March 2019.

The business continues to recognise the importance of reducing the level of both uncommitted and unspent monies held, and all new grants must complete within 12 months from the date of the original commitment.

During this year the company has received and processed 269 new LCF project applications and 103 new SLCF project applications. Of the new project applications received and processed, 162 LCF projects and 41 SLCF projects were awarded funding. The business also funded five LCF flagship projects, where the grant awarded was in excess of £100,000, and two projects using Gift Aid. The total amount committed to new projects through the LCF was £8,206,222 and the total amount committed to new projects through the SLCF was £1,917,403.

Principal risks and uncertainties

The principal risks are:

- The diversion rate for both the LCF and SLCF not being adjusted to maintain the annual value of the two funds
- The Chancellor reallocating some of the £39.3 million currently allocated to the LCF to tackle waste crime
- The outcome of the insurance claim lodged with AIG
- The Chancellor announcing the end of the LCF
- Revenue Scotland announcing the end of the SLCF

Strategic report

For The Year Ended 31st March 2019

Financial risk management

The FCC Communities Foundation Board has responsibility for the company's liquidity and financial risk.

The Directors are committed to reducing the level of unspent funds held to no more than 12 months income and the level of uncommitted funds to no more than 3 months income. This is monitored quarterly.

The Board has a policy of not forward committing funds based on financial projections and is therefore always in a position to meet its liabilities in the event of the closure of the LCF and/or SLCF.

An annual winding up provision is made in the budget to allow the business to meet all its obligations in the event of the closure of the LCF and/or SLCF.

PEOPLE

FCC Communities Foundation employs 9 full-time members of staff. The number of employees working for the business remained static throughout the 2018/19 financial year and this is set to continue. The staffing structure implemented during the previous financial year is sustainable and no further redundancies are scheduled.

On behalf of the board:

Mr G Allen - Director

19th August 2019

**Report of the directors
For The Year Ended 31st March 2019**

The directors present their report with the financial statements of the company for the year ended 31st March 2019.

Dividends

No dividends will be distributed for the year ended 31st March 2019.

Directors

The directors shown below have held office during the whole of the period from 1st April 2018 to the date of this report.

Mr C J Ellis
Mr G Allen
Mr M J Woods
Mrs S A Scott

Other changes in directors holding office are as follows:

Mr K Dales - resigned 20th April 2018
Mrs J A Fourcade - appointed 20th April 2018

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Report of the directors
For The Year Ended 31st March 2019**

Auditors

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

Mr G Allen - Director

19th August 2019

Opinion

We have audited the financial statements of FCC Communities Foundation Limited (the 'company') for the year ended 31st March 2019 which comprise the Income statement, Other comprehensive income, Statement of financial position, Statement of changes in equity, Statement of cash flows and Notes to the statement of cash flows, Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2019 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic report and the Report of the directors, but does not include the financial statements and our Report of the auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Report of the directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Report of the directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Simonetta Castellano (Senior Statutory Auditor)
for and on behalf of Haines Watts
Statutory Auditor
8 Hopper Way
Diss
Norfolk
IP22 4GT

19th August 2019

Income statement
For The Year Ended 31st March 2019

		2019		2018	
	Notes	£	£	£	£
Turnover			8,376,942		9,245,005
Other operating income	3		<u>35,075</u>		<u>-</u>
			8,412,017		9,245,005
Staff costs	4	320,202		474,488	
Depreciation		7,567		4,798	
Other operating expenses		<u>9,962,838</u>		<u>10,010,550</u>	
			10,290,607		<u>10,489,836</u>
Operating deficit	5		(1,878,590)		<u>(1,244,831)</u>
Interest receivable and similar income			<u>76,466</u>		<u>50,808</u>
Deficit before taxation			(1,802,124)		<u>(1,194,023)</u>
Tax on deficit	7		<u>2,140</u>		<u>772</u>
Deficit for the financial year			<u>(1,804,264)</u>		<u>(1,194,795)</u>

The notes form part of these financial statements

Other comprehensive income
For The Year Ended 31st March 2019

	Notes	2019 £	2018 £
Deficit for the year		(1,804,264)	(1,194,795)
Other comprehensive income		-	-
Total comprehensive income for the year		<u>(1,804,264)</u>	<u>(1,194,795)</u>

The notes form part of these financial statements

Statement of financial position
31st March 2019

		2019		2018	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		22,446		2,602
Current assets					
Debtors	9	1,484,977		2,120,744	
Cash at bank	10	10,081,085		11,780,254	
		11,566,062		13,900,998	
Creditors					
Amounts falling due within one year	11	7,929,255		8,440,083	
Net current assets			3,636,807		5,460,915
Total assets less current liabilities			3,659,253		5,463,517
Reserves					
Income and expenditure account	13		3,659,253		5,463,517
			3,659,253		5,463,517

The financial statements were approved by the Board of Directors on 19th August 2019 and were signed on its behalf by:

Mr G Allen - Director

Mr C J Ellis - Director

Statement of changes in equity
For The Year Ended 31st March 2019

	Retained earnings £	Total equity £
Balance at 1st April 2017	6,658,312	6,658,312
Changes in equity		
Total comprehensive income	(1,194,795)	(1,194,795)
Balance at 31st March 2018	<u>5,463,517</u>	<u>5,463,517</u>
Changes in equity		
Total comprehensive income	(1,804,264)	(1,804,264)
Balance at 31st March 2019	<u><u>3,659,253</u></u>	<u><u>3,659,253</u></u>

The notes form part of these financial statements

Statement of cash flows
For The Year Ended 31st March 2019

		2019	2018
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	(1,748,412)	(3,043,629)
Tax paid		(772)	-
Net cash from operating activities		<u>(1,749,184)</u>	<u>(3,043,629)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(26,451)	(25,735)
Sale of tangible fixed assets		-	36,308
Interest received		76,466	50,808
Net cash from investing activities		<u>50,015</u>	<u>61,381</u>
Decrease in cash and cash equivalents		<u>(1,699,169)</u>	<u>(2,982,248)</u>
Cash and cash equivalents at beginning of year	2	11,780,254	14,762,502
Cash and cash equivalents at end of year	2	<u>10,081,085</u>	<u>11,780,254</u>

The notes form part of these financial statements

Notes to the statement of cash flows
For The Year Ended 31st March 2019

1. Reconciliation of deficit before taxation to cash generated from operations

	2019	2018
	£	£
Deficit before taxation	(1,802,124)	(1,194,023)
Depreciation charges	6,530	10,771
Loss/(profit) on disposal of fixed assets	77	(5,973)
Finance income	(76,466)	(50,808)
	(1,871,983)	(1,240,033)
Decrease/(increase) in trade and other debtors	635,767	(165,800)
Decrease in trade and other creditors	(512,196)	(1,637,796)
Cash generated from operations	(1,748,412)	(3,043,629)

2. Cash and cash equivalents

The amounts disclosed on the Statement of cash flows in respect of cash and cash equivalents are in respect of these Statement of financial position amounts:

Year ended 31st March 2019

	31/3/19	1/4/18
	£	£
Cash and cash equivalents	10,081,085	11,780,254

Year ended 31st March 2018

	31/3/18	1/4/17
	£	£
Cash and cash equivalents	11,780,254	14,762,502

Notes to the financial statements
For The Year Ended 31st March 2019

1. Statutory information

FCC Communities Foundation Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received.

All turnover is accounted for on a receivable basis and represents landfill tax credits from waste management businesses.

Turnover is recognised at the time the Landfill Operator charges landfill tax. The amount of landfill tax credits are set in the Budget.

Any surpluses which may arise are a result of timing differences between the accrued grant commitments and the dates that the landfill tax credits are receivable.

Tangible fixed assets

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

Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided from the date the assets are brought into use on the cost in equal annual instalments, with a full year's charge in the period of acquisition and none in the period of disposal, over the estimated useful lives of the assets.

Taxation

Current tax represents the amount of tax payable or receivable in respect of the interest receivable for the current period. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Notes to the financial statements - continued
For The Year Ended 31st March 2019

2. Accounting policies - continued

Expenditure

Expenditure is accounted for on an accruals basis. Grants are accrued upon the establishment of a commitment to a project via communication of the approval of a project by the Board of Directors.

Grants committed

The company records grants committed as a liability once the award of the grant has been approved and the applicant has been advised of the success of their application and any particular conditions attached to the award.

Unclaimed grants are reviewed monthly and those that have expired, are for projects that have ceased or are not active are released back to the profit and loss account.

At the year end the directors make an estimate of the likely amounts included within creditors that are not expected to become payable and reduce the liability accordingly. This estimate is based upon cumulative grants released.

Interest receivable

Interest income is recognised using the effective interest method on an accruals basis.

Trade and other debtors and creditors

Trade and other debtors and creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective rate of interest method except where the effect of discounting would be immaterial.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with maturities of three months or less.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The key source of estimation uncertainty that has a significant effect on the amounts recognised in the financial statements is the provision for grant clawbacks.

Financial instruments and liquidity risk

The directors have ultimate responsibility for liquidity risk management in maintaining adequate reserves and banking facilities. They do this by continuously monitoring forecast and actual cashflows and matching the maturity profiles of financial assets and liabilities.

Notes to the financial statements - continued
For The Year Ended 31st March 2019

3. Other operating income

Other operating income relates to amounts received from other Environmental Bodies and/or recharge of staff time spent on the Composting Research Project.

4. Employees and directors

	2019	2018
	£	£
Wages and salaries	274,373	418,726
Social security costs	27,409	35,750
Other pension costs	18,420	20,012
	<u>320,202</u>	<u>474,488</u>

The average number of employees during the year was as follows:

	2019	2018
Administration	<u>9</u>	<u>13</u>

The remuneration of key management personnel amounted to £58,066 (2018 - £56,375).

	2019	2018
	£	£
Directors' remuneration	<u>7,739</u>	<u>16,681</u>

5. Operating deficit

The operating deficit is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation - owned assets	6,530	11,336
Loss/(profit) on disposal of fixed assets	77	(5,973)
Auditors' remuneration	<u>6,462</u>	<u>6,424</u>

6. Exceptional items

	2019	2018
	£	£
Exceptional items	<u>632,681</u>	<u>706,570</u>

	2019	2018
	£	£
Release of committed grants	<u>632,681</u>	<u>706,570</u>
During the year the company has released accruals for previously committed grants where the grants have not been taken up or have otherwise lapsed.		

Notes to the financial statements - continued
For The Year Ended 31st March 2019

7. Taxation

Analysis of the tax charge

The tax charge on the deficit for the year was as follows:

	2019 £	2018 £
Current tax:		
UK corporation tax	<u>2,140</u>	<u>772</u>
Tax on deficit	<u>2,140</u>	<u>772</u>

UK corporation tax was charged at 19% in 2018.

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Deficit before tax	<u>(1,802,124)</u>	<u>(1,194,023)</u>
Deficit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	(342,404)	(226,864)
Effects of:		
Income and expenses not deductible for tax purposes	355,944	235,996
Gift Aid	<u>(11,400)</u>	<u>(8,360)</u>
Total tax charge	<u>2,140</u>	<u>772</u>

The Company has no taxable trading profit and it is only taxed on interest received.

Notes to the financial statements - continued
For The Year Ended 31st March 2019

8. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Cost				
At 1st April 2018	58,827	-	134,114	192,941
Additions	3,353	23,098	-	26,451
Disposals	(48,418)	-	(115,512)	(163,930)
At 31st March 2019	<u>13,762</u>	<u>23,098</u>	<u>18,602</u>	<u>55,462</u>
Depreciation				
At 1st April 2018	58,711	-	131,628	190,339
Charge for year	516	5,293	721	6,530
Eliminated on disposal	(48,353)	-	(115,500)	(163,853)
At 31st March 2019	<u>10,874</u>	<u>5,293</u>	<u>16,849</u>	<u>33,016</u>
Net book value				
At 31st March 2019	<u>2,888</u>	<u>17,805</u>	<u>1,753</u>	<u>22,446</u>
At 31st March 2018	<u>116</u>	<u>-</u>	<u>2,486</u>	<u>2,602</u>

9. Debtors: amounts falling due within one year

	2019 £	2018 £
Trade debtors	1,472,082	2,087,717
Prepayments	<u>12,895</u>	<u>33,027</u>
	<u>1,484,977</u>	<u>2,120,744</u>

10. Cash at bank

	2019 £	2018 £
Bank deposit account	7,443,012	7,391,580
Bank current account	<u>2,638,073</u>	<u>4,388,674</u>
	<u>10,081,085</u>	<u>11,780,254</u>

Notes to the financial statements - continued
For The Year Ended 31st March 2019

11. Creditors: amounts falling due within one year

	2019	2018
	£	£
Corporation tax	2,140	772
Social security and other taxes	8,879	8,650
Other creditors	2,688	1,880
Grants agreed by the board but not paid	7,848,531	8,338,711
Accrued expenses	67,017	90,070
	<u>7,929,255</u>	<u>8,440,083</u>

12. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	<u>28,000</u>	<u>28,000</u>

13. Reserves

	Income and expenditure account £
At 1st April 2018	5,463,517
Deficit for the year	(1,804,264)
At 31st March 2019	<u>3,659,253</u>

14. Contingent liabilities

The historic HMRC investigation has now been concluded and is closed. FCC Environment are seeking to recover £65,250.00 from FCC Communities Foundation. In order to settle this, FCC Communities Foundation has submitted an insurance claim to AIG, (Insurance Provider). The insurance claim is still pending and is being managed on behalf of the business by Pavey Group, (Insurance Broker).

15. Related party disclosures

During the year the company paid £7,794 in director's remuneration, fees and expenses (2018-£16,681) to the following directors:

J Joyce £55 (2018 - £8,890)
S Scott £690 (2018 - £nil)
J Fourcade £172 (2018 - £nil)
M Woods £1,877 (2018 - £2,815)
G Allen £5,000 (2018 - £4,975)

Notes to the financial statements - continued
For The Year Ended 31st March 2019

16. Capital and reserves

The company is limited by guarantee and has no share capital. Every director undertakes to contribute such amounts as may be required (not exceeding £1) to the company's assets if it should be wound up while they are a director or within one year after they cease to be a director. There were 5 directors as at the year ended 31 March 2019 (2018 - 5).

The reserves are not attributable to directors as the company is prevented by its Memorandum from paying dividends, bonuses or other distributions to the directors of the company.

17. Controlling interest

The company is controlled by the directors as listed on page 4.

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