

EAST CAMBS STREET SCENE LIMITED
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2019



EAST CAMBS STREET SCENE LIMITED

COMPANY INFORMATION

Directors	P J Remington (appointed 15 January 2018) J Hill (appointed 15 January 2018) E L Grima (appointed 15 January 2018) C G J Roberts (appointed 15 January 2018, resigned 2 May 2019) A M Bailey (appointed 15 January 2018, resigned 30 May 2019) J E Brooks (appointed 15 January 2018) J Schumann (appointed 30 May 2019) D Brown (appointed 30 May 2019)
Company number	11150811
Registered office	The Grange Nutholt Lane Ely Cambridgeshire CB7 4EE
Auditors	Price Bailey LLP Chartered Accountants & Statutory Auditors Tennyson House Cambridge Business Park Cambridge CB4 0WZ

EAST CAMBS STREET SCENE LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditor's report	3-5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Cash flow statement	9
Notes to the financial statements	10 - 18

EAST CAMBS STREET SCENE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2019

The directors present their report and the audited financial statements of the company for the period ended 31 March 2019.

Directors

The directors who served during the period were:

P J Remington (appointed 15 January 2018)
J Hill (appointed 15 January 2018)
E L Grima (appointed 15 January 2018)
C G J Roberts (appointed 15 January 2018)
A M Bailey (appointed 15 January 2018)
J E Brooks (appointed 15 January 2018)

Business Review

The Directors are pleased to report that on the first year of trading, a profit before tax was made by the company of £728. Due in the main to timing differences, the tax charge is higher than the profits made causing an overall loss for the year to be recorded. The Directors fully expect in future years the company will make an overall profit after taxation.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

EAST CAMBS STREET SCENE LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on July 18th 2019 and signed on its behalf.



**J Hill
Director**

EAST CAMBS STREET SCENE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EAST CAMBS STREET SCENE LIMITED

Opinion

We have audited the financial statements of East Cambs Street Scene Limited for the period ended 31 March 2019 on pages 6 to 18. 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 2018 and of the loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union;
- 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 group 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 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.

Opinion 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

EAST CAMBS STREET SCENE LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF EAST CAMBS STREET SCENE LIMITED

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 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 company 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; or
- the Directors were not entitled to take advantage of the small companies exemptions in preparing the Director's Report and from the requirement to prepare a Strategic Report.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 group or the parent 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 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.

EAST CAMBS STREET SCENE LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF EAST CAMBS STREET SCENE LIMITED

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.

Paul Cullen FCCA (Senior Statutory Auditor)
for and on behalf of Price Bailey LLP
Chartered Accountants & Statutory Auditors
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date: 11/10/19

EAST CAMBS STREET SCENE LIMITED

REGISTERED NUMBER: 11150811

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2019

	Notes	2019 £
CONTINUING OPERATIONS		
Revenue from contracts		2,574,533
Revenue from recycling credits		368,200
Other income		102,384
		<hr/>
		3,045,117
Cost of sales		(1,828,136)
		<hr/>
Gross profit		1,216,981
Administrative expenses		(1,216,253)
		<hr/>
Profit before taxation		728
Tax on profit	5	(1,284)
		<hr/>
Loss and total comprehensive income for the period		<u>(556)</u>

There were no recognised gains and losses from 2019 other than those included in the statement of comprehensive income.

The notes on pages 10 - 18 form part of these financial statements.

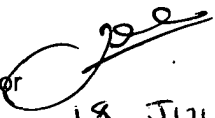
EAST CAMBS STREET SCENE LIMITED
REGISTERED NUMBER: 11150811

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Notes	2019 £
Current assets		
Trade and other receivables	6	145,437
Cash at bank and in hand	7	174,541
		<hr/>
		319,978
Current Liabilities		
Trade and other payables	8	(317,358)
		<hr/>
Total assets less current liabilities		2,620
		<hr/>
Net assets		2,620
		<hr/> <hr/>
Equity		
Called up share capital	11	1
Retained earnings		2,619
		<hr/>
		2,620
		<hr/> <hr/>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

J Hill
Director
Date:



18 JULY 2019

The notes on pages 10 to 18 form part of these financial statements.

EAST CAMBS STREET SCENE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2019

	Share Capital £	Retained earnings £	Total equity £
Balance as at 15 January 2018	-	-	-
Transactions with owners			
Shares issued	1	-	1
Total transactions with owners	<u>1</u>	<u>-</u>	<u>1</u>
Comprehensive income			
Loss for the period	-	(556)	(556)
Total comprehensive income	<u>-</u>	<u>(556)</u>	<u>(556)</u>
Balance as at 31 March 2019	<u><u>1</u></u>	<u><u>(556)</u></u>	<u><u>(555)</u></u>

EAST CAMBS STREET SCENE LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2019

		2019	2019
	Notes		
Cash flows from operating activities			
Net cash inflow from operating activities	16	174,539	<u>174,539</u>
Net cash inflow from operating activities			174,539
Cash flows from financing activities			
Issue of ordinary shares		1	<u>1</u>
Net decrease in cash and cash equivalents			174,540
Cash and cash equivalents at beginning of year			-
Cash and cash equivalents at end of year	9		<u><u>174,540</u></u>

EAST CAMBS STREET SCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

1. Accounting policies

1.1 Statutory information

East Cambs Street Scene Limited is a private company limited by shares incorporated and domiciled in England and Wales, United Kingdom. The address of the registered office is The Grange, Nutholt Lane, Ely, Cambridgeshire, CB7 4EE.

The company is primarily involved in providing waste and street cleansing services to the residents of East Cambridgeshire.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

1.2 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for revenues and expenses during the year and the amounts reported for assets and liabilities at the statement of financial position date. However, the nature of estimation means that the actual outcomes could differ from those estimates.

1.3 Compliance with accounting standards

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to reporting entities under IFRS.

The financial statements have been prepared under the historical cost convention.

1.5 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the Company will receive the consideration due under the contract;
- The stage of completion of the contract at the end of the reporting period can be measured reliably; and
- The costs incurred and the costs to complete the contract can be measured reliably.

The company carries out waste collection and street cleansing service for and on behalf of East Cambridgeshire District Council.

EAST CAMBS STREET SCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

1. Accounting policies (continued)

1.6 Trade and other receivables

Short term receivables are measured initially at fair value, and are measured subsequently at amortised costs.

1.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

1.8 Operating profit

Operating profit is stated before investment income and finance costs.

1.9 Financial Instruments

Financial assets and liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

- Cash and cash equivalents comprise cash held at bank and short term deposits
- Trade payables are not interest bearing and are stated at their nominal value
- Equity instruments issued by the Company are recorded at the proceeds received except where those proceeds appear to be less than the fair value of the equity instruments issued, in which case the equity instruments are recorded at fair value. The difference between the proceeds received and the fair value is reflected in the share based payments reserve.

1.10 Trade and other payables

Short term payables are measured fair value, and subsequently at amortised cost. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

EAST CAMBS STREET SCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

1 Accounting policies (continued)

1.12 Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position.

1.13 New IFRS standards and interpretations not yet adopted

New Standards, Interpretations and Amendments that are not yet effective and have not been adopted early

The following new and revised Standards and Interpretations are relevant to the Company but not yet effective for the year commencing 1 April 2017 and have not been applied in preparing these financial statements:

- IAS 1 Presentation of Financial Statements (amended 2018)
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (amended 2018)
- IAS 12 Income Taxes (amended 2017)
- IAS 19 Employee Benefits (amended 2018)
- IFRS 9 Financial Instruments (amended 2017)

The Directors do not consider that the implementation of any of these new standards will have a material impact upon reported income or reported net assets.

2. Profit before income tax

Profit before income tax is stated after charging

	2019
	£
Operating leases	30,000
Auditors' remuneration	12,500
	<u>42,500</u>

EAST CAMBS STREET SCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

3. Employees and directors

	2019 £
Wages and Salaries	1,291,615
Social security	111,940
Other pension costs	24,658
	<u>1,428,213</u>

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

	2019
Directors	6
Direct labour	60
Administration	9
	<u>75</u>

4. Directors' remuneration

The Directors did not receive any remuneration from the Company as a result of their employment.

5. Income tax

Corporation tax	2019
Current tax on loss for the period	<u>1,284</u>

Factors affecting the tax expense

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

	2019 £
Loss per accounts	<u>(556)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19%	-
Expenses not deductible for tax purposes, other than goodwill, amortisation and impairment	1,284
Tax expense	<u>1,284</u>

EAST CAMBS STREET SCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

6. Trade and other receivable	2019
	£
Trade receivables	44,240
Prepayments and accrued income	101,197
	<u>145,437</u>
7. Cash and cash equivalents	2019
	£
Cash at bank and in hand	174,540
	<u>174,540</u>
8. Trade and other payable	2019
	£
Current	
Trade payables	80,578
Other taxation and social security	51,311
Other payables	23,648
Corporation tax	1,284
Accruals and deferred income	160,497
	<u>317,318</u>

EAST CAMBS STREET SCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

9. Financial Instruments

Financial assets and liabilities

The carrying value of the company's financial assets and liabilities as recognised at the balance sheet date of the years under review may also be categorised as follows:

As 31 March 2019	Amortised cost £	Other financial liabilities £	Total carrying amount £
Cash and cash equivalents	174,540	-	174,540
Trade receivables	44,240	-	44,240
Other receivables	4,440	-	4,440
Trade payables	-	(80,578)	(80,578)
Other payables - current	-	(138,659)	(136,199)
Total	<u>223,220</u>	<u>(219,237)</u>	<u>3,943</u>

EAST CAMBS STREET SCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

10. Financial Instruments (continued)

Financial risk management objectives and policies

The company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the company's business whilst managing its risks. The company does not engage in speculative transactions or hedging transactions.

The company's principal financial instruments consist of cash and cash equivalents. The main purpose of these financial instruments is to finance the company's operations. The company has other financial instruments such as trade receivables and trade payables that arise directly from its operations.

The directors have overall responsibility for the establishment and oversight of the company's risk management and they recognise that financial risk management is an area in which they may need to develop specific policies should the company become exposed to further financial risks as the business develops. The directors currently ensure that the company has sufficient cash and cash equivalents to ensure there is sufficient reserves to support the business operations. The exposure to other financial instruments are limited to those generated through the operations and borrowings.

The main risks arising from the company's financial instruments are credit risk, interest rate risk and liquidity risk. The Board have also considered currency and market risk but do not believe these to be significant. This note presents information about the company's exposure to each of the main risks. The Board reviews and agrees policies for managing each of these risks as and when they arise. Further quantitative disclosures are included throughout the financial information.

There have not been any material changes in respect of the exposure to financial risks during the periods presented.

Credit risk

The company's exposure to credit risk is limited to the carrying amount of cash deposits and trade and other receivables recognised at the balance sheet date of £223,220. The risks associated with cash deposits are limited as the banks used are reputable. The principal credit risk therefore lies with trade receivables and in order to manage credit risk, limits are set for customers based upon a combination of payment history and third party credit references.

Interest rate risk

Interest rate risk is the risk that the value of financial assets will fluctuate due to changes in market interest rates. The company's income and operating cash flows and the value of its financial assets are largely independent of changes in market interest rates. Low levels of surplus funds are invested in short term secured deposit accounts such that the company is not unduly exposed to market interest rate fluctuations.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's policy throughout the year has been to ensure that it has adequate liquidity to meet its liabilities when due by careful management of its working capital.

EAST CAMBS STREET SCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

10. Financial Instruments (continued)

	Less than one year £	More than one year £	Total £
2019 Trade and other payables	219,237	-	219,237
	<u>219,237</u>	<u>-</u>	<u>219,237</u>

Fair values

The carrying amounts of all financial assets and liabilities of the company as disclosed in the notes to the financial information are approximately their fair values.

Capital management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital with an appropriate level of leverage for the size of the business so as to maintain investor, creditor and market confidence and to sustain future development of the business. In order to maintain or adjust the capital structure, the company may return capital to shareholders, issue new shares or sell assets to reduce debt.

11. Share capital

	2019 £
Share classified as equity	
Allotted, called up and fully paid	
1 Ordinary share of £1	<u>1</u>

12. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £25,083.

Contributions totalling £3,005 were payable to the fund at the balance sheet date and are included in creditors.

EAST CAMBS STREET SCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2019

13. Related Party Transactions

In line with paragraph 25 of IAS24, the company has taken advantage of the exemption from the requirement to disclose transactions with East Cambridgeshire District Council (ECDC) and connected companies due to the control exercised by ECDC by virtue of it being the only shareholder.

All of the income categorised under revenue from contracts derives from the contract the company has with ECDC.

14. Details of Parent Undertaking

The Ultimate parent undertaking is East Cambridgeshire District Council, registered address The Grange, Nutholt Lane, Ely, Cambridgeshire, CB7 4EE

15. Note to the cash flow statement

	2018 £
Loss before tax	(556)
(Increase) in trade and other receivables	(142,223)
Increase in trade and other payables	317,318
Net cash outflow from operating activities	175,863

16. Reserves

The following is a description of each of the reserve accounts that comprise equity shareholders' funds:

Share capital The share capital comprises the issued ordinary shares of the company at par.

Retained earnings Retained earnings comprise the group's cumulative accounting profits and losses since inception.