

Registration No: SC230949 (Scotland)

CEC RECOVERY LIMITED
DIRECTOR'S REPORT
AND
AUDITED FINANCIAL STATEMENTS
For the year ended 31 March 2019

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CEC RECOVERY LIMITED

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**CEC RECOVERY LIMITED
COMPANY INFORMATION**

Director	H J Dunn
Company Number	SC230949
Registered Office	Waverley Court 4 East Market Street Edinburgh EH8 8BG
Business address	Waverley Court 4 East Market Street Edinburgh EH8 8BG
Auditor	Scott-Moncrieff Exchange Place 3 Semple Street Edinburgh EH3 8BL
Bankers	None

CEC RECOVERY LIMITED

STRATEGIC REPORT

For the year ended 31 March 2019

The director presents the strategic report for the year ended 31 March 2019.

Principal activities and review of business

The principal activity of the company was previously the promotion, development, procurement, project management and implementation of certain nominated transport projects.

The company is a "not for profit" entity.

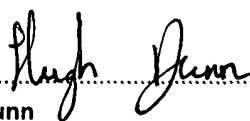
Following a review of the Tram Project in 2011, the decision was made to return this project back to the direct control of The City of Edinburgh Council. All Tram Project contracts were novated to The City of Edinburgh Council on 9 November 2011. The Tram Project previously accounted for 99% of the company's activities and as a result the company has ceased its project management activities from this date.

The company has continued to manage the rental properties acquired for the project, on behalf of Transport Scotland. In July 2017 the company initiated the marketing for sale of the property at Kirkliston, which settled in May 2018, with all proceeds remitted to Transport Scotland thereafter.

The site at Myreside remains under the management of the company and there are no timescales for any change in these circumstances. A short-term lease was granted to Network Rail for the period from 5 March 2018 to 2 September 2018, with all proceeds remitted to Transport Scotland. A further six month lease is in the process of being negotiated.

Key Performance Indicators

Following these decisions, key performance indicators are no longer considered relevant to the company.


H J Dunn
Director

Date 24/10/19

Company registered office:
Waverley Court
4 East Market Street
Edinburgh
EH8 8BG

CEC RECOVERY LIMITED

DIRECTOR'S REPORT

For the year ended 31 March 2019

The director presents the report and audited financial statements for the year ended 31 March 2019.

Directors

The director who served during the year was:

H J Dunn

Board Operation

No Board meetings have been held and any decisions affecting the company are made by the shareholder, The City of Edinburgh Council.

Political and Charitable Contributions

The company made no political or charitable contributions during the year.

Responsibilities of the Director

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has prepared the group and parent company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union 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 company will continue in business.

The Director is 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 the group and enable him to ensure that the financial statements comply with the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CEC RECOVERY LIMITED
DIRECTOR'S REPORT (continued)
For the year ended 31 March 2019

Disclosure of information to the auditor

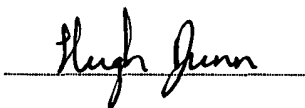
To the best of the Director's knowledge and belief:

- So far as the Director is aware, there is no relevant information of which the company's auditor is unaware; and
- He has taken all the steps that he ought to have taken as a Director in order to make himself aware of the relevant audit information, and to establish that the company's auditor is aware of the information.

Auditor

The auditor, Scott-Moncrieff, is deemed to be reappointed under Section 487(2) of the Companies Act 2006.

This report has been approved and signed by:



H J Dunn
Director

Date

24/10/2019

Company registered office:
Waverley Court
4 East Market Street
Edinburgh
EH8 8BG

CEC RECOVERY LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER
For the year ended 31 March 2019

Opinion

We have audited the financial statements of CEC Recovery Limited (the 'company') for the year ended 31 March 2019 which comprise the Statement of Profit and Loss, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement and 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of the company's results for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 Auditor's 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 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 audit opinion.

Conclusions relating to going concern

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

- the Director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Director has 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 Director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

CEC RECOVERY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER - (continued)

For the year ended 31 March 2019

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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements
- Strategic Report and Directors Report 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 Director's Report.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the director

As explained more fully in the Director's responsibilities statement set out on page 3, the Director is 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 Director determines is 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 Director is 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 Director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's 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 an auditor's report 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 auditor's report.

CEC RECOVERY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER - (continued)

For the year ended 31 March 2019

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 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.



Date 25 October 2019

Nick Bennett, Senior Statutory Auditor

For and on behalf of Scott-Moncrieff, Statutory Auditor

Chartered Accountants

Exchange Place 3

Seample Street

Edinburgh

EH3 8BL

CEC RECOVERY LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2019

	Notes	2019 £	2018 £
Continuing Operations			
Revenue	5	6,643	12,975
		<u>6,643</u>	<u>12,975</u>
Staff Costs	7	-	-
Depreciation	11	- 2,000	- 5,808
Capital Payment amortisation	13	2,000	481,822
Impairment loss	11	-	- 65,009
Other Operating Charges		- 417,648	- 12,975
		<u>- 417,648</u>	<u>398,030</u>
Operating (deficit) / surplus	6	- 411,005	411,005
Investment revenues	9	-	-
Finance Costs		-	-
Surplus for the year before tax		<u>- 411,005</u>	<u>411,005</u>
Tax	10	-	-
Surplus for the year		<u>- 411,005</u>	<u>411,005</u>

The accompanying notes on pages 11-18 form an integral part of these financial statements.

CEC RECOVERY LIMITED
STATEMENT OF FINANCIAL POSITION
As at 31 March 2019

	Notes	2019 £	2018 £
Non-Current assets			
Property, plant and equipment	11	84,000	86,000
Non-current assets classified as held for sale	12	-	411,005
		<u>84,000</u>	<u>497,005</u>
Current Assets			
Debtor	15	-	8,717
		<u>-</u>	<u>8,717</u>
Total Assets		<u>84,000</u>	<u>505,722</u>
Equity			
Share Capital	14	1,000	1,000
Retained earnings		- 1,000	410,005
Total Equity		<u>-</u>	<u>411,005</u>
Non Current Liabilities			
Deferred Income	13	84,000	86,000
Total Non Current Liabilities		<u>84,000</u>	<u>86,000</u>
Current Liabilities			
Trade and other payables	16	-	8,717
		<u>-</u>	<u>8,717</u>
Total Liabilities		<u>84,000</u>	<u>94,717</u>
Total Equity and Liabilities		<u>84,000</u>	<u>505,722</u>

The financial statements on pages 8 - 18 were approved by the Director and authorised for issue on
24/10/19



H J Dunn
Director

Company Registration Number: SC230949 (Scotland)

The accompanying notes on pages 11-18 form an integral part of these financial statements.

CEC RECOVERY LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 March 2019

	Notes	Share Capital £	Retained Earnings £	Total Equity £
At 1 April 2017		<u>1,000</u>	<u>- 1,000</u>	<u>-</u>
Surplus for the year		-	411,005	411,005
Total comprehensive income				
At 1 April 2018		<u>1,000</u>	<u>410,005</u>	<u>-</u>
Deficit for the year		-	- 411,005	-
Total comprehensive income				
At 31 March 2019		<u>1,000</u>	<u>- 1,000</u>	<u>-</u>

CASH FLOW STATEMENT

For the year ended 31 March 2019

	Notes	2019 £	2018 £
Cash from operating activities			
Cash generated from operations	17	- 411,005	-
Corporation tax paid		<u>-</u>	<u>-</u>
Net cash from operating activities		<u>- 411,005</u>	<u>-</u>
Cash flows from investing activities			
Proceeds from Sale of held for sale asset		<u>411,005</u>	<u>-</u>
Net cash used in investing activities		<u>411,005</u>	<u>-</u>
Cash flows from financing activities			
Divdends paid		<u>-</u>	<u>-</u>
Net cash used in financing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		-	-
Cash and cash equivalents at 1 April 2018		<u>-</u>	<u>-</u>
Cash and cash equivalents at 31 March 2019		<u>-</u>	<u>-</u>

The accompanying notes on pages 11-18 form an integral part of these financial statements.

CEC RECOVERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

1 General Information

CEC Recovery Limited is a company domiciled in the United Kingdom.

The City of Edinburgh Council is deemed to be the ultimate controlling party by way of its 100% shareholding in Transport Edinburgh Limited, the immediate parent company of CEC Recovery Limited.

2 Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the European Union.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

Going Concern

The company continues to manage rental property and the Director considers that the company will continue in existence for the foreseeable future. The Director is therefore of the opinion that it is appropriate to prepare these financial statements on a going concern basis.

Revenue Recognition

Revenue is recognised to reflect completion of the company's contractual obligations. Where the substance of the contract is that a right to consideration does not arise until the occurrence of a critical event, revenue is not recognised until that event occurs.

Investment Property

Investment property is stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Heritable property - 2% Straight line

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Deferred capital receipts

Capital receipts in respect of capital expenditure are credited to the deferred income account and then released to the income and expenditure account over the expected useful lives of the relevant assets.

Retirement benefit costs

Following the agreement to transfer all assets and undertakings of the company into related undertakings, the company withdrew from the Lothian Pension Scheme on 31 December 2012 and thereby crystallised its liability under the scheme. The liability was settled in full by the City of Edinburgh Council and recognised in its 2011-2012 financial statements.

CEC RECOVERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

2 Significant Accounting Policies (continued)

Taxation

The company is a "not for profit company" and UK Corporation Tax is only payable on any interest receivable in excess of interest payable.

Current tax is the tax expected to be payable on any interest receivable in excess of interest payable for the year, calculated using tax rates enacted or substantively enacted by the statement of financial position date, and any adjustment in respect of previous years.

As the company is a "not for profit" company for tax purposes, no temporary difference between the carrying amounts of assets and liabilities in the statement of financial position and the amounts attributed to such assets and liabilities for tax purposes has arisen. Accordingly, no deferred tax assets or liabilities are recognised.

Financial instruments

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Trade Receivables

Trade receivables are measured at initial recognition of fair value. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the expected amount recoverable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank deposits.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Trade payables

Trade payables are measured at fair value.

Provisions

Provisions are recognised when the company has a present obligation as a result of a past event and it is probable that the company will be required to settle that obligation. Provisions are measured at the Director's best estimate of the expenditure required to settle the obligation at the statement of financial position date.

Available for Sale Assets

Available for sale assets consist of property held by the company that has been actively marketed for sale during the period. Impairment losses are recognised immediately in the Statement of Profit and Loss.

CEC RECOVERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

2 Significant Accounting Policies (continued)

Impairment of Available for Sale Assets

The carrying amount of the company's assets is reviewed at the Statement of Financial Position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Impairment is recognised when there is objective evidence that a specific asset is impaired. Objective evidence of impairment might include a significant or prolonged decline in market value below the original cost of the asset.

The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss or depreciation on that financial asset previously recognised in profit or loss. Impairment losses recognised in the Income Statement on available for sale financial assets are not reversed through the Statement of Profit and Loss.

New accounting standards adopted during the year

The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 April 2018 and have been adopted by the company:

- IAS 1 "Presentation of Financial Statements": this amendment arises from the issue of IFRS 9 and deals with the abolition of the available-for-sale category of financial assets, the presentation and disclosure of gains and losses arising on financial assets stated at amortised cost, and takes account of the revised reclassification rules under IFRS 9 as compared with IAS 39.
- IAS 39 "Financial Instruments: Recognition and Measurement": this amendment arises from the issue of IFRS 9 and primarily removes items from the scope of the standard, insofar as they are dealt with by IFRS 9.
- IAS 40 "Investment Property": this amendment clarifies the requirement to transfer a property to or from investment property when (and only when) there is a change in use. This amendment has not had any impact on the company.

IFRS 7 "Financial Instruments: Disclosures": this amendment arises from the issue of IFRS 9. The amendment reflects the replacement of the four categories of financial asset under IAS 39 with the three under IFRS 9. All of the IFRS 7 disclosures by category of financial asset have had to be altered to reflect the new categorisation.

IFRS 9 "Financial Instruments": this standard replaces IAS 39, dealing with classification, recognition and measurement, de-recognition, impairment and hedge accounting (except for macro hedging) in relation to financial instruments. This amendment does not have a material impact on the financial statements in the current or previous year.

CEC RECOVERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

2 Significant Accounting Policies (continued)

New standards and interpretations issued not applied

The International Accounting Standards Board ("IASB") and IFRIC have issued the following standards and interpretations, which may have an impact on the company, with an effective date for financial years beginning on or after the dates disclosed below and therefore after the date of these financial statements:

<i>International Accounting Standards and Interpretations</i>		<i>Effective for periods beginning on or after</i>
IAS 12	Income Taxes	1 January 2019
IFRS 16	Leases	1 January 2019

The Director does not expect that the adoption of these standards and interpretations in future reporting periods will have a material impact on the company's financial statements.

3 Financial instruments and financial risk management

The company's main financial instruments comprise short term debtors and creditors.

Capital Management

The company has not actively traded in the year under review.

However, when trading, the company did not commit any expenditure without the award of a formal grant from a relevant funding provider and thus does not require a strong capital base to perform its operations.

Management of financial risk

Due to the limited number of trading transactions and agreements in place with The City of Edinburgh Council, the Company does not consider it is subject to any financial risks.

4 Critical accounting judgements and key sources of estimation uncertainty

Due to the limited number of trading transactions, there has been no requirement for any estimation within the financial statements.

5 Revenue

An analysis of the company's revenue is as follows:

	2,019	2,018
	£	£
Other projects	-	8,969
Rental income	6,643	4,006
	<u>6,643</u>	<u>12,975</u>

6 Operating Surplus

Surplus for the year has been arrived at after charging / (crediting)

	2,019	2,018
	£	£
Depreciation of tangible assets	2,000	-
Capital payment amortisation	- 2,000	- 481,822

The analysis of auditor's remuneration is as follows:

Fees payable for the audit of the Company's financial statements	-	-
Total audit fees	<u>-</u>	<u>-</u>

Since the company ceased trading, The City of Edinburgh Council as ultimate parent, has assumed responsibility for the administration of the company and audit fee.

CEC RECOVERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

7 Staff Costs

	2019	2018
	£	£
Salaries and wages	-	-
Social security costs	-	-
Other pension gains	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The company had no employees in the period under review.

8 Director's remuneration

There were no salaries or benefits payable to executive director and fees payable to non executive director in the current or prior year.

No share option is in force. There was no director for whom retirement benefits were accruing under defined benefit pension schemes.

9 Investment revenues

	2019	2018
	£	£
Bank Interest Receivable	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

10 Tax

	2019	2018
	£	£
Current Tax (see below)	-	-
	<u>-</u>	<u>-</u>

Corporation tax is calculated at 19% (2018: 19%) of the estimated assessable profit for the year.

The charge for the year can be reconciled to the surplus per the consolidated income statement as follows:

	2019	2018
	£	£
(Deficit)/Surplus on ordinary activities before tax	- 411,005	411,005
Tax credit at the UK corporation tax rate of 19% (2018: 19%)	- 78,091	78,091
Effects of:		
Fixed assets differences	380	14,513
Expenses not deductible for tax purposes	76,753	-
Income not taxable for tax purposes	- 380	- 92,604
Group relief surrendered	1,338	-
Current tax charge for the year	<u>-</u>	<u>-</u>

CEC RECOVERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

11 Property, plant and equipment

	Heritable £	Total £
Cost		
At 1 April 2018	100,000	100,000
Additions	-	-
Disposals	-	-
Transfer to held for sale asset	-	-
At 31 March 2019	<u>100,000</u>	<u>100,000</u>
Depreciation		
At 1 April 2018	14,000	14,000
Charge for the year	2,000	2,000
Impairment loss	-	-
Transfer to held for sale asset	-	-
At 31 March 2018	<u>16,000</u>	<u>16,000</u>
At 31 March 2019	<u>16,000</u>	<u>16,000</u>
Net book amount		
At 31 March 2019	<u>84,000</u>	<u>84,000</u>
At 31 March 2018	<u>86,000</u>	<u>86,000</u>

12 Assets classified as held for sale

	2019 £	2018 £
Property held for sale	411,005	411,005
Disposals	- 411,005	-
	<u>-</u>	<u>411,005</u>

The property at Wheatlands was sold on 12 April 2018. The recoverable amount equals the proceeds from the sale of the property.

13 Deferred income

	2019 £	2018 £
At 1 April	86,000	567,822
Amortisation in the year	- 2,000	- 481,822
	<u>84,000</u>	<u>86,000</u>

Deferred income represents grant income received in relation to fixed assets acquired for use in delivery of nominated projects. Such income is credited to the deferred income account and released to the Statement of Profit and Loss over the expected useful lives of the relevant assets.

14 Share capital

	2019 £	2018 £
Issues and fully paid:		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

CEC RECOVERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

15 Debtors

	2019	2018
	£	£
Trade Debtors	-	5,815
Prepayments	-	2,902
	<u>-</u>	<u>8,717</u>

16 Trade and Other Payables

	2019	2018
	£	£
Trade creditors	-	5,815
Other creditors	-	2,902
	<u>-</u>	<u>8,717</u>

17 Cash generated from operations

	2019	2018
	£	£
(Deficit) / Surplus before tax	- 411,005	411,005
Adjustments for:		
Investment revenues	-	-
Impairment charges	-	65,009
Finance costs	-	-
Depreciation of property, plant and equipment	2,000	5,808
Deferred income released in the year	- 2,000	- 481,822
Operating cash flows before movement in working capital	- 411,005	-
Decrease / (Increase) in receivables	8,717	- 3,120
Decrease / (Increase) in receivables	- 8,717	3,120
Cash from operations	<u>- 411,005</u>	<u>-</u>

18 Related party transactions

The City of Edinburgh Council is deemed to be the ultimate controlling party by way of its 100% shareholding in Transport Edinburgh Limited, the immediate parent company of CEC Recovery Limited. During the year the company entered into the following transactions with its related parties:

	2019	2018
	£	£
The City of Edinburgh Council		
Legal expenses and other costs reimbursed	922	10,226
Agency fees	10,500	300
Transport Edinburgh Limited		
Settlement-Wheatlands	393,464	-
Other Payments	-	2,450

The following represents amounts due to / (by) the Company at 31 March

	2019	2018
	£	£
The City of Edinburgh Council	-	3,700

CEC RECOVERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

19 Contingencies

CEC Recovery Limited in common with other parties involved in the Edinburgh Tram project is considering its possible legal remedies in relation to this project and there is currently ongoing legal action involving the company.