

**EAST CAMBS STREET SCENE LIMITED**

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2024**

**DRAFT**

# EAST CAMBS STREET SCENE LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	P J Remington J Hill S Bonnett (1 November 2023)
<b>Company secretary</b>	E L Grima
<b>Company number</b>	11150811
<b>Registered office</b>	The Grange Nutholt Lane Ely Cambridgeshire CB7 4EE
<b>Auditors</b>	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 2024**

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The directors present their report and the audited financial statements of the company for the period ended 31 March 2024.

### **Directors**

The directors who served during the period were:

P J Remington  
J Hill  
S M Bonnett (Appointed 1 November 2023)  
I Edgar (Resigned 31 October 2023)

### **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 UK adopted international accounting standards. 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 2024**

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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 2024 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 UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of the loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards;
- 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

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## EAST CAMBS STREET SCENE LIMITED

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

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#### 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' 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 Directors' 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; 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

## EAST CAMBS STREET SCENE LIMITED

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

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We obtained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of non-compliance with the applicable laws and regulations including fraud, in particular those that could have a material impact on the financial statements.

This included those regulations directly related to the financial statements, including financial reporting, tax legislation and distributable profits. In relation to the industry this included employment laws and health and safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, correspondence with their regulators, agreeing the financial statement disclosures to underlying supporting documentation, enquiries of management including those responsible for the key regulations for any instances of actual, suspected or alleged fraud or non-compliance.

To address the risk of management override of controls, we reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions to identify large or unusual transactions. We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

#### **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 2024**

	Notes	2024 £	2023 £
<b>CONTINUING OPERATIONS</b>			
<b>Revenue from contracts with Customers</b>			
Revenue from contracts		3,809,910	3,459,432
Revenue from recycling credits		696,550	887,699
Sale of goods		94,385	68,139
Other income		161,265	166,182
		<u>4,762,110</u>	<u>4,581,452</u>
Cost of sales		<u>(3,192,240)</u>	<u>(2,892,992)</u>
<b>Gross profit</b>		1,569,870	1,688,460
Administrative expenses		<u>(1,569,870)</u>	<u>(1,688,459)</u>
<b>Operating profit</b>		-	<b>1</b>
Interest received		-	-
<b>Profit before income tax</b>		-	1
Income tax expense	5	<u>-</u>	<u>(997)</u>
<b>(Loss) / Profit and total comprehensive income / (loss) for the period</b>		<u><u>-</u></u>	<u><u>(996)</u></u>

There were no recognised gains and losses from 2024 or 2023 other than those included in the Statement of Comprehensive Income.

The notes on pages 10 - 21 form part of these financial statements.

**EAST CAMBS STREET SCENE LIMITED**

REGISTERED NUMBER: 11150811

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2024**

	Notes	2024	2023 £
<b>Non-current assets</b>			
Property, plant & equipment	6	23,767	17,096
<b>Current assets</b>			
Inventories	7	11,056	12,162
Trade and other receivables	8	540,718	809,335
Cash at bank and in hand	9	277,131	549,616
		828,905	1,371,113
<b>Current Liabilities</b>			
Trade and other payables	10	(708,366)	(1,228,166)
Provisions for liabilities	18	(128,263)	(144,000)
		(836,629)	(1,372,166)
<b>Net current liabilities</b>		(7,724)	(1,053)
		16,043	16,043
<b>Net assets</b>		16,043	16,043
<b>Equity</b>			
Called up share capital	12	1	1
Retained earnings		16,042	16,042
		16,043	16,043

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 – 21 form part of these financial statements.

## EAST CAMBS STREET SCENE LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

	Share Capital £	Retained earnings £	Total equity £
<b>Balance as at 1 April 2022</b>	1	17,038	17,039
Loss for the period	-	(996)	(996)
<b>Total comprehensive income for the year</b>	-	(996)	(996)
<b>Balance as at 31 March 2023</b>	1	16,042	16,043
<b>Balance as at 1 April 2023</b>	1	16,042	16,043
Profit for the period	-	-	-
<b>Total comprehensive income</b>	-	-	-
<b>Balance as at 31 March 2024</b>	1	16,042	16,043

**EAST CAMBS STREET SCENE LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2024**

		2024	2023
	Notes		
<b>Cash flows from operating activities</b>			
Net cash inflow/(outflow) from operating activities	15	(263,988)	177,695
		<u>(263,988)</u>	<u>177,695</u>
<b>Net cash inflow/(outflow) from operating activities</b>		(263,988)	177,695
<b>Cash flows from investing activities</b>			
Payments for plant and equipment	6	(8,497)	(11,159)
Proceeds from sale of plant and equipment		-	19,218
		<u>(8,497)</u>	<u>19,218</u>
<b>Net cash from / (used in) investing activities</b>		(8,497)	(8,059)
<b>Net increase in cash and cash equivalents</b>		<u>(272,485)</u>	<u>185,754</u>
<b>Cash and cash equivalents at beginning of year</b>		549,616	363,863
<b>Cash and cash equivalents at end of year</b>		9	
		<u>277,131</u>	<u>549,616</u>

# EAST CAMBS STREET SCENE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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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.

#### 1.2 Going concern

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

In October 2023 East Cambridgeshire District Council (ECDC) agreed a mechanism whereby variances, positive or negative, in excess of £50,000 would be reported to ECDC and mitigation measures agreed.

In July 2024, ECDC agreed to extend the Company's contract to provide the Council's waste service for a further twelve months to March 2026.

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 Compliance with accounting standards

These financial statements have been prepared in accordance with UK-adopted international accounting standards

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 2024

### 1. Accounting policies (continued)

#### 1.4 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. It also gives consideration to significant payment terms, obligations for returns and/or refunds.

East Cambridgeshire District Council is the main customer. The company is awarded the contract as part of a joint venture with East Cambridgeshire District Council for waste collection and street cleansing services. Terms of the contract are determined by East Cambridgeshire District Council and negotiated with the company annually. Performance obligations are satisfied on performing the service and payments are made monthly.

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

##### 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. Payments are received on placing the order.

#### 1.5 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
Fixtures & Fittings	- 12 years
IT Equipment	- 4-5 years

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.

#### 1.6 Trade and other receivables

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

# EAST CAMBS STREET SCENE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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### 1. Accounting policies (continued)

#### 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 consists of items which are operational nature, excluding investment income and finance cost.

#### 1.9 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.

#### 1.10 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined based on the expected future cash flows. The policies used to determine specific provisions are:

- Motor insurance – a provision is recognised based on the expected costs of claims related to motor accidents to settle the present obligation at the end of the reporting period. The expected costs of claims is based on the advice of the Company's external insurance advisers and is determined on a claim by claim basis.
- If time value of money is material, the amount of a provision shall be the present value of the expenditures expected to be required to settle the obligation. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### 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 Statement of Financial Position. 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 YEAR ENDED 31 MARCH 2024

### 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 income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts, in the financial statements. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

#### 1.13 New IFRS standards and interpretations not yet adopted

For the purpose of the preparation of these consolidated financial statements, the Group has applied all standards and interpretations that are effective for accounting periods beginning on or after 1 January 2023:

- IFRS 17 Insurance Contracts;
- Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements);
- Definition of Accounting Estimates (Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors);
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes); and
- International Tax Reform – Pillar Two Model Rules (Amendment to IAS 12 Income Taxes)(effective immediately upon the issue of the amendments and retrospectively).

• There are a number of standards, amendments to standards which have been issued by the IASB that are effective in future accounting periods that the group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2024:

- Liability in a Sale and Leaseback (Amendments to IFRS 16 Leases);
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 Presentation of Financial Statements);
- Non-current Liabilities with Covenants (Amendments to IAS 1 Presentation of Financial Statements); and
- Supplier Finance Arrangements (Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures)

The following amendments are effective for the period beginning 1 January 2025:

- Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates)



# EAST CAMBS STREET SCENE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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### 1. Accounting policies (continued)

#### 1.13 New IFRS standards and interpretations not yet adopted (continued)

Certain amendments have been published that are not mandatory for the 31 December 2023 reporting period and have not been early adopted by the Group. The Group has assessed the amendments to become effective in 2024, and onwards, to have no material impact on its financial statements.

#### 1.14 Critical accounting estimates and judgements

The significant accounting judgements and key sources of estimation uncertainty affecting the Company are disclosed 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. The original cost of the property, plant and equipment was £27,365 at the net book value at the end of the reporting period was £23,767.

Further detail on useful life estimates is included in the accounting policy note 1.5.

## EAST CAMBS STREET SCENE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

2. Profit before tax is stated after charging	2024 £	2023 £
Rent – licence fee	38,963	36,414
Depreciation	1,826	5,671
Auditors' remuneration	26,300	22,875
	<u>          </u>	<u>          </u>

3. Employees and directors	2024 £	2023 £
Wages and Salaries	2,099,827	1,823,177
Social security	199,975	181,301
Other pension costs	80,134	50,179
	<u>          </u>	<u>          </u>
	<u>2,379,936</u>	<u>2,054,657</u>

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

	2024	2023
Directors	3	3
Direct labour	58	56
Administration	8	7
	<u>          </u>	<u>          </u>
	<u>69</u>	<u>66</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	2024 £	2023 £
Current tax on profit for the period	-	997
	<u>          </u>	<u>          </u>
Profit 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	(445)	334
Depreciation in excess of capital allowances	1,676	663
Loss carried forward	(1,231)	-
	<u>          </u>	<u>          </u>
Tax expense	-	997
	<u>          </u>	<u>          </u>

## EAST CAMBS STREET SCENE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

6. Property, plant and equipment	Fixtures & Fittings	Plant & Machinery	IT Equipment	Total
<b>Cost</b>				
As at 1 April 2023	15,615	3,253	-	18,868
Additions	214	-	8,283	8,497
Disposals				
As at 31 March 2024	<u>15,830</u>	<u>3,253</u>	<u>8,283</u>	<u>27,365</u>
<b>Depreciation</b>				
As at 1 April 2023	(1,298)	(474)	-	(1,772)
Charge for the year	(1,339)	(407)	(81)	(1,826)
Disposals				
As at 31 March 2024	<u>(2,637)</u>	<u>(881)</u>	<u>(81)</u>	<u>(3,599)</u>
<b>Net Book Value</b>				
As at 31 March 2024	<u>13,192</u>	<u>2,372</u>	<u>8,202</u>	<u>23,767</u>
As at 31 March 2023	<u>14,317</u>	<u>2,779</u>	=	<u>17,096</u>
<b>Cost</b>				
As at 1 April 2022	4,456	37,418		41,874
Additions	11,159	-		11,159
Disposals	-	(34,165)		(34,165)
As at 31 March 2023	<u>15,615</u>	<u>3,253</u>		<u>18,868</u>
<b>Depreciation</b>				
As at 1 April 2022	(304)	(10,744)		(11,048)
Charge for the year	(994)	(4,677)		(5,671)
Disposals	-	14,947		14,947
As at 31 March 2023	<u>(1,298)</u>	<u>(474)</u>		<u>(1,772)</u>
<b>Net Book Value</b>				
As at 31 March 2023	<u>14,317</u>	<u>2,779</u>		<u>17,096</u>
As at 31 March 2022	<u>4,152</u>	<u>26,674</u>		<u>30,826</u>

## EAST CAMBS STREET SCENE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7. Inventories	2024 £	2023 £
Inventories	11,056	12,162
Inventories recognised as an expense and included in cost of sales totalled £113,818 (2023: £173,571).		
8. Trade and other receivables	2024 £	2023 £
Trade receivables	13,003	27,720
Amounts owed by group entities	384,357	607,014
Prepayments and accrued income	15,095	30,601
Amounts due from insurers (see note 18)	128,263	144,000
	<u>540,718</u>	<u>809,335</u>
9. Cash and cash equivalents	2024 £	2023 £
Cash at bank and in hand	277,131	549,616
10. Trade and other payables	2024 £	2023 £
<b>Current</b>		
Trade payables	86,915	223,671
Amounts owed to group entities	315,703	684,611
Other taxation and social security	171,341	148,278
Corporation tax	-	997
Other payables	11,185	8,844
Accruals and deferred income	123,222	161,765
	<u>708,36</u>	<u>1,228,166</u>

## EAST CAMBS STREET SCENE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

#### 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:

	<b>Financial assets at amortised cost £</b>	<b>Financial liabilities at amortised cost £</b>	<b>Total balance sheet heading £</b>
<b>As 31 March 2023</b>			
Cash and cash equivalents	549,616	-	549,616
Trade receivables	27,721	-	27,721
Amounts owed from group entities	607,014	-	607,014
Other receivables	30,603	-	30,603
Trade payables	-	(223,671)	(223,671)
Amounts owed to group entities	-	(684,611)	(684,611)
Accruals & deferred income	-	(161,765)	(161,765)
Other payables - current	-	(8,843)	(8,843)
<b>Total</b>	<b>1,214,954</b>	<b>(1,078,890)</b>	<b>136,064</b>

	<b>Financial assets at amortised cost £</b>	<b>Financial liabilities at amortised cost £</b>	<b>Total balance sheet heading £</b>
<b>As 31 March 2024</b>			
Cash and cash equivalents	277,131	-	277,131
Trade receivables	13,003	-	13,003
Amounts owed from group entities	384,357	-	384,357
Other receivables	15,095	-	15,095
Trade payables	-	(86,915)	(86,915)
Amounts owed to group entities	-	(315,703)	(315,703)
Accruals & deferred income	-	(123,222)	(123,222)
Other payables - current	-	(11,185)	(11,185)
<b>Total</b>	<b>689,586</b>	<b>(537,025)</b>	<b>152,561</b>

## EAST CAMBS STREET SCENE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### 11. 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 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 £689,586 (2022: £1,214,954). 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 2024

#### 11. Financial Instruments (continued)

The company held cash and cash equivalents of £277,131 at 31 March 2024 (2023: £549,616). The cash and cash equivalents are held at NatWest Bank which is rated A to A+ at leading credit rating agencies and so the company considers these to have a low credit risk.

##### 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>2024</b>			
Trade and other payables	708,366	-	708,366
	Less than one year £	More than one year £	Total £
<b>2023</b>			
Trade and other payables	1,228,166	-	1,228,166

##### 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.

#### 12. Share capital

	2024 £	2023 £
<b>Share classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £1	1 =	1 =

## EAST CAMBS STREET SCENE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

#### 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. Net cash inflow from operating activities

	2024 £	2023 £
(Loss) profit before income tax	-	(996)
Depreciation	1,826	5,671
	<u>1,826</u>	<u>4,675</u>
Decrease in inventories	1,106	6
Decrease in trade and other receivables	268,617	(630,476)
Decrease in trade and other payables	(519,801)	659,490
Decrease in provisions for liabilities	(15,736)	144,000
<b>Net cash (outflow) / inflow from operating activities</b>	<u><u>(263,988)</u></u>	<u><u>177,695</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.

#### 17. Events after the reporting period

In July 2024, ECDC agreed to extend the Company's contract to provide the Council's waste service for a further twelve months to March 2026. This is estimated to provide revenue in the region of £3.8m to £4.1m.



## EAST CAMBS STREET SCENE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

#### 18. Provisions for liabilities

	2024 £	2023 £
	Third party Claims	Third party Claims
Carrying amount 1 April	144,000	-
Additional provisions		144,000
Release of provisions	(15,737)	-
Carrying amount 31 March	<u>128,263</u>	<u>144,000</u>

A company vehicle was involved in an RTA during 2020/21 and the company has been subject to a third party claim against the company and another external party, which totalled £435,762. The external party has accepted 80% of the costs of the claim and so the value of the claim against the Company, including legal costs was £163,850. Until the third party has submitted and agreed all claims these amounts are uncertain, as is the timing of these outflows.

The amounts provided by company are those relating to the company's expected outlay based on correspondence and advice from the company's insurers at the year end.

A corresponding asset has been included in note 8 as the claim is fully covered by the company's insurance providers.

#### 19. Contingent Liability

The Company has been notified of a potential personal injury claim, however due to a lack of evidence from the third party on the exact nature of the injury and medical evidence substantiating the claim it is impracticable to financially assess it. In the event that satisfactory evidence is provided the Company is fully insured for such a claim.