

**EAST CAMBS STREET SCENE LIMITED**

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**

# EAST CAMBS STREET SCENE LIMITED

## COMPANY INFORMATION

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**Directors**  
P J Remington  
J Hill  
J E Brooks  
C G J Roberts (resigned 2 May 2019)  
A M Bailey (resigned 30 May 2019)  
J Schumann (appointed 30 May 2019, resigned 7 October 2019)  
D Brown (appointed 30 May 2019, resigned 7 October 2019)  
D Ambrose-Smith (appointed 30 May 2019, resigned 30 May 2019)

**Company secretary** E L Grima

**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

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# **EAST CAMBS STREET SCENE LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020**

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The directors present their report and the audited financial statements of the company for the period ended 31 March 2020.

### **Directors**

The directors who served during the period were:

P J Remington  
J Hill  
J E Brooks  
C G J Roberts (resigned 2 May 2019)  
A M Bailey (resigned 30 May 2019)  
J Schumann (appointed 30 May 2019, resigned 7 October 2019)  
D Brown (appointed 30 May 2019, resigned 7 October 2019)  
D Ambrose-Smith (appointed May 30 2019, resigned May 30 2019)

### **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 of the profit or loss 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.

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.

### **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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Auditors**

The auditors, Price Bailey LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**EAST CAMBS STREET SCENE LIMITED**

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**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 ..... 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

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### Opinion

We have audited the financial statements of East Cambs Street Scene Limited (the 'Company') for the year ended 31 March 2020 which comprise The Statement of Comprehensive Income, 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.

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of the profit 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 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 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

# EAST CAMBS STREET SCENE LIMITED

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

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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 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.

### **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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made;
- 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 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](http://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**

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### **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: .....

# EAST CAMBS STREET SCENE LIMITED

REGISTERED NUMBER: 11150811

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

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	Notes	2020 £	2019 £
<b>CONTINUING OPERATIONS</b>			
Revenue from contracts		2,725,691	2,574,533
Revenue from recycling credits		371,732	368,200
Other income		137,599	102,384
		<u>3,235,022</u>	<u>3,045,117</u>
Cost of sales		(1,970,229)	(1,828,136)
<b>Gross profit</b>		<u>1,264,793</u>	<u>1,216,981</u>
Administrative expenses		(1,258,842)	(1,216,253)
Operating profit		<u>5,951</u>	<u>728</u>
Interest payable		-	-
<b>Profit before taxation</b>		<u>5,951</u>	<u>728</u>
Tax on profit	5	(874)	(1,284)
<b>Profit/ (loss) and total comprehensive income for the period</b>		<u><u>5,077</u></u>	<u><u>(556)</u></u>

There were no recognised gains and losses from 2020 or 2019 other than those included in the Statement of Comprehensive Income.

The notes on pages 10 - 20 form part of these financial statements.

# EAST CAMBS STREET SCENE LIMITED

REGISTERED NUMBER: 11150811

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

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	Notes	2020	2019 £
<b>Non-current assets</b>			
Property, plant & equipment	6	32,030	-
<b>Current assets</b>			
Inventories	7	27,886	-
Trade and other receivables	8	140,731	142,223
Cash at bank and in hand	9	205,200	174,540
		<u>373,817</u>	<u>316,763</u>
<b>Current Liabilities</b>			
Trade and other payables	10	(401,325)	(317,318)
		<u>(401,325)</u>	<u>(317,318)</u>
<b>Net current assets</b>		(27,508)	(555)
		<u>(27,508)</u>	<u>(555)</u>
<b>Net assets</b>		4,522	(555)
		<u>4,522</u>	<u>(555)</u>
<b>Equity</b>			
Called up share capital	12	1	1
Retained earnings		4,521	(556)
		<u>4,522</u>	<u>(555)</u>
		<u>4,522</u>	<u>(555)</u>

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

**J Hill**

Director

Date: .....

The notes on pages 10 – 20 form part of these financial statements.

# EAST CAMBS STREET SCENE LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

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	Share Capital £	Retained earnings £	Total equity £
<b>Balance as at 15 January 2018</b>	-	-	-
<b>Transactions with owners</b>			
Shares issued	1	-	1
<b>Total transactions with owners</b>	<u>1</u>	<u>-</u>	<u>1</u>
Loss for the period	-	(556)	(556)
<b>Total comprehensive income</b>	<u>-</u>	<u>(556)</u>	<u>(556)</u>
<b>Balance as at 31 March 2019</b>	<u>1</u>	<u>(556)</u>	<u>(555)</u>
<b>Comprehensive income</b>			
Profit for the period	-	5,077	5,077
<b>Total comprehensive income</b>	<u>-</u>	<u>4,521</u>	<u>4,521</u>
<b>Balance as at 31 March 2020</b>	<u>1</u>	<u>4,521</u>	<u>4,522</u>

# EAST CAMBS STREET SCENE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

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		2020	2019
	Notes		
<b>Cash flows from operating activities</b>			
Net cash outflow from operating activities	15	<u>64,825</u>	<u>174,539</u>
<b>Net cash inflow from operating activities</b>		64,825	174,539
<b>Cash flows from investing activities</b>			
Purchase of fixed assets	6	(34,165)	-
<b>Cash flows from financing activities</b>			
Issue of ordinary shares		<u>-</u>	<u>1</u>
<b>Net increase in cash and cash equivalents</b>		30,660	174,540
<b>Cash and cash equivalents at beginning of year</b>		174,540	-
<b>Cash and cash equivalents at end of year</b>	9	<u><u>205,200</u></u>	<u><u>174,540</u></u>

# **EAST CAMBS STREET SCENE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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### **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 Going concern**

In the light of the rapidly escalating COVID-19 pandemic the directors have considered whether any adjustments are required to reported amounts in the financial statements. As at the 31 March 2020 reporting date, the global pandemic had just been declared.

The company trade, carrying out waste collection and street cleansing services on behalf of East Cambridgeshire District Council has not been directly affected by the pandemic with trade continuing throughout whilst protecting the health of its staff and resident customers has remained a priority.

The Directors have prepared cash flow forecasts for a period of 12 months from the year end which demonstrate that the cash reserves of the company will be sufficient for it to be able to continue as a going concern.

The financial statements do not contain any adjustments that would be required if the Company were not able to continue as a going concern.

#### **1.3 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.

#### **1.4 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.

# EAST CAMBS STREET SCENE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### 1. Accounting policies (continued)

#### 1.5 Revenue recognition

##### Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods promised.

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

Recycling Credits are received upon meeting relevant criteria set by Cambridgeshire County Council in terms of recycling.

##### Sale of goods

The Company's other revenue mainly comprises the sale of recycling bins. Revenue is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery and the time when the performance obligation of the Company has been satisfied.

#### 1.6 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Plant & Machinery	- 8 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

#### 1.7 Trade and other receivables

Short term receivables are measured initially at transaction price, and are measured subsequently at amortised costs.

#### 1.8 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.

# **EAST CAMBS STREET SCENE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020**

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### **1 Accounting policies (continued)**

#### **1.9 Operating profit**

Operating profit is stated before investment income and finance costs.

#### **1.10 Financial Instruments**

Financial assets and liabilities are recognised on the statement of financial position when the Company 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
- Trade receivables are measured initially at transaction price, and are measured subsequently at amortised costs.

#### **1.11 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.

#### **1.12 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 Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

#### **1.13 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.

# EAST CAMBS STREET SCENE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies (continued)

#### 1.14 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 Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period.

The following new and revised Standards and Interpretations are relevant to the company but not yet effective for the year commencing 1 April 2019 and have not been applied in preparing these financial statements:

- IAS 1 Presentation of Financial Statements – classification of liabilities as current and non-current.
- IAS 1 and IAS 8 Accounting Policies – definition of materiality.
- IFRS 16 COVID-19 Related Rent Concessions Amendment

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.

#### 1.15 Key sources of estimation uncertainty

The key assumptions about the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are detailed below.

##### **Useful lives of depreciable assets**

Estimates have been made in respect of useful economic lives of property, plant and equipment, which determine the amount of depreciation charged in profit or loss. Uncertainties in these estimates relate to the technological obsolescence that may change the utility of plant and machinery and could result in a material change to the amount of depreciation recognised. These estimates are reviewed annually at the reporting date based on the expected utility of the assets.

Further detail on useful life estimates is included in the accounting policy note 1.6.

### 2. Profit before tax

	2020 £	2019 £
Rent – licence fee	30,100	30,000
Depreciation	2,135	-
Auditors' remuneration	12,500	12,500
	<u>          </u>	<u>          </u>

# EAST CAMBS STREET SCENE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 3. Employees and directors

	2020 £	2019 £
Wages and Salaries	1,391,140	1,291,615
Social security	115,752	111,940
Other pension costs	35,148	24,658
	<u>1,542,040</u>	<u>1,428,213</u>

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

	2020	2019
Directors	5	6
Direct labour	60	60
Administration	9	9
	<u>74</u>	<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

<b>Corporation tax</b>	<b>2020</b> £	<b>2019</b> £
Current tax on loss for the period	<u>874</u>	<u>1,284</u>

#### Factors affecting the tax expense

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

	2020 £	2019 £
Profit/ (loss) per accounts	<u>5,951</u>	<u>728</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19%	1,131	138
Expenses not deductible for tax purposes, other than goodwill, amortisation and impairment	(257)	1,146
Tax expense	<u>874</u>	<u>1,284</u>

# EAST CAMBS STREET SCENE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### 6. Property, plant and equipment

	Plant & Machinery	Total
<b>Cost</b>		
As at 1 April 2019	-	-
Additions	34,165	34,165
Disposals		
As at 31 March 2020	<u>34,165</u>	<u>34,165</u>
<b>Depreciation</b>		
As at 1 April 2019	-	-
Additions	(2,135)	(2,135)
Disposals		
As at 31 March 2020	<u>(2,135)</u>	<u>(2,135)</u>
<b>Net Book Value</b>		
As at 31 March 2020	<u>32,030</u>	<u>32,030</u>
As at 31 March 2019	=	=

There was no property, plant and equipment in the comparative period.

### 7. Inventories

	2020 £	2019 £
Finished goods	<u>27,886</u>	<u>-</u>

### 8. Trade and other receivable

	2020 £	2019 £
Trade receivables	24,635	44,240
Prepayments and accrued income	<u>116,096</u>	<u>97,983</u>
	<u>140,731</u>	<u>142,223</u>

# EAST CAMBS STREET SCENE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 9. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	205,200	174,540

### 10. Trade and other payable

	2020 £	2019 £
<b>Current</b>		
Trade payables	202,100	80,578
Other taxation and social security	105,614	51,311
Other payables	27,198	23,648
Corporation tax	874	1,284
Accruals and deferred income	65,539	160,497
	<u>401,325</u>	<u>317,318</u>

### 11. Financial Instruments

#### Financial assets and liabilities

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

	Financial assets at amortised cost £	Financial liabilities at amortised cost £	Total balance sheet heading £
<b>As 31 March 2020</b>			
Cash and cash equivalents	205,200	-	205,200
Trade receivables	24,635	-	24,635
Other receivables	108,548	-	108,548
Trade payables	-	(202,100)	(202,100)
Other payables - current	-	(92,737)	(92,737)
Total	<u>338,383</u>	<u>(294,837)</u>	<u>43,546</u>

# EAST CAMBS STREET SCENE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 11. Financial Instruments (continued)

As 31 March 2019	Financial assets at amortised cost £	Financial liabilities at amortised cost £	Total balance sheet heading £
Cash and cash equivalents	174,540	-	174,540
Trade receivables	44,240	-	44,240
Other receivables	93,542	-	93,542
Trade payables	-	(80,578)	(80,578)
Other payables - current	-	(184,145)	(184,145)
Total	<u>312,322</u>	<u>(264,723)</u>	<u>47,599</u>

#### 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 and loans. 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 year end of £345,931. 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.

# EAST CAMBS STREET SCENE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 11. Financial Instruments (continued)

#### 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.

	Less than one year £	More than one year £	Total £
<b>2020</b>			
Trade and other payables	401,325	-	401,325
	<u>401,325</u>	<u>-</u>	<u>401,325</u>

	Less than one year £	More than one year £	Total £
<b>2019</b>			
Trade and other payables	317,318	-	317,318
	<u>317,318</u>	<u>-</u>	<u>317,318</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.

# EAST CAMBS STREET SCENE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 12. Share capital

	2020 £	2019 £
<b>Share classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £1	1	1
	=	=

At the beginning of the previous financial period 1 Ordinary share of £1 was issued to the owners on the incorporation of the company.

### 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

	2020 £	2019 £
Profit (loss) before tax	5,077	(556)
Depreciation	2,135	-
	<u>7,212</u>	<u>(556)</u>
Decrease/(Increase) in inventories	(27,886)	-
Decrease/(Increase) in trade and other receivables	1,492	(142,223)
(Decrease)/Increase in trade and other payables	84,007	317,318
	<u>64,825</u>	<u>174,539</u>
<b>Net cash outflow from operating activities</b>	<u><u>64,825</u></u>	<u><u>174,539</u></u>

### 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 company's cumulative accounting profits and losses since inception.

# **EAST CAMBS STREET SCENE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** ***FOR THE YEAR ENDED 31 MARCH 2020***

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### **17. Events after the reporting period**

Subsequent to the reporting date, the existence of the infectious disease COVID-19 ('Coronavirus') has become widely known, and begun to rapidly spread throughout the world, including the UK. The Company considers this to be a non-adjusting event after the reporting date. Since the reporting date this has caused increasing disruption to populations, to business and economic activity. See note 1.2 of these financial statements.

No other matter or circumstance has arisen since 31 March 2020 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

**Registration No. 11150811**

**EAST CAMBS STREET SCENE LIMITED  
DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2020**

## EAST CAMBS STREET SCENE LIMITED

### DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

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	2020 £	2019 £
Turnover	3,235,022	3,045,117
Cost of sales	(1,970,229)	(1,828,136)
<b>GROSS PROFIT</b>	<u>1,264,793</u>	<u>1,216,981</u>
<b>LESS: OVERHEADS</b>		
Administrative expenses	(1,258,842)	(1,216,253)
<b>OPERATING PROFIT</b>	<u>5,951</u>	<u>728</u>
Interest payable	-	-
Profit before taxation	<u>5,951</u>	<u>728</u>
Tax on profit	(874)	(1,284)
<b>PROFIT FOR THE PERIOD</b>	<u><u>5,077</u></u>	<u><u>(556)</u></u>

# EAST CAMBS STREET SCENE LIMITED

## SCHEDULE TO THE DETAILED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

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	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>		
Council contract income	2,725,691	2,574,533
Recycling credits	371,732	368,200
Other income	137,599	102,384
	<u>3,235,022</u>	<u>3,045,117</u>
	<u><u>3,235,022</u></u>	<u><u>3,045,117</u></u>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Cost of sales</b>		
Materials	129,397	145,214
Direct Labour	1,718,735	1,520,768
Recycling costs	109,073	133,042
Other cost of sales	13,024	29,112
	<u>1,970,229</u>	<u>1,828,136</u>
	<u><u>1,970,229</u></u>	<u><u>1,828,136</u></u>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Administration expenses</b>		
Staff salaries	195,486	169,295
Staff training	10,265	8,843
Staff subsistence	1,316	1,210
Rent – licence fee	30,100	30,000
Rates	13,171	-
Management charge	20,400	20,000
Motor Hire	230,488	207,188
Motor running costs	596,185	605,990
Personal protective equipment	15,278	35,517
Repairs & maintenance	896	1,458
Stationery	22,353	5,709
Tools & equipment hire	11,697	6,421
Insurances	87,061	110,418
General office expenses	8,670	987
Auditors remuneration	12,650	12,513
Bank charges	691	704
Depreciation	2,135	-
	<u>1,258,842</u>	<u>1,216,253</u>
	<u><u>1,258,842</u></u>	<u><u>1,216,253</u></u>

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