

London Waste Action

(A company Limited by Guarantee)

FINANCIAL STATEMENTS

for the year ended

31 March 2004



Company Registration No. 3378046
Registered Charity No. 1067460

London Waste Action

DIRECTORS AND OFFICERS

DIRECTORS

Doug Benjafield	(Chair)
Craig Woolhouse	
Barbara Herridge	
Michael Bland	
Daniel Moylan	
Samantha Heath	
Edward Morris	
Philip Portwood	

OFFICERS

Colin Roberts	(Chief Executive)
Stephen Drury	(Company Secretary)

COMPANY NUMBER

3378046 (England and Wales)

REGISTERED CHARITY NUMBER

1067460

REGISTERED OFFICE

1 Hobhouse Court
Suffolk Street
London
SW1Y 4HH

AUDITORS

Baker Tilly
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

BANKERS

Barclays Bank plc
54 Lombard Street
London
EC3P 3AH

London Waste Action

DIRECTORS' REPORT

The directors, who are the trustees, submit their report and financial statements of London Waste Action for the year ended 31 March 2004.

The accounts have been prepared in accordance with policies set out in note 1 to the accounts and comply with applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

LEGAL AND ADMINISTRATIVE INFORMATION

London Waste Action is a company limited by guarantee and a registered charity. The governing document is the Memorandum and Articles of Association.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

London Waste Action was established with the object to promote for the public benefit waste management practices which promote the consideration, protection, improvement and sustainability of the physical and natural environment in and around London.

During the year London Waste Action managed in partnership with the Association of London Government, the Mayor of London and under contract with the Department of Environment, Food and Rural Affairs (DEFRA), the London Recycling Fund (LRF). The Fund distributed, on application from London waste authorities, resources to assist them to reach their recycling targets. LWA was funded by Landfill Tax Credits and by DEFRA to invite applications for funds, distribute them, monitor their use and to receive reports from the waste authorities on their progress.

LRL Ltd, a wholly controlled subsidiary company limited by guarantee, has continued to function as the responsible body for Single Regeneration Budget funds received from the London Development Agency for the development of new waste material reprocessing facilities.

The Company wishes to acknowledge the generous financial support it has received from Department for Environment, Food and Rural Affairs and The Environment Agency.

RESULTS

The company recorded a surplus for the year ended 31 March 2004 of £146,934 and the total funds carried forward at 31 March 2004 were £468,800. The majority of the funds available have restricted usage and will be utilised in future accounting periods on projects in accordance with the terms of the contribution. Both income at £25,679,310 and expenditure at £25,532,376 were a considerable increase on the previous year and reflect the company's involvement in the London Recycling Fund.

DIRECTORS

The following directors have held office since 1 April 2003:-

Doug Benjafield
Craig Woolhouse
Stephen O'Brien
Barbara Herridge
Michael Bland
Daniel Moylan
Victor Anderson
Samantha Heath
Edward Morris
Philip Portwood

(Resigned 5 October 2004)

(Resigned 28 May 2003)

(Appointed 25 June 2003)

(Appointed 5 October 2004)

London Waste Action

DIRECTORS' REPORT (CONTINUED)

A maximum of 9 directors are permitted: three are elected by the Business Members; three by the General Members and three nominated by the Association of London Government Limited. London First is the sole business member. As there are no general members, directors under this category are appointed by agreement between London First and the Association of London Government Limited.

Two directors are the minimum permitted of which at least one shall have been elected by the Business Members and one nominated by the Association of London Government Limited.

In May 2001 the Articles of Association were amended to increase the maximum number of directors permitted in each category from 2 to 3.

The company is governed by the Board of Directors who meet at least 4 times a year.

The board was advised in the management of the London Recycling Fund by a sub committee. The members of this sub committee are:-

John Duffy	Chair
Doug Benjafield	Deputy Chair
Shirley Rodrigues	Deputy Chair
Katherine Higgins	
David Streeter	
Cormac Stokes	
Stephen Didsbury	
Bill Harris	
Colin Roberts	
Ben Metz	

RESERVES POLICY

Funds in restricted reserves represent a moment in time for continuing projects. They will be spent in following accounting periods in accordance with the restrictions imposed under the terms of the contribution. Funds in unrestricted reserves are available for the development of the organisation.

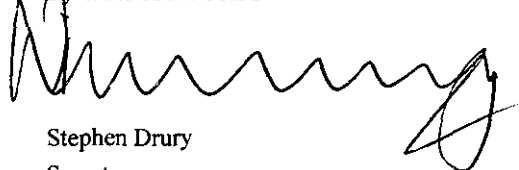
RISK REVIEW

The executive provides the Board with information about risk management on a regular basis. Professional advice is taken when appropriate and contracts are entered into to minimise risk. The overall responsibility for the risk management lies with the Board.

AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants will be put to the members at the annual general meeting.

By order of the board



Stephen Drury
Secretary

Date: 25 January 2005

London Waste Action

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985 and the Charities Act 1993. 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.

AUDITORS' REPORT TO THE MEMBERS OF LONDON WASTE ACTION

We have audited the financial statements on pages 6 to 14.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the other information in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies within the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

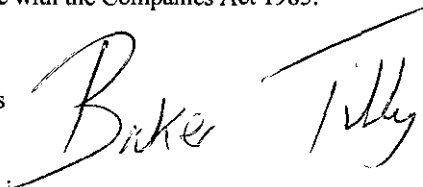
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 31 March 2004 and of its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Registered Auditor
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW



27/1/05

London Waste Action

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2004

		Unrestricted Funds	Restricted Funds	Total 2004 £	2003 £
	Notes				
INCOMING RESOURCES					
Donations and project income	1	14,424	25,381,648	25,396,072	4,671,467
Bank interest received	4	12,980	270,258	283,238	62,579
	
TOTAL INCOMING RESOURCES		27,404	25,651,906	25,679,310	4,734,046
	
RESOURCES EXPENDED					
Direct charitable expenditure	2	16,430	25,379,830	25,396,260	4,397,325
Management and administration	3	19,816	116,300	136,116	120,409
	
TOTAL RESOURCES EXPENDED		36,246	25,496,130	25,532,376	4,517,734
	
NET INCOMING/(OUTGOING) RESOURCES		(8,842)	155,776	146,934	216,312
FUND BALANCES BROUGHT FORWARD					
		8,842	313,024	321,866	105,554
	
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2004		-	468,800	468,800	321,866
	

The net incoming resources for the year arise from the charitable company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Statement of Financial Activities.

London Waste Action

BALANCE SHEET

31 March 2004

	Notes	2004 £	2003 £
CURRENT ASSETS			
Debtors	7	145,765	138,342
Cash at bank and in hand		397,790	7,854,854
	
		543,555	7,993,196
CREDITORS: Amounts falling due within one year	8	74,755	7,671,330
	
NET CURRENT ASSETS		468,800	321,866
	
TOTAL ASSETS LESS CURRENT LIABILITIES		468,800	321,866
	
FUNDS			
Unrestricted funds		-	8,842
Restricted funds		468,800	313,024
	
TOTAL FUNDS	11	468,800	321,866
	

Approved by the board on 25 January 2005


 Doug Benjafield Director

London Waste Action
CASH FLOW STATEMENT
for the year ended 31 March 2004

	<i>Notes</i>	2004 £	2003 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	12	(7,740,302)	7,702,400
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		283,238	12,230
		••••••	••••••
Net cash inflow for returns on investments and servicing of finance		283,238	12,230
		••••••	••••••
(DECREASE)/INCREASE IN CASH IN THE YEAR		(7,457,064)	7,714,630
		••••••	••••••

London Waste Action

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, in accordance with applicable accounting standards and the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

INCOMING RESOURCES

Amounts receivable are accounted for on a receivable basis. The use of these funds is restricted to the terms of the specific projects registered with the donor. Other donations are accounted for on a receivable basis.

Donations in kind are included in the accounts at the estimated amount the charity would have had to pay had these services been brought directly.

RESOURCES EXPENDED

Expenditure as a direct result of the projects is charged to the project. Management and administration costs represent costs incurred by the charity in respect of management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements. When appropriate a charge is made to specific projects.

Expenditure is classified under the charity's principal categories of activity.

London Waste Action

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2004

1. DONATIONS RECEIVED

	Unrestricted	Restricted	Total 2004	Total 2003
Project income	14,424	25,381,648	25,396,072	4,671,467

	14,424	25,381,648	25,396,072	4,671,467

2. DIRECT CHARITABLE EXPENDITURE

	Unrestricted	Restricted	Total 2004	Total 2003
	£	£	£	£
Staff costs	-	83,580	83,580	54,450
Employer's N.I. contributions		10,050	10,050	6,016
Entrust fees	-	2,000	2,000	4,000
Conferences	-	21,835	21,835	3,704
IT Support	-	4,411	4,411	4,299
Consultant Fees	16,430	255,683	272,113	153,389
London Recycling Fund	-	25,002,271	25,002,271	4,171,467

	16,430	25,379,830	25,396,260	4,397,325

London Waste Action

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) for the year ended 31 March 2004

3. MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	Unrestricted	Restricted	Total 2004	Total 2003
	£	£	£	£
Staff costs	-	-	-	-
Insurance	2,674	-	2,674	2,746
Stationery	-	4,276	4,276	1,218
Publications	-	-	-	-
Consultancy fees	-	-	-	9,958
Telephone	-	1,535	1,535	-
Travelling & subsistence	-	9,119	9,119	-
Website Costs	-	930	930	-
Accommodation	-	27,750	27,750	22,790
Legal & Professional fees	1,286	37,390	38,676	76,045
Advertising	-	6,200	6,200	988
Audit fees	15,007	-	15,007	4,846
Bank charges	-	92	92	-
Bad debts	-	-	-	-
Subscriptions	-	199	199	-
Entertaining	-	270	270	-
Irrecoverable VAT	719	28,539	29,258	-
Sundry expenses	130	-	130	1,818

	19,816	116,300	136,116	120,409

Included within insurance are amounts totalling £2,100 paid in respect of professional indemnity insurance for the trustees.

4. INVESTMENT INCOME

	2004	2003
	£	£
Bank interest	283,238	62,579

5. EMPLOYEES

The directors received no remuneration. In the year to 31st March 2004 there was 1 full time employee (2003: 1)

	2004	2003
	£	£
Staff costs for full time and temporary employees:		
Wages and salaries	83,580	54,450
Social security costs	10,050	6,016

	93,630	60,466

The employees salary for the year was between £70,000 - 80,000 (2003 £50,000 - 60,000).

Included within consultancy fees are recharges from DEFRA for salaries £63,394 (2003 £44,344)

London Waste Action

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2004

6. TAXATION

The company is a registered charity under the Charities Act 1993 and has no trading activities. There is therefore no charge to corporation tax.

7. DEBTORS	2004 £	2003 £
Due within one year:		
Trade debtors	21,013	78,750
Other debtors	12,126	7,922
Prepayments and accrued income	112,626	51,670

	145,765	138,342

8. CREDITORS: Amounts falling due within one year	2004 £	2003 £
Trade creditors	45,539	67,868
Taxes and social security costs	3,909	2,789
Accruals	25,307	7,600,673

	74,755	7,671,330

9. DISSOLUTION

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up during the time that he is a member, or within one year afterwards, an amount not exceeding £1.

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<i>Unrestricted Funds</i> £	<i>Restricted Funds</i> £	<i>Total Funds</i> £
Funds balances at 31 March 2004 are represented by:			
Debtors	11,475	134,290	145,765
Cash at bank and in hand	2,840	3,682,315	3,685,155
Creditors	(14,315)	(3,347,805)	(3,362,120)

	-	468,800	468,800

London Waste Action

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2004

11. RECONCILIATION OF MOVEMENTS IN FUNDS	2004	2003		
	£	£		
Surplus for the financial year	146,934	216,312		
Opening funds	321,866	105,554		
		
Closing funds	468,800	321,866		
		
12. CASH FLOWS	2004	2003		
	£	£		
a. Reconciliation of operating (loss)/profit to net cash (outflow)/inflow from operating activities				
Operating (loss)/profit	(136,304)	153,733		
Increase in debtors	(7,423)	(86,453)		
(Decrease)/increase in creditors within one year	(7,596,575)	7,635,120		
		
Net cash (outflow)/inflow from operating activities	(7,740,302)	7,702,400		
		
b. Analysis of net funds	1 April 2003	Cash flow	Other non-cash changes	31 March 2004
	£	£	£	£
Net cash:				
Cash at bank and in hand	7,854,854	(7,457,064)	-	397,790

Bank deposits	-	-	-	-

Net funds	7,854,854	(7,457,064)	-	397,790

c. Reconciliation of net cash flow to movement in net debt		2004	2003	
		£	£	
(Decrease)/increase in cash in the year		(7,457,064)	7,714,630	
		
Movement in net funds in the year		(7,457,064)	7,714,630	
Opening net funds		7,854,854	140,224	
		
Closing net funds		397,790	7,854,854	
		

13. SUBSIDIARY COMPANY

LRL Limited, a company limited by guarantee, incorporated in Great Britain and registered in England and Wales, is a wholly owned subsidiary of London Waste Action. Consolidated accounts have not been prepared as advantage has been taken of the provisions under section 248 of the Companies Act 1985 not to prepare group accounts. These financial statements therefore present London Waste Action's accounts as an individual undertaking and not about its group.

The capital and reserves of LRL Limited at 31st March 2004 were £6,997 (2003 - £6,819). The surplus for the year was £178 (2003 - £3,250).

London Waste Action

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2004

14. RELATED PARTY TRANSACTIONS

During the year London First, a 50% member of London Waste Action, provided the company with office facilities, financial and company secretarial services and administrative support, at a cost (net of VAT) of £43,558 (2003 - £22,957). At the Balance Sheet date London Waste Action owed London First £2,220 which is included in Trade creditors.

15. SUBSEQUENT EVENTS

The directors of LRL Limited a wholly owned subsidiary of London Waste Action intend to cease activities during 2004, after which the company will become dormant for the foreseeable future.

The proposal to return London Remade Limited to being a subsidiary company of London Waste Action was agreed as proposed by London Waste Action on 15 June 2004.