

London Waste Action
(A company Limited by Guarantee)

FINANCIAL STATEMENTS

for the year ended

31 March 2003

Company Registration No. 3378046
Registered Charity No. 1067460

London Waste Action

DIRECTORS AND OFFICERS

DIRECTORS

Stephen O'Brien (Chairman)
Craig Woolhouse
Doug Benjafield
Barbara Herridge
Michael Bland
Daniel Moylan
Samantha Heath
Philip Portwood

OFFICERS

Colin Roberts
Stephen Dury (Company Secretary)

COMPANY NUMBER

3378046 (England and Wales)

REGISTERED CHARITY NUMBER

1067460

REGISTERED OFFICE

1 Hobhouse Court
Suffolk Street
London
SW1Y 4HH

AUDITORS

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

BANKERS

Barclays Bank plc
54 Lombard Street
London
EC3P 3AH

London Waste Action

DIRECTORS' REPORT

The directors, who are the trustees, submit their report and financial statements of London Waste Action for the year ended 31 March 2003.

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

LEGAL AND ADMINISTRATIVE INFORMATION

London Waste Action is a company limited by guarantee and a registered charity.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

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

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

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

The Company wishes to acknowledge the generous financial support it has received from Cleanaway, Cory Environmental, Thames Waste Management, Department for Environment, Food and Rural Affairs and The Environment Agency.

RESULTS

The company recorded a surplus for the year ended 31 March 2003 of £216,312 and the total funds carried forward at 31 March 2003 were £321,866. The majority of the funds available have restricted usage and will be utilised in future accounting periods on projects in accordance with the terms of the contribution. Both income at £4,734,046 and expenditure at £4,517,734 were a considerable increase on the previous year and reflect the company's involvement in the London Recycling Fund.

DIRECTORS

The following directors have held office since 1 April 2002:-

Stephen O'Brien	
Craig Woolhouse	(Appointed 23 October 2002)
Councillor John Saunders	(Resigned 9 September 2002)
Doug Benjafield	
Barbara Herridge	
Victor Anderson	(Resigned 28 May 2003)
Michael Bland	(Appointed 13 June 2002)
Daniel Moylan	(Appointed 9 September 2002)
Samantha Heath	(Appointed 25 June 2003)
Michael Dolezal	(Resigned 25 April 2002)
Colin Candish	(Appointed 25 April 2002 and resigned 15 August 2002)
Philip Portwood	(Appointed 9 September 2002)

London Waste Action

DIRECTORS' REPORT (CONTINUED)

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

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

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

The company is governed by the Board of Directors who meet at least 4 times a year. On 7 February 2002 a sub committee of the Board was appointed with the responsibility of recommending grants to be made from the London Recycling Fund.

The members of this sub committee are:-

John Duffy	Chairman
Doug Benjafield	Deputy Chairman and Trustee
Shirley Rodriques	Deputy Chairwomen
Katherine Higgins	
David Streeter	
Cormac Stokes	
Stephen Didsbury	
Bill Harris	
Colin Roberts	
Ben Metz	

RESERVES POLICY

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

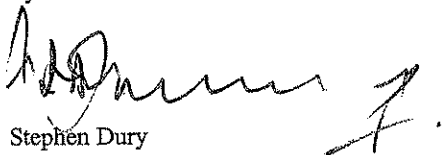
RISK REVIEW

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

AUDITORS

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

By order of the board



Stephen Dury
Secretary

Date: 22 January 2004

London Waste Action

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985 and the Charities Act 1993. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS OF LONDON WASTE ACTION

We have audited the financial statements on pages 6 to 12.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

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

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

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

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 March 2003 and of its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies, and the Charities Act 1993.


BAKER TILLY

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

26/1/04

London Waste Action
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2003

	<i>Notes</i>	Unrestricted Funds	Restricted Funds	Total 2003 £	2002 £
INCOMING RESOURCES					
Donations and project income	1	20,000	4,651,467	4,671,467	166,000
Bank interest received	4	-	62,579	62,579	3,862
TOTAL INCOMING RESOURCES		<u>20,000</u>	<u>4,714,046</u>	<u>4,734,046</u>	<u>169,862</u>
RESOURCES EXPENDED					
Direct charitable expenditure	2	-	4,397,325	4,397,325	100,923
Management and administration	3	18,694	101,715	120,409	29,536
TOTAL RESOURCES EXPENDED		<u>18,694</u>	<u>4,499,040</u>	<u>4,517,734</u>	<u>130,459</u>
NET INCOMING/(OUTGOING) RESOURCES		<u>1,306</u>	<u>215,006</u>	<u>216,312</u>	<u>39,403</u>
FUND BALANCES BROUGHT FORWARD		<u>7,536</u>	<u>98,018</u>	<u>105,554</u>	<u>66,151</u>
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2003		<u><u>8,842</u></u>	<u><u>313,024</u></u>	<u><u>321,866</u></u>	<u><u>105,554</u></u>

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

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

London Waste Action

BALANCE SHEET

31 March 2003

	Notes	2003 £	2002 £
CURRENT ASSETS			
Debtors	7	138,342	1,540
Cash at bank and in hand		7,854,854	140,224
	
		7,993,196	141,764
CREDITORS: Amounts falling due within one year	8	7,671,330	36,210
	
NET CURRENT ASSETS		321,866	105,554
	
TOTAL ASSETS LESS CURRENT LIABILITIES		321,866	105,554
	
FUNDS			
Unrestricted funds	10	8,842	7,536
Restricted funds	10	313,024	98,018
	
TOTAL FUNDS	12	321,866	105,554
	

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1995 relating to small companies.

Approved by the board on 22 January 2004



Stephen O'Brien

Director

London Waste Action

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

INCOMING RESOURCES

Amounts receivable under the Landfill Tax Regulations are accounted for when they are receivable. The use of these funds is restricted to the terms of the specific projects registered with Entrust. Other donations are accounted for on a receivable basis.

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

RESOURCES EXPENDED

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

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

London Waste Action
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2003

1. DONATIONS RECEIVED	Unrestricted	Restricted	Total 2003	Total 2002
Donations received	-	-	-	15,000
Donations in kind	-	-	-	9,000
Project income	20,000	4,651,467	4,671,467	142,000
	<u>20,000</u>	<u>4,651,467</u>	<u>4,671,467</u>	<u>166,000</u>

2. DIRECT CHARITABLE EXPENDITURE

	Unrestricted	Restricted	Total 2003	Total 2002
	£	£	£	£
Staff costs	-	54,450	54,450	-
Employer's N.I. contributions	-	6,016	6,016	-
Entrust fees	-	4,000	4,000	2,000
Conferences	-	3,704	3,704	1,248
IT Support	-	4,299	4,299	2,465
Consultant Fees	-	153,389	153,389	91,773
London Recycling Fund	-	4,171,467	4,171,467	-
Publications	-	-	-	3,437
	<u>-</u>	<u>4,397,325</u>	<u>4,397,325</u>	<u>100,923</u>

3. MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	Unrestricted	Restricted	Total 2003	Total 2002
	£	£	£	£
Staff costs	-	-	-	-
Insurance	2,746	-	2,746	2,510
Stationery	-	1,218	1,218	236
Publications	-	-	-	2,822
Consultancy fees	9,958	-	9,958	10,081
Accommodation	-	22,790	22,790	-
Legal & Professional fees	958	75,087	76,045	-
Advertising	-	988	988	-
Audit fees	4,846	-	4,846	2,799
Administration	-	-	-	9,813
Sundry expenses	186	1,632	1,818	1,275
	<u>18,694</u>	<u>101,715</u>	<u>120,409</u>	<u>29,536</u>

Included within insurance are amounts totalling £1,838 paid in respect of professional indemnity insurance for the trustees.

London Waste Action

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2003

4. INVESTMENT INCOME	2003 £	2002 £
Bank interest	<u>62,579</u>	<u>3,862</u>

5. EMPLOYEES

The directors received no remuneration. In the year to 31st March 2003 there was 1 employee (2002: nil employees)

	2003 £	2002 £
Staff costs for the above persons:		
Wages and salaries	54,450	-
Social security costs	6,016	-
	<u>60,466</u>	<u>-</u>

6. TAXATION

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

7. DEBTORS	2003 £	2002 £
Due within one year		
Other debtors and prepayments	138,342	1,540
	<u>138,342</u>	<u>1,540</u>

8. CREDITORS: Amounts falling due within one year	2003 £	2002 £
Taxes and social security costs	2,789	-
Accruals	7,668,541	36,210
	<u>7,671,330</u>	<u>36,210</u>

9. DISSOLUTION

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

London Waste Action

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2003

10. STATEMENT OF MOVEMENT ON FUNDS

	<i>Balance 1 April 2002</i>	<i>Incoming resources</i>	<i>Outgoing resources</i>	<i>Balance 31 March 2003</i>
	£	£	£	£
RESTRICTED FUNDS				
Implementation	51,975	4,714,046	4,499,040	266,981
Reduction of waste	46,043	-	-	46,043
	<u>98,018</u>	<u>4,714,046</u>	<u>4,499,040</u>	<u>313,024</u>
UNRESTRICTED FUNDS	<u>7,536</u>	<u>20,000</u>	<u>18,694</u>	<u>8,842</u>
	<u><u>105,554</u></u>	<u><u>4,734,046</u></u>	<u><u>4,517,734</u></u>	<u><u>321,866</u></u>

The restricted funds are active projects registered with Entrust. Funds receivable from landfill operators for each of these projects are subject to compliance with the criteria set out in the Landfill Tax Regulations.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total Funds</i>
	£	£	£
Funds balances at 31 March 2002 are represented by:			
Debtors	29,243	109,099	138,342
Cash at bank and in hand	(9,783)	7,864,637	7,854,854
Creditors	(10,618)	(7,660,712)	(7,671,330)
	<u>8,842</u>	<u>313,024</u>	<u>321,866</u>

12. RECONCILIATION OF MOVEMENTS IN FUNDS

	2003	2002
	£	£
Surplus for the financial year	216,312	39,403
Opening funds	105,554	66,151
Closing funds	<u>321,866</u>	<u>105,554</u>

13. SUBSIDIARY COMPANY

LRL Limited (formerly called London Remade Limited) is a wholly owned subsidiary of London Waste Action. Consolidated accounts have not been prepared as advantage has been taken of the provisions under section 248 of the Companies Act 1985 not to prepare group accounts.

The capital and reserves of LRL Limited at 31st March 2003 were £6,819 (2002 - £3,569). The surplus for the year was £3,250 (2002 - 3,569).

London Waste Action

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2003

14. RELATED PARTY TRANSACTIONS

During the year London First, a 50% member of London Waste Action, provided the company with office facilities, financial and company secretarial services and administrative support, at a cost (net of VAT) of £22,957 (2002 - £9,000).