

THE VEOLIA ENVIRONMENTAL TRUST

England & Wales · Charity number 1064144

Details

Other names	THE ONYX ENVIRONMENTAL TRUST, THE ONYX ENVIRONMENTAL TRUST (LIMITED)
Status	Registered
Legal form	Charitable company
Company number	03419138
Registered	1997-08-28
Register	View on the Charity Commission register

Contact

Address	Veolia Environmental Trust Kingswood House Kingswood Crescent Cannock Staffordshire WS11 8JP
Phone	02035676820
Email	UK.Trust@veolia.com
Website	www.veoliatrust.org

Activities

Objects: THE PROTECTION, PRESERVATION AND IMPROVEMENT OF THE ENVIRONEMTN FOR THE BENEFIT OF THE PUBLIC AND TO ADVANCE THE EDUCATION OF THE PUBLIC IN MATTERS CONCERNING THE ENVIRONEMENT, ITS CONSERVATION AND PROTECTION.

Activities: Veolia Environmental Trust supports community and environmental projects in England that fulfill the objectives set out in the regulations of the Landfill Communities Fund (LCF) regulated by ENTRUST. Applications for funding are received through our website (www.veoliatrust.org) and are assessed by the Board of Trustees on a quarterly basis.

Classification

- **How:** Makes Grants To Organisations
- **What:** Environment/conservation/heritage, Economic/community Development/employment, Recreation
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,674,000	£4,964,000	£3,868,000	6
2024-03-31	£4,015,000	£4,000,000	£4,158,000	5
2023-03-31	£4,335,000	£5,407,000	£2,934,000	5
2022-03-31	£5,429,000	£5,749,000	£4,006,000	5
2021-03-31	£4,776,000	£4,589,000	£4,326,000	4

Trustees

Name	Role	Appointed
Caroline Schwaller	Chair	2015-09-07
Donald Macphail		2016-11-07
James Dennison		2021-06-09
Joanne Demetrius		2019-03-08
Katie Harrison		2024-09-03
Luke Bailey		2021-06-09
Mark Langabeer		2023-04-13
Mohammed Junaid Akhtar		2024-09-03
Rachel Titchen		2022-06-24
Richard Hlland		2022-01-31
Rituja Rao		2022-06-24
Sarah Poulter		2024-09-03

THE VEOLIA ENVIRONMENTAL TRUST

England & Wales - Charity number 1064144

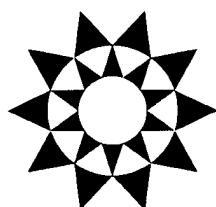
Accounts

Registered number: 03419138
Charity number: 1064144

THE VEOLIA ENVIRONMENTAL TRUST

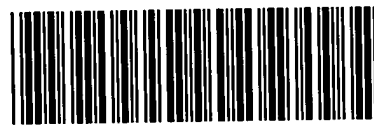
TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025



WR
Partners
Protecting your future.

SATURDAY



AEAZHFCY

A10

13/09/2025

#117

COMPANIES HOUSE

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Trust, its Trustees and Advisers	1 - 2
Trustees' Report	3 - 11
Independent Auditors' Report on the Financial Statements	12 - 15
Statement of Financial Activities	16
Balance Sheet	17 - 18
Statement of Cash Flows	19
Notes to the Financial Statements	20 - 36

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025

The Veolia Environmental Trust

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2025.

Administrative Details and Trustees

The Directors of the Charitable Company ("the Charity") also referred to as the Trust, are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. As set out in the Articles of Association, the Chair of the Trustees is nominated by the members of the Board.

The Trustees below served during the year, and up to the date of the signing of this report.

Trustees	Mrs C M Schwaller MBE, Chair Mr M Akhtar (appointed 3 September 2024) Mr L Bailey Ms J Demetrius Mr J Dennison Ms K Harrison (appointed 3 September 2024) Mr R P Hulland Mr M Langabeer Mr D J F Macphail Mrs S Poulter (appointed 3 September 2024) Ms R Rao Ms R Titchen
-----------------	---

Company registered number	03419138
----------------------------------	----------

Charity registered number	1064144
----------------------------------	---------

Registered office	210 Pentonville Road London N1 9JY
--------------------------	--

The Charity is incorporated in England and Wales

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Secretary	Ms J Demetrius
Senior Management Team	Andrew Brown - Executive Director Elizabeth Cooke - Head of Grants Lorraine Womack - Head of Finance, Operations & Development
Independent auditors	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
Bankers	Barclays Bank plc 54 Lombard street London EC3V 9EX

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report together with the audited financial statements for the year 1 April 2024 to 31 March 2025. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) as amended in March 2024.

Since the Trust qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required, however the Trust feels that it is important to produce a strategic report and ensures transparency and clarity to the vital funding that the Trust distributes and is set out below.

Objectives and activities

a. Policies and objectives

The Veolia Environmental Trust (the Trust) was set up in 1997 following the introduction of the Landfill Communities Fund in 1996. The Trust is registered with Entrust as an environmental body under the Landfill Tax Regulations and is also a registered charity. The Landfill Communities Fund (LCF) is regulated by ENTRUST on behalf of HM Revenue & Customs.

Veolia ES Landfill Limited voluntarily donated 5.3% of its landfill tax liability to the Trust to 31 March 2025. This was the maximum amount allowed for the period. The Trust is enrolled to receive such funding.

The principal objectives of the Trust are to support environmental and community projects, as set out in the Trust's Memorandum and Articles of Association. The principal activities continue to meet these objectives.

The Trust uses the contribution of landfill tax payments for two of the five major categories of grants permitted under the Landfill Tax Regulations, as follows:

- Category D - the provision, maintenance or improvement of a public park or another public amenity
- Category DA - conservation or promotion of biodiversity

b. Public benefit

The Trust's goal is to enhance community wellbeing by awarding grants to projects that align with its criteria, address genuine needs, and foster long-lasting, sustainable improvements to both the natural and built environments. These efforts aim to improve the well-being and quality of life within communities.

The Trust places the utmost emphasis on the sustainability and environmental impact of projects. To achieve broader public benefit, initiatives must demonstrate long-term environmental sustainability and contribute positively to enhancing either the built or natural environment. The Trustees assign additional value to projects that can demonstrate a reduction in CO2 emissions and an improvement in biodiversity.

The Trust ensures its operations adhere to the Landfill Communities Fund's requirements, and the Trustees have carefully considered the guidance provided by the Charity Commission regarding public benefit.

The Trust supports projects where volunteers play an indispensable role. In addition to offering invaluable practical resources and expertise that benefit the broader community, volunteers can acquire new skills and forge personal connections, thereby enhancing their future prospects.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

A prerequisite for funding from the Trust is that an applicant engages with the local community to evidence the necessity for the proposed project and provide opportunities for community involvement and influence. Without this consultation, a project's public benefit may be limited. The Trust ensures that this community engagement process has been undertaken, thereby confirming the need for the project.

Community "ownership" is also important to the Trust, which considers the public benefit that is maximised by supporting projects where the community has been genuinely involved in the project design and will continue to play a meaningful role in its delivery.

Achievements and performance

a. Review of activities

The Trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2025.

The Landfill Tax Briefing set the potential value of the fund at £30.6 million for 2024/2025 (£32.9 million for 2023/2024) and the percentage credit that Veolia, as the landfill site operator could claim against its Landfill Tax liability for LCF contributions made to the Trust was maintained at 5.3% from 1 April 2024. The Entrust levy was set at 2.93%.

The Trust has received total contributions of £4,668,831 this financial year in comparison to 2023/2024 of £5,224,856.

In December 2019 the Trust agreed to assist the Veolia Havering Riverside Maintenance Trust (VHRMT) and Veolia Pitsea Marshes Maintenance Trust (VPMMT), known collectively as the Veolia Maintenance Trusts (VMTs) as they moved towards closure. The Deeds of Transfer between the Trust and VHRMT / VPMMT were signed in September 2023, resulting in residual LCF wind up transfer of funds of £1,089,364 being transferred to the Trust. No project liabilities were transferred.

During the period to July 2025, the 2 remaining projects relating to the dissolved Maintenance Trust funds were completed with payments totalling £82,880.

The Trust welcomed three new trustees during the year, Sarah Poulter, Katie Harrison, and Junaid Akhtar.

Sarah is the Group Chief Executive Officer of Chartered Institute of Waste Management Group and holds a BA Hons in Business Studies from the University of Northampton. She has previously served as a Non-Executive Director of Cloud Sustainability Ltd and as Chair of the Institution of Association Leadership.

Katie is a project lead at the National Energy System Operator and was named as a Rising Star in the Women in Hydrogen 50 list. She holds a BA Hons in Geography from Northumbria University.

Junaid is a Project Co-ordinator at a statutory organisation, working on a bespoke safeguarding project. He has over 10 years of experience in the charity sector, serving as a trustee at Birmingham Voluntary Service Council and as the founder of a local faith charity.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

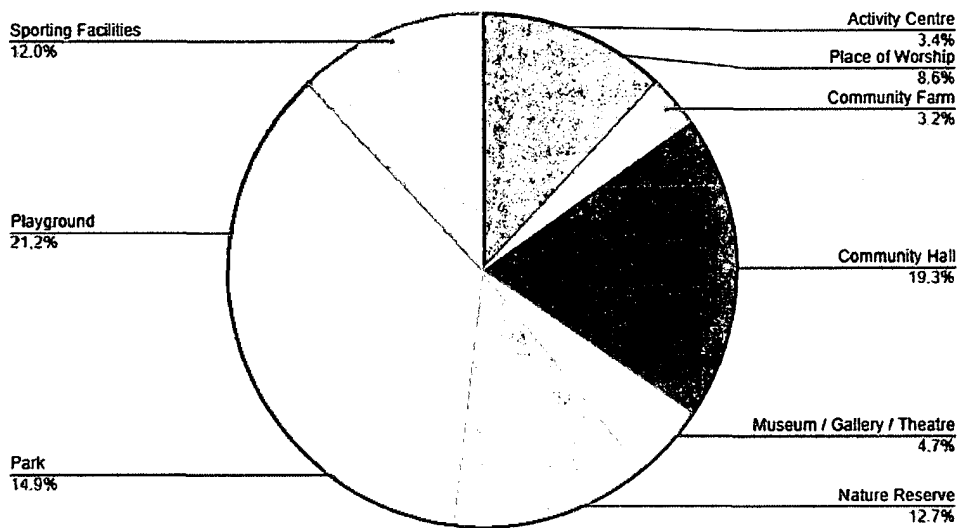
Achievements and performance (continued)

b. Achievements and performance

Contributions totalling £4,667,331 were received from Veolia ES Landfill Limited during 2024/25 (2023/24 - £4,135,492).

Since the incorporation of the Trust, over 2,873 projects with a total value of more than £109 million have been supported. In 2024/25, the Board made 100 awards in the various permitted categories, with a total value of £5,303,461. A total of £4,519,960 (2023/24 - £3,581,621) was either paid to projects during the year or is considered to be an obligation at the year end. Further details of current projects are given in the notes to the financial statements and the overall number of projects approved for funding during the year under review and the value of awards made are summarised in the chart below.

Number of awarded projects 2024/25 (by value)



VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

Total funds as at 31 March 2025 are £3,868,000 (2023/24 - £4,158,000) of which £1,730,000 are general funds and £1,622,000 are designated funds (restated figures for 2023/24 - £1,701,000 and £1,368,000 respectively).

Based on the Entrust 2024/25 annual return the administration costs for the financial accounting period amounted to £316,698 which represented 7.06% (2023/24 £277,542 and 7.4%) of expenditure on LCF projects, against the HMRC target of 7.5%.

During the year under review, quarterly meetings were held via a mixture of in-person meetings and virtual meetings with Trustees to enable the funding of awards to projects, review the progress of projects and to continue to oversee the running and management of the Trust. Trustees also reviewed the Trust's policies during the year, in line with the Trust's Policies Review Schedule.

c. Factors relevant to achieve objectives

The Trustees consider that the objectives of the Trust have been achieved during the period by making 131 grant payments. The Trust will continue to work to achieve these objectives in the future.

In August 2024, Entrust conducted an EB Review (formerly known as a Control Framework Inspection) to evaluate the Trust's ability to comply with the Landfill Tax Regulations and to control and manage projects in accordance with Entrust guidance and wider good practice.

After a thorough examination of project files and a comprehensive evaluation of the Trust's operational procedures against industry best practices and expected control measures, the inspectors concluded that all areas were functioning satisfactorily. No instances of non-compliance were identified, and no further actions were deemed necessary. This highly satisfactory outcome is a testament to the diligence and professionalism of the Trust's staff and Trustees.

Financial review

a. Going concern

The Trust's financial position is robust, showing a strong balance sheet, ample cash reserves, and the capability to effectively align costs with income streams. After conducting thorough enquiries, the Trustees have a well-founded expectation that the Trust possesses sufficient resources to sustain its operational continuity for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Financial review

The Annual Accounts for the year to 31 March 2025 are set out at pages 19-37. In 2025 there was a deficit of £290,000 (2024: £1,224,000 surplus). The movement in fixed assets is set out in note 11 of the financial statements. The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed. The risks considered include payment of fraudulent or non-compliant grant claims and the potential for falling victim to cybercrime.

The Trustees are satisfied that systems are in place to manage these risks.

d. Reserves policy

Reserves are held in the Trust's bank accounts and the current account is balanced on a monthly basis.

It is the policy of the Trust to hold £195,000 to cover costs in the event of the wind up of the Trust.

It is the policy of the Trust to hold a minimum of £500,000 in its current account to meet day-to-day running costs to ensure that it can remain operational.

The Trust's free reserves, excluding designated funds at the year-end, amounted to a surplus of £1,730,000 (2023/24 - restated at £1,701,000).

The Trust only places funds on treasury deposits when cash flow allows in order to maximise income.

Structure, governance and management

a. Structure, governance and management

The Trust is registered as a charitable company limited by guarantee (charity number 1064144) and was set up by a Trust deed on 8 August 1997.

The principal objectives of the Trust are to support community and environmental projects, as set out in the Trust's Memorandum of Association. The principal activities continue to relate to the meeting of these objectives.

b. Methods of appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected or co-opted under the terms of the Trust deed. The Board of Trustees delegates some responsibility for managing the recruitment of new trustees to the Staffing and Remuneration Committee.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The Trust is a company limited by guarantee and a registered charity. Its expenditure is directed in furtherance of its charitable objectives. The Trust has made a number of grants during the period to other charitable organisations; these are detailed in the notes to the financial statements.

The Trust's Board currently comprises twelve Trustees. Up to eight, plus the Chair, are independently appointed, and up to four are appointed by Veolia. No member of the Board benefits financially for their services. The Trustees can already co-opt new Trustees and this approach will continue in addition to the Trust advertising any vacancies. Trustees are recruited for their specific skills and experience to ensure the Trust has a broad depth of knowledge. Upon appointment, each Trustee receives an induction pack and is offered a visit to the Trust's offices, in order to understand more fully the way in which the organisation operates. Trustees are regularly kept abreast of changing circumstances relevant to the Trust via email and at Trustee meetings.

The Trustees meet quarterly to consider applications, discuss the business of the Trust and review projects already underway.

The Trustees take reasonable steps to:

1. Ensure that funds from the Landfill Communities Fund are used only for purposes approved by the regulator, Entrust;
2. Ensure there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
3. Secure the commercial, efficient and effective management of the Trust's resources and expenditure.

Applicants applying for any of the Trust's grants are requested to check if their proposed project meets the funding criteria which is available on the Trust's website. Applicants are given access to the Trust's online grant management system, where they are invited to create a Veolia Environmental Trust User Account and submit their application form for review. All applications are assessed by Trust staff ensuring they are compliant with the Landfill Tax Regulations 1996, the Entrust Guidance, and the Trust's criteria.

Ultimate decisions on whether to award funds to a project are made by the Trustees at quarterly Board meetings.

If a grant is awarded, the Trust ensures the project is registered with Entrust. Applicants, unless instructed otherwise, are required to secure a third-party contribution of 10% of the award amount, which is paid directly by the contributing third party to the landfill operator, Veolia. Once the Trust is satisfied all the required documentation is complete, a Funding Agreement is issued. The project can start once this is in place, or equivalent consent by the Trust has been granted. The beneficiary of a grant is required to maintain contact with the Trust throughout the duration of the project. This includes reporting progress and expenditure via their Veolia Environmental Trust User Account as well as a final completion report. Some grant recipients hold events to celebrate and raise awareness of the supported project within their community. Projects and associated assets are monitored in line with the requirements set out in the Entrust Guidance.

d. Policies adopted for the induction and training of Trustees

No changes were made to any trustee recruitment policies or procedures. Newly appointed trustees receive the Trust's standard induction pack and a video conference with the Chair to discuss the role and responsibilities and answer any questions.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management (continued)

e. Pay policy for key management personnel

Although all employees working on behalf of the Trust are Veolia employees, they are on permanent secondment to the Trust and all terms and conditions of employment are determined by Trustees in consultation with Veolia's HR Department. This includes hours of work, salaries and any increases. The practice is to create appropriate job descriptions/person specifications and to have them evaluated through the Veolia Reward Team. This ensures a consistent and recognised approach but in every case, final approval is given by Trustees, usually by the Trust's Staffing and Remuneration Committee, which has delegated powers (within its Terms of Reference) for staffing matters and convenes on a quarterly basis.

f. Related party relationships

There are a number of related party relationships that the Trust is involved in, these have been summarised in note 22 of these financial statements. It should be noted that up to four Trustees can be appointed by Veolia and the names of those so appointed are listed on page 1 of this report. No Trustee receives any remuneration for their services except for the reimbursement of any travel and related expenses where these are claimed. None of the Veolia appointed Trustees made any expenses claims during the year. All expense claims are made in accordance with the Trustee Expense Guidance, Appendix C of the Finance Policy and receipts must be attached to all claims where appropriate.

g. Financial risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The Trustees delegate some responsibility for financial risk management to the Finance Committee, which meets twice a year and reports back to the Board.

h. Trustees' indemnities

Veolia has agreed to indemnify one or more Trustees of the charitable company against liability in respect of proceedings brought by third parties subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the report of the Trustees.

Plans for future periods

The future of the Trust is dependent upon the government continuing to offer, and its landfill operator continuing to participate in, the LCF. In the 2024 Budget, the government confirmed the continuation of the LCF scheme and maintained the LCF diversion rate at 5.3% from April 2025.

The Trust therefore anticipates another year of the effective and efficient distribution of whatever LCF monies are available, to worthwhile community projects.

The Trust recognises that having a single income stream is a risk to future sustainability and will therefore continue to explore options for developing non-LCF income streams in the medium to long term.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Members' liability

The Members of the Trust guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

Employee engagement

Employees are routinely consulted on issues of concern to them by means of regular staff meetings and have been kept informed on specific matters directly by management. The Trust carries out exit interviews for all staff leaving the organisation and has a culture of open and honest feedback for senior managers and Trustees.

The Trust maintains a number of Veolia policies in relation to aspects of personnel matters including:

- Equal opportunities policy
- Equality, Dignity and Respect at Work
- Volunteering Policy
- Health & Safety Policy

Equity, Diversity and Inclusion

In accordance with the Trust's Equal Opportunities Policy, the Trust has long established fair employment practices in the recruitment, selection, retention and training of staff.

As part of their commitment to diversity, equity and inclusion (DEI), Trustees enshrined a strategic goal focussing on providing fair and accessible funding to all in the Trust's 2022 - 2025 Business Plan.

Figures provided by Entrust as part of their Economic, Community and Environmental Impact Model (ECEIM) report for 2024/25 showed that:

- The average population of 'non-White British' people in postcode areas that the Trust funded was 27.9% (2023/24 - 28.9%). This is in comparison to 16.1% across the LCF as a whole.
- The average IMD (Index of Multiple Deprivation) score for postcode areas funded by the Trust was 12,588 (2023/24 - 13,546), against an average of 17,553 across the LCF as a whole (with lower numbers representing areas of greater deprivation).

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees 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 Trust and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

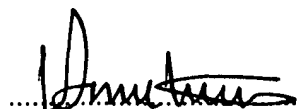
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of WR Partners as auditors of the Charity is to be proposed at the forthcoming Annual General Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Ms J Demetrius
Company Secretary and Trustee
Date: 8 September 2025

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST

Opinion

We have audited the financial statements of Veolia Environmental Trust (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' 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 charitable 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 Trustees with respect to going concern are described in the relevant sections of this report.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

- We reviewed the susceptibility of the Charity's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Charity's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the Charity and its environment and identify any instances of non compliance.
- We also assessed the Charity's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and Charity awareness to carry out our work to the required standard.

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. This description forms part of our Auditors' Report.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

WR Partners

WR Partners
Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

10 September 2025

WR Partners are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

		Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	<i>Total funds 2024 £000</i>
	Note				
Income from:					
Donations and legacies	3	4,669	-	4,669	5,224
Investments	4	5	-	5	-
Total income		4,674	-	4,674	5,224
Expenditure on:					
Charitable activities		4,391	573	4,964	4,000
Total expenditure		4,391	573	4,964	4,000
Net movement in funds		283	(573)	(290)	1,224
Reconciliation of funds:					
Total funds brought forward		3,069	1,089	4,158	2,934
Net movement in funds		283	(573)	(290)	1,224
Total funds carried forward		3,352	516	3,868	4,158

The notes on pages 20 to 36 form part of these financial statements.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03419138

BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £000	2024 £000
Fixed assets			
		-	-
Current assets			
Debtors	12	19	7
Cash at bank and in hand		3,934	4,204
		<u>3,953</u>	<u>4,211</u>
Current liabilities			
Creditors: amounts falling due within one year	13	(85)	(53)
		<u>3,868</u>	<u>4,158</u>
Net current assets			
		<u>3,868</u>	<u>4,158</u>
Total net assets		<u><u>3,868</u></u>	<u><u>4,158</u></u>
Charity funds			
Restricted funds:			
Restricted funds	15	516	1,089
Unrestricted funds	15	3,352	3,069
		<u>3,868</u>	<u>4,158</u>
Total funds		<u><u>3,868</u></u>	<u><u>4,158</u></u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03419138

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
Ms J Demetrius
Company Secretary and Trustee


.....
Mrs C M Schwaller MBE
Chair

Date: 8 September 2025

The notes on pages 20 to 36 form part of these financial statements.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £000	2024 £000
Cash flows from operating activities			
Net cash used in operating activities	17	(275)	1,061
Cash flows from investing activities			
Interest receivable		5	-
Net cash provided by investing activities		5	-
Change in cash and cash equivalents in the year		(270)	1,061
Cash and cash equivalents at the beginning of the year		4,204	3,143
Cash and cash equivalents at the end of the year	18	3,934	4,204

The notes on pages 20 to 36 form part of these financial statements

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. General information

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Trust is a company limited by guarantee, incorporated in England. The registered office is disclosed on the Trust information page. The members of the Trust are the Trustees named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Veolia Environmental Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on the going concern basis.

After making enquires, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income. After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

2.3 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and legacies

Income under the Landfill Communities Fund is recognised on the basis of amounts received.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Charitable activities and Governance costs are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Debtors

Prepayments are valued at the amount prepaid net of any discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.9 Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.11 Pensions

The Trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Trust to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

The Trust may, at its discretion, designate funds for specific purposes that would otherwise form part of general reserves. The designated funds comprise of amounts due under special project awards where the financial agreements have been signed but certain conditions are yet to be satisfied and hence the awards are conditional. Until the conditions are met to the satisfaction of the Trust, no obligation exists and no liability is recognised. As such, the amounts within the designated fund are not available for other purposes. Project payments are included in the Statement of Financial Activities and Grants payable in the furtherance of the Charity's objects where they are paid in the year, or valid requests for payment are received and approved by the Trust by the end of the accounting period.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Trust for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. Income from donations and legacies

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Donations				
Landfill Tax Credits	4,667	-	4,667	4,135
Transfer of Veolia Maintenance Trusts	-	-	-	1,089
Donations from companies, trusts and similar proceeds	2	-	2	-
	<u>4,669</u>	<u>-</u>	<u>4,669</u>	<u>5,224</u>
<i>Total 2024</i>	<u>4,135</u>	<u>1,089</u>	<u>5,224</u>	

4. Investment income

	Unrestricted funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Interest receivable on bank deposits	<u>5</u>	<u>5</u>	<u>-</u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. Grant making

	2025	2024
	£000	£000
Analysis of Grants		
Category A - remediation of land	-	-
Category B - reduction of pollution	-	-
Category D - public amenities	4,175	2,795
Category DA - conservation of bio-diversity	345	787
Category E - restoration of religious buildings or places of historical interest	-	-
Total	4,520	3,582

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

6. Grant making (continued)

The support costs associated with grant-making are £Nil (2024: £Nil)

The principal objectives of the Veolia Environmental Trust are to support community and environmental projects, as set out in the Trust's Memorandum and Articles of Association. Grants recognised in the year relate to projects approved by the Trustees after the consideration of their compliance with the governing regulations and the Trust's criteria.

The Trust does not offer grants to individuals. The material grants to institutions for the year came to a total of £4,520,000 (2024: £3,584,000) are set out below:

	2025 £000
Grant Recipient:	
The Woodland Trust	350
Durham Wildlife Trust	200
Essex Wildlife Trust	138
The Roundhegians Rugby Football Club Ltd	75
Brighton and Hove City Council	75
The PCC of Christ Church, Aughton	75
Wellbeing at Garon Park	75
Leeds City Council	74
Alt Valley Community Trust	72
Trust Links	71
The Callister Trust	71
Sheffield City Council	70
Thames Chase Trust	70
St Thomas Jacobite Syrian Othodox Church, London	70
Hadnall Bowling Club	65
Lewisham Council	62
London Borough of Hackney	60
Leeds City Council	60
Chesham Town Council	60
London Borough of Havering	60
London Borough of Bromley	60
Draycott and Church Wilne Parish Council	60
Bury Metropolitan Borough Council	60
FABRICA	56
Southampton City Council	56
The Town Coucil of Ringwood	54
Ellesmere Sports Club	54
Winstanley Tennis Club	51
Total grants < £50,000 (101)	2,214

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

7. Analysis of expenditure by activities

	Grant funding of activities 2025 £000	Support costs 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Charitable activities	4,520	444	4,964	4,000
<i>Total 2024</i>	<i>3,584</i>	<i>416</i>	<i>4,000</i>	

Analysis of support costs

	Charitable activities 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Staff costs	267	267	233
Depreciation	-	-	2
Other Staff Costs	2	2	2
Travel & Subsistence	3	3	2
Motor Expenses	7	7	7
Consultancy	10	10	9
Periodicals & Subscriptions	1	1	1
Audit Fee	13	13	12
PR	2	2	1
Meeting Expenses	2	2	3
Fees & Charges	-	-	8
Administration Fees - ENTRUST	137	137	136
	444	444	416
<i>Total 2024</i>	<i>416</i>	<i>416</i>	

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

8. Net Income/(Expenditure)

Net Income/(Expenditure) is stated after charging:

	2025 £000	2024 £000
Audit fee	11	10
Accountancy fee	2	2
Depreciation	-	2
	<u>13</u>	<u>14</u>

9. Staff costs

	2025 £000	2024 £000
Wages and salaries	212	185
Social security costs	23	21
Contribution to defined contribution pension schemes	32	27
	<u>267</u>	<u>233</u>

The Trust has no employees. Staff who work full time for the Trust are employed by Veolia Environmental Services and the costs of employment are re-charged to the Trust. Above show the aggregate payroll costs of these staff.

The average number of persons employed by the Trust during the year was as follows:

	2025 No.	2024 No.
Management and Administration	<u>6</u>	<u>5</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	1	1

The total employee benefits, including employer pension contributions, of the key management personnel of the charity were £174K (2024: £178K).

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, expenses totalling £1,848 were reimbursed or paid directly to 6 Trustees (2024 - £1,866 to 6 Trustees). The expenses were paid to Trustees in relation to travel, subsistence and out of pocket expenses.

11. Tangible fixed assets

	Fixtures and fittings £000
Cost or valuation	
At 1 April 2024	13
Disposals	(1)
At 31 March 2025	12
Depreciation	
At 1 April 2024	13
On disposals	(1)
At 31 March 2025	12
Net book value	
At 31 March 2025	-
At 31 March 2024	-

12. Debtors

	2025 £000	2024 £000
Due within one year		
Other debtors	2	-
Prepayments and accrued income	17	7
	19	7

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. Creditors: Amounts falling due within one year

	2025	2024
	£000	£000
Other creditors	47	15
Accruals and deferred income	38	38
	<u>85</u>	<u>53</u>

14. Prior year adjustments

The comparative funds have been restated to account for the reallocation of the Whitemoss Landfill funds from restricted funds to designated funds, on the basis that the trustees have the autonomy to re-designate the funds for a different purpose. The effect of the adjustment is an increase in unrestricted funds of £120,000 and a decrease in restricted funds of the same amount.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2025 £000
Unrestricted funds					
Designated funds					
Designated funds - all other funds	996	-	(3,737)	3,856	1,115
Whitemoss Landfill	372	345	(210)	-	507
	<u>1,368</u>	<u>345</u>	<u>(3,947)</u>	<u>3,856</u>	<u>1,622</u>
General funds					
General Funds - all funds	<u>1,701</u>	<u>4,329</u>	<u>(444)</u>	<u>(3,856)</u>	<u>1,730</u>
Total Unrestricted funds	<u>3,069</u>	<u>4,674</u>	<u>(4,391)</u>	<u>-</u>	<u>3,352</u>
Restricted funds					
Veolia Pitsea Maintenance Trust	196	-	(154)	-	42
Veolia Havering Riverside Maintenance Trust	893	-	(419)	-	474
	<u>1,089</u>	<u>-</u>	<u>(573)</u>	<u>-</u>	<u>516</u>
Total of funds	<u><u>4,158</u></u>	<u><u>4,674</u></u>	<u><u>(4,964)</u></u>	<u><u>-</u></u>	<u><u>3,868</u></u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2023 £000</i>	<i>As restated Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Balance at 31 March 2024 £000</i>
Unrestricted funds					
Designated funds					
Designated funds - all other funds	1,172	-	(3,582)	3,406	996
Whitemoss Landfill	-	372	-	-	372
	<u>1,172</u>	<u>372</u>	<u>(3,582)</u>	<u>3,406</u>	<u>1,368</u>
General funds					
General Funds - all funds	<u>1,762</u>	<u>3,763</u>	<u>(418)</u>	<u>(3,406)</u>	<u>1,701</u>
Total Unrestricted funds	<u>2,934</u>	<u>4,135</u>	<u>(4,000)</u>	<u>-</u>	<u>3,069</u>
Restricted funds					
Veolia Pitsea Maintenance Trust	-	196	-	-	196
Veolia Havering Riverside Maintenance Trust	-	893	-	-	893
	<u>-</u>	<u>1,089</u>	<u>-</u>	<u>-</u>	<u>1,089</u>
Total of funds	<u>2,934</u>	<u>5,224</u>	<u>(4,000)</u>	<u>-</u>	<u>4,158</u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. Statement of funds (continued)

Total Funds

As of 31st March 2025, the Trustees have approved the financial support for a number of projects. These projects which are expected to lead to awards of approximately £1,738,000 (2024 - £1,510,000) do not comprise binding commitments because financial agreements had not been signed as at 31 March 2025 have been disclosed as a contingent liability.

General Funds

General funds relate to income received through Landfill Tax Credits and are allocated to specific projects by the Trustees. Once funds are allocated and a financial agreement has been signed the funds are transferred to designated general funds. Transfers made during the year total £3,856,000 (2024 - £3,406,000).

Designated Funds

Designated General Funds

The designated fund amounting to £1,115,000 (2024 - £996,000) has been allocated to projects permitted under the Landfill Tax regulations where funding agreements have been signed and upfront payments made, leaving the balance of the award to be claimed once evidence of expenditure relating to the payment is received. The balance on the designated general fund is therefore considered to represent a contingent liability for which no amounts have been accrued. Designated funds are not disclosed by the due dates as the Trustees are not able to determine with certainty the timing of projects.

During the course of the period, there has been £13,000 (2024- £17,000) released due to under spending projects and £189,000 (2024 - £122,000) released due to withdrawn projects. These monies have been reallocated into the general fund.

Whitemoss Landfill

The Whitemoss Hazardous Landfill site is operated by Veolia ES Landfill. The Landfill Communities Fund contributions derived from the site fund community and environmental projects located within 5 miles of the Whitemoss landfill site in Skelmersdale .

With the exception of the Whitemoss Hazardous Landfill, the Trust has received Veolia's contributions from all other qualifying landfills operated by Veolia. The Whitemoss contributions were previously administered by GrantScape Ltd.

In February 2025 Grantscape transferred £4,224 to the Trust representing underspends on projects they were administering previously for Whitemoss Hazardous Landfill.

Designated funds relating to Whitemoss Landfill total £507,000 (2024 : £372,000) of which £83,000 has been allocated to projects where funding agreements have been signed as at 31 March 2025 and is disclosed as a contingent liability.

The Whitemoss Landfill fund has been restated as a designated fund based on the Trust having full autonomy to allocate the funds as they wish, combined with the ringfencing of funds to projects within a radius of the Whitemoss landfill site. An adjustment has therefore been made to the accounts to reclassify these funds from restricted to designated. The prior year Statement of funds has been restated to reflect this decision.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. Statement of funds (continued)

Restricted Funds

Veolia Pitsea Marshes Maintenance Trust

As part of the wind up of the Veolia Pitsea Marshes Maintenance Trust a transfer of £196,000 was received by the Trust in September 2023, these funds were Landfill Communities Fund contributions.

At year end the these funds had been allocated with Funding Agreements in place. Of these funds £154,000 have been claimed by the projects with a balance of £42,000 remaining to be claimed as at 31 March 2025. This includes £38,000 which has been allocated to projects where funding agreements have been signed as at 31 March 2025 and is disclosed as a contingent liability.

Veolia Havering Riverside Maintenance Trust

As part of the wind up of the Veolia Riverside Maintenance Trust a transfer of £893,000 was received by the Trust in September 2023, these funds were Landfill Communities Fund contributions.

At year end £743,000 of these funds had been allocated with Funding Agreements in place. Of these funds that have been allocated, £419,000 have been claimed by the projects with a balance of £474,000 remaining to be claimed as at 31 March 2025. This includes £245,000 which has been allocated to projects where funding agreements have been signed as at 31 March 2025 and is disclosed as a contingent liability.

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000
Current assets	3,437	516	3,953
Creditors due within one year	(85)	-	(85)
Total	3,352	516	3,868

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024 £000</i>	<i>Restricted funds 2024 £000</i>	<i>Total funds 2024 £000</i>
Current assets	3,122	1,089	4,211
Creditors due within one year	(53)	-	(53)
Total	<u>3,069</u>	<u>1,089</u>	<u>4,158</u>

The prior year Analysis of net assets between funds has been restated to recognise the treatment of the Whitemoss Landfill funds as designated rather than restricted.

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £000	2024 £000
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>(290)</u>	<u>1,224</u>
Adjustments for:		
Depreciation charges	-	2
Investment income	(5)	-
Decrease/(increase) in debtors	(12)	-
Increase/(decrease) in creditors	32	(165)
Net cash provided by/(used in) operating activities	<u>(275)</u>	<u>1,061</u>

18. Analysis of cash and cash equivalents

	2025 £000	2024 £000
Cash in hand	3,934	4,204
Total cash and cash equivalents	<u>3,934</u>	<u>4,204</u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

19. Analysis of changes in net debt

	At 1 April 2024 £000	Cash flows £000	At 31 March 2025 £000
Cash at bank and in hand	4,204	(520)	3,684
Liquid investments	-	250	250
	<u>4,204</u>	<u>(270)</u>	<u>3,934</u>

20. Contingent liabilities

Grants offered subject to conditions which have not been met at the year end are included below as a contingent liability, but not accrued as expenditure in the year.

	2025 £000	2024 £000
Grants		
Grants approved - no binding agreement at 31/03/2025	1,738	1,510
Grants permitted - projects not completed at 31/03/2025	1,481	997
	<u>3,219</u>	<u>2,507</u>

21. Operating lease commitments

The Trust had no commitments under non-cancellable operating leases at 31 March 2025.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

22. Related party transactions

The table below shows the income received from related parties into the Trust during the year to 31 March 2025:

	2025 £000	2024 £000
Veolia ES Landfill Limited	4,667	4,135
	<u>4,667</u>	<u>4,135</u>

Certain expenses of the Trust amounting to £280,000 (2024: £242,000) have been paid by subsidiaries of Veolia, and then recharged at cost to the Trust. This principally relates to recharging of employee costs. At the year end, balances with related parties were accruals £25,000 (2024: £26,000).

THE VEOLIA ENVIRONMENTAL TRUST

England & Wales - Charity number 1064144

Accounts

Registered number: 03419138
Charity number: 1064144

THE VEOLIA ENVIRONMENTAL TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024



VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Trust, its Trustees and Advisers	1 - 2
Trustees' Report	3 - 11
Independent Auditors' Report on the Financial Statements	12 - 15
Statement of Financial Activities	16
Balance Sheet	17 - 18
Statement of Cash Flows	19
Notes to the Financial Statements	20 - 35

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

The Veolia Environmental Trust

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2024.

Administrative Details and Trustees

The Directors of the Charitable Company ("the Charity") also referred to as the Trust, are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. As set out in the Articles of Association, the Chair of the Trustees is nominated by the members of the Board.

The Trustees below served during the year, and up to the date of the signing of this report.

Trustees	Mrs C M Schwaller MBE, Chair Mr L Bailey Ms J Demetrius Mr J Dennison Mrs R Forbes (resigned 19 February 2024) Mr R P Hulland Mr M Langabeer (appointed 13 April 2023) Mr D J F Macphail Mr D Moore (resigned 13 April 2023) Ms R Rao Ms R Titchen
-----------------	--

Company registered number	03419138
----------------------------------	----------

Charity registered number	1064144
----------------------------------	---------

Registered office	210 Pentonville Road London N1 9JY
--------------------------	--

The Charity is incorporated in England and Wales

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the audited financial statements for the year 1 April 2023 to 31 March 2024. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) as amended in March 2024.

Since the Trust qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required, however the Trust feels that it is important to produce a strategic report and ensures transparency and clarity to the vital funding that the Trust distributes and is set out below.

Objectives and activities

a. Policies and objectives

The Veolia Environmental Trust (the Trust) was set up in 1997 following the introduction of the Landfill Communities Fund in 1996. The Trust is registered with ENTRUST as an environmental body under the Landfill Tax Regulations and is also a registered charity. The Landfill Communities Fund (LCF) is regulated by ENTRUST on behalf of HM Revenue & Customs.

Veolia ES Landfill Limited (Veolia) voluntarily donated 5.3% of its landfill tax liability to the Trust to 31 March 2024. This was the maximum amount allowed for the period. The Trust is enrolled to receive such funding.

The principal objectives of the Trust are to support environmental and community projects, as set out in the Trust's Memorandum and Articles of Association. The principal activities continue to meet these objectives.

The Trust uses the contribution of landfill tax payments for two of the five major categories of grants permitted under the Landfill Tax Regulations, as follows:

- Category D - the provision, maintenance or improvement of a public park or another public amenity
- Category DA - conservation or promotion of biodiversity

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

b. Public benefit

The Trust's goal is to enhance community wellbeing by awarding grants judiciously, equitably, and proportionately to projects that align with its criteria, address genuine needs, and foster long-lasting, sustainable improvements to both the natural and built environments. These efforts aim to improve the well-being and quality of life within communities.

The Trust ensures its operations adhere to the Landfill Communities Fund's requirements, and the Trustees have carefully considered the guidance provided by the Charity Commission regarding public benefit.

The Trust supports projects where volunteers play an indispensable role. In addition to offering invaluable practical resources and expertise that benefit the broader community, volunteers can acquire new skills and forge personal connections, thereby enhancing their future prospects.

A prerequisite for funding from the Trust is that an applicant engages with the local community to evidence the necessity for the proposed project and provide opportunities for community involvement and influence. Without this consultation, a project's public benefit may be limited. The Trust ensures that this community engagement process has been undertaken, thereby confirming the need for the project.

Community "ownership" is also important to the Trust, which considers the public benefit that is maximised by supporting projects where the community has been genuinely involved in the project design and will continue to play a meaningful role in its delivery.

The Trust places the utmost emphasis on the sustainability and environmental impact of projects. To achieve broader public benefit, initiatives must demonstrate long-term environmental sustainability and contribute positively to enhancing either the built or natural environment. The Trustees assign additional value to projects that can demonstrate a reduction in CO2 emissions and a net gain in biodiversity.

Achievements and performance

a. Review of activities

The Trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2024.

The government's Spring Budget Statement 2023 set the potential value for the LCF for 2023/24 at £32.9 million and the percentage credit that Veolia, as the landfill site operator could claim against its Landfill Tax liability for LCF contributions made to the Trust was maintained at 5.3% from 1 April 2023. The Trust has received £5,225,000 in contributions this financial year in comparison to 2022/2023 of £4,335,000.

In December 2019 the Trust agreed to assist the Veolia Havering Riverside Maintenance Trust (VHRMT) and Veolia Pitsea Marshes Maintenance Trust (VPMMT), known collectively as the Veolia Maintenance Trusts (VMTs) as they move towards closure. The Deeds of Transfer between the Trust and VHRMT / VPMMT were signed in September 2023, resulting in residual LCF wind up transfer of funds of £1,089,000 being transferred to the Trust. No project liabilities were transferred.

The Trust gave its best wishes and thanks to Veolia-appointed Trustee Dean Moore who stepped down in April 2023. Although only a trustee for 12 months, Dean was a tireless supporter of the Trust and made a valuable contribution to the staff team and the Board during his tenure.

A further three year term of office for Ruth Forbes was approved by the Board of Trustees in September 2023.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

However, Ruth decided to resign from the Board in February 2024. Staff and Trustees passed on their thanks to Ruth for the dedication and experience she gave to the Trust.

The Trust welcomed new Veolia-appointed Trustee, Mark Langabeer, to the Board in April 2023. Mark is Veolia's General Manager, Technical Operations Landfill and has responsibility for the Whitemoss Hazardous Landfill site, for which the Trust took over responsibility for distributing LCF contributions from the site in July 2023. Mark has already played a key role on the Board, joining the Finance Committee and providing an important insight into landfill trends.

In July 2023 the Trust welcomed Johanna Smith to the staff team as Finance Administrator. Employed via Veolia's agency supplier, Commensura, Johanna has already made a significant contribution to the Trust and has become a valued part of the team.

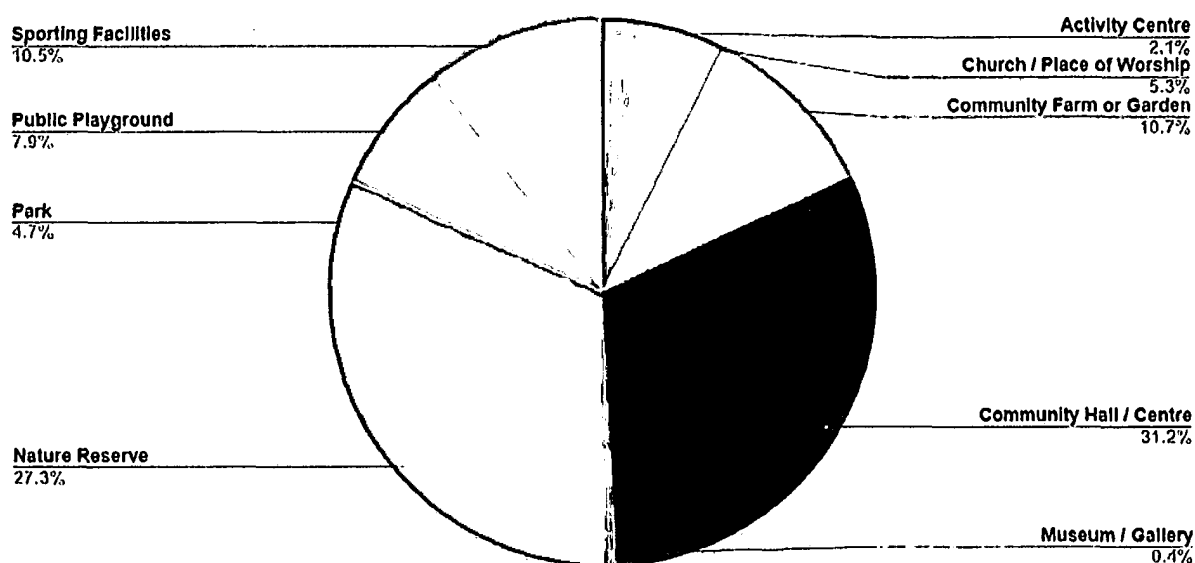
b. Achievements and performance

Contributions totalling £4,135,000 were received from Veolia during 2023/24 (2022/23 - £4,335,000) and it has advised the Trust that, during the period, the Trust received £1,089,000 third party payments (transfer from VMTs) (2022/23 - £0).

In 2023/24, the Board made 57 awards in the various permitted categories, with a total value of £3,531,000. Since the incorporation of the Trust, over 2,770 projects with a total value of more than £105 million have been supported. A total of £3,582,000 (2022/23 - £4,880,000) was either paid to projects during the year or is considered to be an obligation at the year end. Further details of current projects are given in the notes to the financial statements and the overall number of projects approved for funding during the year under review and the value of awards made are summarised in the chart below.

Total funds as at 31 March 2024 are £4,162,000 (2022/23 - £2,936,000) of which £3,165,000 are general funds and £997,000 are designated funds (2022/23 - £1,764,000 and £1,172,000 respectively).

Number of Awarded Projects 2023/24 (by value)



VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

Based on the ENTRUST 2023/24 annual return the administration costs for the financial accounting period 2023/24 amounted to £278,000, which represented 7.4% (2022/23 £270,000 and 5.33%) of expenditure on LCF projects, against the HMRC target of 7.5%.

During the year under review, quarterly meetings were held via a mixture of in-person meetings and virtual meetings with Trustees to enable the funding of awards to projects, review the progress of projects and to continue to oversee the running and management of the Trust. Trustees also reviewed the Trust's policies during the year, in line with the Trust's Policies Review Schedule.

c. Factors relevant to achieve objectives

The Trustees consider that the objectives of the Trust have been achieved during the period by making 117 grant payments. The Trust will continue to work to achieve these objectives in the future.

In September 2023, Entrust conducted a Control Framework Inspection to evaluate the Trust's ability to comply with the Landfill Tax Regulations and to control and manage projects in accordance with Entrust guidance and wider good practice.

After a thorough examination of project files and a comprehensive evaluation of the Trust's operational procedures against industry best practices and expected control measures, the inspectors concluded that all areas were functioning satisfactorily. No instances of non-compliance were identified, and no further actions were deemed necessary. This highly satisfactory outcome is a testament to the diligence and professionalism of the Trust's staff and Trustees. As part of its Control Framework Inspection Report, Entrust issued guidance that the Trust should strengthen its validation and monitoring procedures in relation to income derived from LCF funding. The Trust immediately implemented new procedures which were accepted as satisfactory by Entrust.

Financial review

a. Going concern

The Trust's financial position is robust, showing a strong balance sheet, ample cash reserves, and the capability to effectively align costs with income streams. After conducting thorough inquiries, the Trustees have a well-founded expectation that the Trust possesses sufficient resources to sustain its operational continuity for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Financial review

The Annual Accounts for the year to 31 March 2024 are set out at pages 19-37. In 2024 the unrestricted operating surplus was (£1,224,000) (2023: £1,072,000 deficit). The movement in fixed assets is set out in note 10 of the financial statements. The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed. The risks considered include payment of fraudulent or non-compliant grant claims and the potential for falling victim to cybercrime.

The Trustees are satisfied that systems are in place to manage these risks.

d. Reserves policy

Reserves are held in the Trust's bank accounts and the current account is balanced on a monthly basis.

It is the policy of the Trust to hold £175,000 to cover costs in the event of the wind up of the Trust.

It is the policy of the Trust to hold a minimum of £500,000 in its current account to meet day-to-day running costs to ensure that it can remain operational.

The Trust's free reserves, excluding designated funds at the year-end, amounted to a surplus of £3,162,000 (2022/23 - £1,762,000). Included within these reserves is £1,523,000 (2022/23 - £1,309,000) of approved financial support, not yet comprising binding commitments. A further amount of £1,402,000 has been set aside for expenditure as agreed following the Wind Up of VMTs and the transfer of contributions from Whitemoss..

The Trust only places funds on treasury deposit when cash flow allows in order to maximise income.

Structure, governance and management

a. Structure, governance and management

The Trust is registered as a charitable company limited by guarantee (charity number 1064144) and was set up by a Trust deed on 8 August 1997.

The principal objectives of the Trust are to support community and environmental projects, as set out in the Trust's Memorandum of Association. The principal activities continue to relate to the meeting of these objectives.

b. Methods of appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected or co-opted under the terms of the Trust deed. The Board of Trustees delegates some responsibility for managing the recruitment of new trustees to the Staffing and Remuneration Committee.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The Trust is a company limited by guarantee and a registered charity. Its expenditure is directed in furtherance of its charitable objectives. The Trust has made a number of grants during the period to other charitable organisations; these are detailed in the notes to the financial statements.

The Trust's Board currently comprises nine Trustees. Up to seven, plus the Chair, are independently appointed, and up to four are appointed by Veolia. No member of the Board benefits financially for their services.

The Trustees can already nominate new Trustees and this approach will continue in addition to the Trust advertising any vacancies. Trustees are recruited for their specific skills and experience to ensure the Trust has a broad depth of knowledge. Upon appointment, each Trustee receives an induction pack and is offered a visit to the Trust's offices, in order to understand more fully the way in which the organisation operates. Trustees are regularly kept abreast of changing circumstances relevant to the Trust via email and at Trustee meetings.

The Trustees meet quarterly to consider applications, discuss the business of the Trust and review projects already underway.

The Trustees take reasonable steps to:

1. Ensure that funds from the Landfill Communities Fund are used only for purposes approved by the regulator, ENTRUST;
2. Ensure there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
3. Secure the commercial, efficient and effective management of the Trust's resources and expenditure.

Applicants applying for any of the Trust's grants are requested to check if their proposed project meets the funding criteria which is available on the Trust's website. Applicants are given access to the Trust's online grant management system, where they are invited to create a Veolia Environmental Trust User Account and submit their application form for review. All applications are assessed by Trust staff ensuring they are compliant with the Landfill Tax Regulations 1996, the Entrust Guidance, and the Trust's criteria.

Ultimate decisions on whether to award funds to a project are made by the Trustees at quarterly Board meetings.

If a grant is awarded, the Trust ensures the project is registered with Entrust. Applicants, unless instructed otherwise, are required to secure a third-party contribution of 10% of the award amount, which is paid directly by the contributing third party to the landfill operator, Veolia. Once the Trust is satisfied all the required documentation is complete, a Funding Agreement is issued. The project can start once this is in place, or equivalent consent by the Trust has been granted. The beneficiary of a grant is required to maintain contact with the Trust throughout the duration of the project. This includes reporting progress and expenditure via their Veolia Environmental Trust User Account as well as a final completion report. Some grant recipients hold events to celebrate and raise awareness of the supported project within their community. Projects and associated assets are monitored in line with the requirements set out in the Entrust Guidance.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

No new independent Trustees were appointed during this period, therefore no changes were made to any trustee recruitment policies or procedures. One Veolia-appointed trustee, Mark Langabeer, was appointed and received the Trust's standard induction pack and a video conference with the Chair to discuss the role and responsibilities and answer any questions.

e. Pay policy for key management personnel

Although technically, all employees working on behalf of the Trust are Veolia employees, the terms and conditions of employment of all such personnel are determined by the Trustees. This includes hours of work, salaries and any increases. The practice is to create appropriate job descriptions/ person specifications and to have them evaluated through the Veolia Reward Team. This ensures a consistent and recognised approach but in every case, final approval is given by Trustees, usually by the Trust's Staffing and Remuneration Committee, which has delegated powers (within its Terms of Reference) for all staffing matters and convene on a quarterly basis.

f. Related party relationships

There are a number of related party relationships that the Trust is involved in, these have been summarised in note 20 of these financial statements. It should be noted that up to four Trustees can be appointed by Veolia and the names of those so appointed are listed on page 1 of this report. No Trustee receives any remuneration for their services except for the reimbursement of any travel and related expenses where these are claimed. None of the Veolia appointed Trustees made any expenses claims during the year. All expense claims are made in accordance with the Trustee Expense Guidance, Appendix C of the Finance Policy and receipts must be attached to all claims where appropriate.

g. Financial risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The Trustees delegate some responsibility for financial risk management to the Finance Committee, which meets twice a year and reports back to the Board.

h. Trustees' indemnities

Veolia has agreed to indemnify one or more Trustees of the charitable company against liability in respect of proceedings brought by third parties subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the report of the Trustees.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

The future of the Trust is dependent upon the government continuing to offer, and its landfill operator continuing to participate in, the LCF. In the 2023 Budget, the government confirmed the continuation of the LCF scheme and maintained the LCF diversion rate at 5.3% from April 2022.

The Trust therefore anticipates another year of the effective and efficient distribution of whatever LCF monies are available, to worthwhile community projects.

The Trust recognises that having a single income stream is a risk to future sustainability and will therefore continue to explore options for developing non-LCF income streams in the medium to long term.

Members' liability

The Members of the Trust guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

Employee engagement

Employees are routinely consulted on issues of concern to them by means of regular staff meetings and have been kept informed on specific matters directly by management. The Trust carries out exit interviews for all staff leaving the organisation and has a culture of open and honest feedback for senior managers and Trustees.

The Trust maintains a number of Veolia policies in relation to aspects of personnel matters including:

- Equal opportunities policy
- Equality, Dignity and Respect at Work
- Volunteering Policy
- Health & Safety Policy

Equity, Diversity and Inclusion

In accordance with the Trust's Equal Opportunities Policy, the Trust has long established fair employment practices in the recruitment, selection, retention and training of staff.

As part of their commitment to diversity, equity and inclusion (DEI), Trustees enshrined a strategic goal focussing on providing fair and accessible funding to all in the Trust's 2022 - 2025 Business Plan. During the period, the Trust began developing data collection methods and benchmarking measures of DEI performance that will see the first set of results reported in September 2024, and thereafter on an annual basis.

Figures provided by Entrust as part of their Economic, Community and Environmental Impact Model (ECEIM) report for 2022/23 showed that:

- The average population of 'non-White British' people in postcode areas that the Trust funded is 27%. This is in comparison to 17% across the LCF as a whole.
- The average IMD (Index of Multiple Deprivation) score for postcode areas funded by the Trust was 13,770, against an average of 17,482 across the LCF as a whole (with lower numbers representing areas of greater deprivation).
- 28.95% of funding awarded in 2022/23 went to postcode areas in the 1st and 2nd deciles for deprivation.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 Trust and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

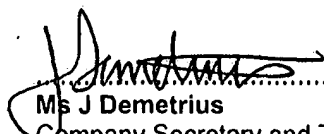
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of WR Partners as auditors of the Charity is to be proposed at the forthcoming Annual General Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
Ms J Demetrius
Company Secretary and Trustee
Date: 3 September 2024

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST

Opinion

We have audited the financial statements of Veolia Environmental Trust (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' 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 charitable 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 Trustees with respect to going concern are described in the relevant sections of this report.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

- We reviewed the susceptibility of the Charity's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Charity's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the Charity and its environment and identify any instances of non-compliance.
- We also assessed the Charity's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and Charity awareness to carry out our work to the required standard.

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. This description forms part of our Auditors' Report.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



WR Partners
Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

20 September 2024

WR Partners are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Income from:					
Donations and legacies	3	4,015	1,209	5,224	4,335
Total income		4,015	1,209	5,224	4,335
Expenditure on:					
Charitable activities	6	4,000	-	4,000	5,407
Total expenditure		4,000	-	4,000	5,407
Net movement in funds		15	1,209	1,224	(1,072)
Reconciliation of funds:					
Total funds brought forward		2,934	-	2,934	4,006
Net movement in funds		15	1,209	1,224	(1,072)
Total funds carried forward		2,949	1,209	4,158	2,934

The notes on pages 20 to 35 form part of these financial statements.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03419138

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	10	-	2
		<u>-</u>	<u>2</u>
Current assets			
Debtors	11	7	7
Cash at bank and in hand	16	4,204	3,143
		<u>4,211</u>	<u>3,150</u>
Creditors: amounts falling due within one year	12	(53)	(218)
Net current assets		<u>4,158</u>	<u>2,932</u>
Total net assets		<u><u>4,158</u></u>	<u><u>2,934</u></u>
Charity funds			
Unrestricted funds	13	2,949	2,934
Total funds		<u><u>4,158</u></u>	<u><u>2,934</u></u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03419138

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

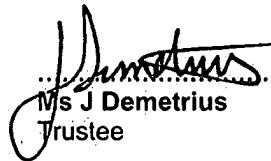
However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
Mrs C M Schwaller MBE
(Chair)


.....
Ms J Demetrius
Trustee

Date: 3 September 2024

The notes on pages 20 to 35 form part of these financial statements.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £000	2023 £000
Cash flows from operating activities			
Net cash used in operating activities	15	1,061	(1,159)
Cash flows from investing activities			
Net cash provided by investing activities		-	-
Change in cash and cash equivalents in the year		1,061	(1,159)
Cash and cash equivalents at the beginning of the year		3,143	4,302
Cash and cash equivalents at the end of the year	16	4,204	3,143

The notes on pages 20 to 35 form part of these financial statements

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

1. General information

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Trust is a company limited by guarantee, incorporated in England. The registered office is disclosed on the Trust information page. The members of the Trust are the Trustees named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Veolia Environmental Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on the going concern basis.

After making enquires, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income. After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

2.3 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and legacies

Income under the Landfill Communities Fund is recognised on the basis of amounts received.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Charitable activities and Governance costs are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Depreciation is provided on the following basis:

Fixtures and fittings	- 3 - 10 years straight line basis
-----------------------	------------------------------------

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.7 Debtors

Prepayments are valued at the amount prepaid net of any discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.12 Pensions

The Trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Trust to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

The Trust may, at its discretion, designate funds for specific purposes that would otherwise form part of general reserves. The designated funds comprise of amounts due under special project awards where the financial agreements have been signed but certain conditions are yet to be satisfied and hence the awards are conditional. Until the conditions are met to the satisfaction of the Trust, no obligation exists and no liability is recognised. As such, the amounts within the designated fund are not available for other purposes. Project payments are included in the Statement of Financial Activities and Grants payable in the furtherance of the Charity's objects where they are paid in the year, or valid requests for payment are received and approved by the Trust by the end of the accounting period.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Trust for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

3. Income from donations and legacies

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Donations				
Landfill Tax Credits	4,015	120	4,135	4,335
Transfer of Veolia Maintenance Trusts	-	1,089	1,089	-
	<u>4,015</u>	<u>1,209</u>	<u>5,224</u>	<u>4,335</u>
Total 2023	<u>4,335</u>	<u>-</u>	<u>4,335</u>	

4. Grant making

	2024 £000	2023 £000
Analysis of Grants		
Category A - remediation of land	-	-
Category B - reduction of pollution	-	-
Category D - public amenities	2,795	4,808
Category DA - conservation of bio-diversity	787	171
Category E - restoration of religious buildings or places of historical interest	-	-
Total	<u>3,582</u>	<u>4,979</u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

5. Grant making (continued)

The support costs associated with grant-making are £Nil (2023: £Nil)

The principal objectives of the Veolia Environmental Trust are to support community and environmental projects, as set out in the Trust's Memorandum and Articles of Association. Grants recognised in the year relate to projects approved by the Trustees after the consideration of their compliance with the governing regulations and the Trust's criteria.

The Trust does not offer grants to individuals. The material grants to institutions for the year came to a total of £3,584,000 (2023: £4,979,000) are set out below:

	2024 £000
Grant Recipient:	
Hyde War Memorial Parish Hall	75
Kent Wildlife Trust	80
Knowsley Council	72
Lancashire Wildlife Trust Limited	162
Leeds City Council - Meanwood Park	75
Leeds City Council - Gledhow Valley Woods	60
Leeds City Council Parks & Countryside Services	75
London Borough of Lewisham	75
Railway Land Wildlife Trust	140
Sheffield City Council - Parks & Countryside Services	54
Sheffield Wildlife Trust	350
St Berteline and St Christopher Church	75
St Berteline and St Christopher PCC	57
St Christopher's Church Springfield	65
St George with St Anne and St Mark PCC	64
Trafford Borough Council	51
Total grants < £50,000 (101)	2,055

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

6. Analysis of expenditure by activities

	Grant funding of activities 2024 £000	Support costs 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Charitable activities	3,584	416	4,000	5,407
<i>Total 2023</i>	4,979	428	5,407	

Analysis of support costs

	Charitable activities 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Staff costs	233	233	232
Depreciation	2	2	2
Other Staff Costs	2	2	1
Travel & Subsistence	2	2	3
Phone/Internet	-	-	1
Motor Expenses	7	7	7
Consultancy	9	9	8
Printing & Stationery	-	-	1
Periodicals & Subscriptions	1	1	1
Audit Fee	12	12	11
PR	1	1	1
Meeting Expenses	3	3	3
Fees & Charges	8	8	1
Administration Fees - ENTRUST	136	136	154
Loss on disposal of Fixed Assets	-	-	2
	416	416	428
<i>Total 2023</i>	428	428	

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

7. Net Income/(Expenditure)

Net Income/(Expenditure) is stated after charging:

	2024 £000	2023 £000
Audit fee	10	9
Accountancy fee	2	2
Depreciation	2	2
	<u>14</u>	<u>13</u>

8. Staff costs

	2024 £000	2023 £000
Wages and salaries	185	185
Social security costs	21	21
Contribution to defined contribution pension schemes	27	26
	<u>233</u>	<u>232</u>

The Trust has no employees. Staff who work full time for the Trust are employed by Veolia Environmental Services and the costs of employment are re-charged to the Trust. Above show the aggregate payroll costs of these staff.

The average number of persons employed by the Trust during the year was as follows:

	2024 No.	2023 No.
Management and Administration	<u>5</u>	<u>5</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 No.	2023 No.
In the band £60,001 - £70,000	1	1

The total employee benefits, including employer pension contributions and national insurance, of the key management personnel of the charity were £178K (2023: £166K).

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, expenses totalling £1,866 were reimbursed or paid directly to 6 Trustees (2023 - £2,114 to 5 Trustees). The expenses were paid to Trustees in relation to travel, subsistence and out of pocket expenses.

10. Tangible fixed assets

	Fixtures and fittings £000
Cost or valuation	
At 1 April 2023	13
At 31 March 2024	13
Depreciation	
At 1 April 2023	11
Charge for the year	2
At 31 March 2024	13
Net book value	
At 31 March 2024	-
At 31 March 2023	2

11. Debtors

	2024 £000	2023 £000
Due within one year		
Prepayments and accrued income	7	7
	7	7

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

12. Creditors: Amounts falling due within one year

	2024	2023
	£000	£000
Amounts held as Agent	-	174
Other creditors	15	10
Accruals and deferred income	38	34
	<u>53</u>	<u>218</u>

Included within the creditors above are monies received from the Landfill Communities Fund (LCF) to which the Trust are acting as agents in administering these funds to 8 pre-existing agreed projects alongside ENTRUST. As at 31 March 2024 all monies received has been paid out.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2024 £000
Unrestricted funds					
Designated funds					
Designated Funds - all funds	1,172	-	(3,582)	3,406	996
General funds					
General Funds - all funds	1,762	4,015	(418)	(3,406)	1,953
Total Unrestricted funds	2,934	4,015	(4,000)	-	2,949
Restricted funds					
Veolia Pitsea Maintenance Trust	-	196	-	-	196
Veolia Havering Riverside Maintenance Trust	-	893	-	-	893
Whitemoss Landfill	-	120	-	-	120
	-	1,209	-	-	1,209
Total of funds	2,934	5,224	(4,000)	-	4,158

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

13. Statement of funds (continued)

General Fund

As of 31st March 2024, the Trustees have approved the financial support for a number of projects. These projects which are expected to lead to awards of approximately £1,510,000 (2023 - £1,264,000) do not comprise binding commitments because financial agreements had not been signed as at 31 March 2024.

Taking these projects into account, the total fund surplus at 31 March 2024 is £237,000 (2023 - £399,000). The transfer of £3,406,000 (2023 - £4,294,000) made from the general fund to the designated fund is in respect of the value of approved awards which have had a finance agreement signed during 2023/2024 and so are considered an obligation at the period end.

Designated Fund

The designated fund amounting to £997,000 (2023 - £1,172,000) has been allocated to projects permitted under the Landfill Tax regulations where financial agreements have been signed and upfront payments made, leaving the balance of the award to be claimed once evidence of expenditure relating to the payment is received. The balance on the designated fund is therefore considered to represent a contingent liability for which no amounts have been accrued. Designated funds are not disclosed by the due dates as the Trustees are not able to determine with certainty the timing of projects.

A contingent liability is considered due in respect of the total balance of £997,000 (2023 - £1,172,000).

During the course of the period, there has been £17,000 (2023- £20,000) released due to under spending projects and £122,000 (2023 - £121,500) released due to withdrawn projects. These monies have been reallocated into the general fund.

As at 31 March 2024 funding of £82,000 had been allocated for funding designated projects.

Restricted Funds

Whitemoss Landfill

The Whitemoss Hazardous Landfill site is operated by Veolia ES Landfill. The Landfill Communities Fund contributions derived from the site fund community and environmental projects located within 5 miles of the Whitemoss landfill site in Skelmersdale.

With exception to the Whitemoss Hazardous Landfill, the Trust has received Veolia's contributions from all other qualifying landfills operated by Veolia. The Whitemoss contributions were previously administered by GrantScape Ltd.

In July 2024 the Trust took over the management and distribution of Landfill Communities Fund contributions derived from the Whitemoss Hazardous Landfill. The first contribution was received in August 2023.

As part of this change GrantScape Ltd transferred £100,000 to the Trust in October 2023, these were residual funds from the Whitemoss contributions that they had received.

A further transfer of £20,000 was received from GrantScape Ltd in March 2024 when all projects that they were administering had completed.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

13. Statement of funds (continued)

Veolia Pitsea Marshes Maintenance Trust

As part of the wind up of the Veolia Pitsea Marshes Maintenance Trust a transfer of £196,131 was received by the Trust, these funds were Landfill Communities Fund contributions.

These funds are to be allocated to projects in the London Borough of Havering Council area and within a 10 miles radius of a qualifying landfill site.

At year end the funds were yet to be allocated, however by June 2024 £193,025 had been allocated to eligible projects. The £193,025 remains as general funds due to Finance Agreements waiting to be established.

Veolia Havering Riverside Maintenance Trust

As part of the wind up of the Veolia Havering Riverside Maintenance Trust a transfer of £893,233 was received by the Trust, these funds were Landfill Communities Fund contributions.

These funds are to be allocated to projects in the Basildon Council area and within a 10 miles radius of a qualifying landfill site.

At year end the £82,000 of that funding had been allocated for funding to designated projects. A further £105,000 was allocated to projects in June 2024 and remain as general funds due to Finance Agreements waiting to be established.

Statement of funds - prior year

	<i>Balance at 1 April 2022 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Balance at 31 March 2023 £000</i>
Unrestricted funds					
Designated funds					
Designated Funds - all funds	1,757	-	(4,880)	4,295	1,172
General funds					
General Funds - all funds	2,249	4,335	(527)	(4,295)	1,762
Total Unrestricted funds	<u>4,006</u>	<u>4,335</u>	<u>(5,407)</u>	<u>-</u>	<u>2,934</u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
Current assets	3,002	1,209	4,211
Creditors due within one year	(53)	-	(53)
Total	2,949	1,209	4,158

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £000</i>	<i>Total funds 2023 £000</i>
Tangible fixed assets	2	2
Current assets	3,150	3,150
Creditors due within one year	(218)	(218)
Total	2,934	2,934

15. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £000	2023 £000
Net income/expenditure for the period (as per Statement of Financial Activities)	1,224	(1,072)
Adjustments for:		
Depreciation charges	2	2
Decrease/(increase) in debtors	-	(1)
Decrease in creditors	(165)	(88)
Net cash provided by/(used in) operating activities	1,061	(1,159)

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

16. Analysis of cash and cash equivalents

	2024 £000	2023 £000
Cash in hand	4,204	3,143
Total cash and cash equivalents	4,204	3,143

17. Analysis of changes in net debt

	At 1 April 2023 £000	Cash flows £000	At 31 March 2024 £000
Cash at bank and in hand	3,143	1,061	4,204
	3,143	1,061	4,204

18. Contingent liabilities

Grants offered subject to conditions which have not been met at the year end are included below as a contingent liability, but not accrued as expenditure in the year.

	2024 £000	2023 £000
Grants		
Grants approved - no binding agreement at 31/03/2024	1,510	1,308
Grants permitted - projects not completed at 31/03/2024	997	1,172
	2,507	2,480

19. Operating lease commitments

The Trust had no commitments under non-cancellable operating leases at 31 March 2024.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

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

20. Related party transactions

The table below shows the income received from related parties into the Trust during the year to 31 March 2023:

	2024 £000	2023 £000
Veolia ES Landfill Limited	4,016	4,335
Veolia Pitsea Maintenance Trust	196	-
Veolia Havering Riverside Maintenance Trust	893	-
Whitemoss Landfill - Grantscape Fund	120	-
	<u>5,225</u>	<u>4,335</u>

Certain expenses of the Trust amounting to £242,000. (2023: £241,000) have been paid by subsidiaries of Veolia, and then recharged at cost to the Trust. This principally relates to recharging of employee costs. At the year end, balances with related parties were accruals £26,000 (2023: £23,000).

During the previous year, a grant of £45,000 was awarded to the Canal & River Trust an entity which Trustee J Dennison is an employee. J Dennison was excluded from the decision making process regarding this grant.

THE VEOLIA ENVIRONMENTAL TRUST

England & Wales - Charity number 1064144

Accounts

Registered number: 03419138
Charity number: 1064144

THE VEOLIA ENVIRONMENTAL TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

CONTENTS

	<i>Page</i>
Reference and Administrative Details of the Trust, its Trustees and Advisers	1 - 2
Trustees' Report	3 - 13
Independent Auditors' Report on the Financial Statements	14 - 17
Statement of Financial Activities	18
Balance Sheet	19 - 20
Statement of Cash Flows	21
Notes to the Financial Statements	22 - 37

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023

The Veolia Environmental Trust

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2023.

Administrative Details and Trustees

The Directors of the Charitable Company ("the Charity") also referred to as the Trust, are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. As set out in the Articles of Association, the Chair of the Trustees is nominated by the members of the Board.

The Trustees below served during the year, and up to the date of the signing of this report.

Trustees	Mrs C M Schwaller MBE, Chair
	Mr L Bailey
	Mr J F Brown (resigned 6 September 2022)
	Ms J Demetrius
	Mr J Dennison
	Mrs R Forbes
	Mr R P Hullah
	Mr D J F Macphail
	Mr D Moore (resigned 13 April 2023)
	Ms M Price (resigned 26 August 2022)
	Ms R Rao (appointed 24 June 2022)
	Ms R Titchen (appointed 24 June 2022)

Company registered number	03419138
----------------------------------	----------

Charity registered number	1064144
----------------------------------	---------

Registered office	210 Pentonville Road London N1 9JY
--------------------------	--

The Charity is incorporated in England and Wales

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Secretary	Ms J Demetrius
Senior Management Team	Andrew Brown - Executive Director Elizabeth Cooke - Head of Grants Lorraine Womack - Head of Finance and Operations
Independent auditors	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
Bankers	Barclays Bank plc 54 Lombard street London EC3V 9EX

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements for the year 1 April 2022 to 31 March 2023. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) as amended by SORP Update Bulletin 2 (effective 5 October 2018).

Since the Trust qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required, however the Trust feels that it is important to produce a strategic report and ensures transparency and clarity to the vital funding that the Trust distributes and is set out below.

Objectives and activities

a. Policies and objectives

The Veolia Environmental Trust (the Trust) was set up in 1997 following the introduction of the Landfill Communities Fund in 1996. The Trust is registered with ENTRUST as an environmental body under the Landfill Tax Regulations and is also a registered charity. The Landfill Communities Fund (LCF) is regulated by ENTRUST on behalf of HM Revenue & Customs.

Veolia Environmental Services (UK) plc and its subsidiaries (Veolia) voluntarily donated 5.3% of its landfill tax liability to the Trust to 31 March 2023. This was the maximum amount allowed for the period. The Trust is enrolled to receive such funding.

The principal objectives of the Trust are to support environmental and community projects, as set out in the Trust's Memorandum and Articles of Association. The principal activities continue to meet these objectives.

The Trust uses the contribution of landfill tax payments for two of the five major categories of grants permitted under the Landfill Tax Regulations, as follows:

- Category D - the provision, maintenance or improvement of a public park or another public amenity
- Category DA - conservation or promotion of biodiversity

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

b. Public benefit

In order to ensure the Trust continues to benefit the public, it aims to award grants correctly, fairly and proportionately to projects which meet its criteria, are needed, and will lead to long-term and sustainable improvements to the natural and built environment therefore increasing wellbeing and quality of life in communities.

The Trust works to ensure that its operations are compliant with the requirements of the Landfill Communities Fund and Trustees have had regard to the guidance issued by the Charity Commission on public benefit.

The Trust supports many projects where volunteers make a vital contribution. As well as providing a vital practical resource, and expertise that will benefit the wider community, volunteers can also develop new skills and make personal connections that will benefit them in the future.

One of the principal requirements of the Trust is that an applicant consults with local people in order to identify a need for the project and provide the opportunity for engagement and influence. Without this consultation, a project's public benefit may be limited. The Trust has ensured that such community engagement has taken place and the need for the project has been identified.

Community "Ownership" is also important to the Trust, which considers the public benefit is maximised by supporting projects where the community has been genuinely involved in the project design and will continue to play a meaningful role in its delivery.

The sustainability and environmental impact of projects also have a high priority. To have wider public benefit, projects must have a long-term future and need to positively improve the built or natural environment. Trustees place additional value on projects that can demonstrate a reduction in CO2 emissions and a net gain in biodiversity.

Achievements and performance

a. Review of activities

The Trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2023.

The government's Autumn Budget 2021 Landfill Tax Briefing set the potential value for the LCF for 2022/23 at £30.8 million and the percentage credit that Veolia, as the landfill site operator could claim against its Landfill Tax liability for LCF contributions made to the Trust was maintained at 5.3% from 1 April 2021.

The Trust has received £4,335,000 in contributions this financial year in comparison to 2021/2022 of £5,414,000. Early contribution estimates for the year indicated the total contribution for 2022/2023 to be £5,370,000. Revised estimates received later in the year planned the total contribution level to be £4,800,000. The Trust did not have to make any significant changes to ensure the running of the Trust remained at the same level as previous years in terms of staffing, administration costs and the funding of projects.

Although the Covid-19 pandemic was no longer prominent in this year, applicants and funded projects continued to experience significant difficulties with its economic after effects. Rising prices of building materials coupled with shortages of labour and transportation continued to affect funded projects' ability to obtain quotes for work (necessary as part of the Finance Agreement process), engage contractors and establish with certainty estimated start and completion dates for works.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

In December 2019 the Trust agreed to assist the Veolia Havering Riverside Maintenance Trust (VHRMT) and Veolia Pitsea Marshes Maintenance Trust (VPMMT), known collectively as the Veolia Maintenance Trusts (VMTs) as they move towards closure. This process is still ongoing. During this financial year, the Trust received no transfer of funding or projects from either trust, and it is anticipated that the final transfer will take place in the 2023/24 financial year.

The Trust gave its best wishes and thanks to one long-serving Trustee who had reached the end of his term of office this year. John Brown had been an integral member of the Trust for many years, and his insight and commitment will be missed. We also said goodbye to Melanie Price who stepped down as a trustee this year. Although Melanie had only been with the Trust a comparatively short time, she brought great energy and experience to the Board.

The Trust would like to thank all those mentioned above for their support, dedication and commitment to the Trust and wish them all well on their new endeavours.

The Trust welcomed two new Trustees: Rituja Rao and Rachel Titchen, in June and July 2022 respectively.

Rachel is a Charity and Pensions Investment Consultant with an actuarial background. After having worked with pension schemes for over 10 years, Rachel wanted to do more with her expertise and helped create a way of providing advice to charities of all sizes. Rachel has spent her career in Trustee meetings and is very much looking forward to being on the other side of the table.

Rituja Ravikiran Rao is an award-winning Delivery Manager, Industry Speaker, and emerging thought leader. Currently, she's a Senior Enterprise Project Manager at Deliveroo delivering exciting new products and leading global partner integrations. She has a track record of successfully delivering complex IT projects for various Banking, Fintech, and Tech organisations. She is vocal about Graduate careers in Tech regardless of STEM degrees and the power of social mobility. Rituja is a strong advocate of skills diversity in Tech and uses her platforms to raise awareness about no-code tech careers. She sits on various Charity and university advisory boards as a Board Director and Trustee, sharing her expertise on the future of work and Gen Z careers.

Impact of COVID-19

Although the direct effects of the COVID-19 pandemic on the Trust had subsided during the period, our applicants and funded projects continued to be affected indirectly. They continued to experience significant issues and delays with obtaining quotes for works, commencing and completing projects caused by labour, transportation and materials shortages. The Trust continued to provide flexibility and support where possible, and to work with Entrust to extend deadlines where needed.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

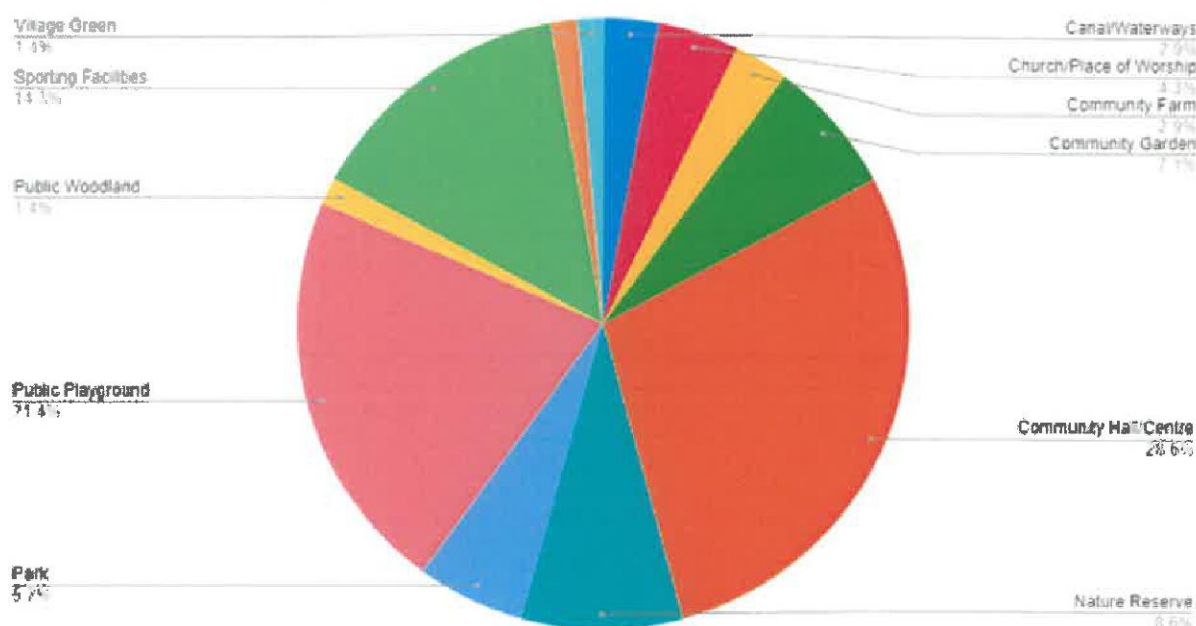
Achievements and performance (continued)

b. Achievements and performance

Contributions totalling £4,335,000 were received from Veolia during 2022/23 (2021/22 - £5,414,000) and it has advised the Trust that, during the period, it received no third party payments (2021/22 - £526,838).

In 2022/23, the Board made 71 awards in the various permitted categories, with a total value of £3,919,242. Since incorporation, over 2,700 projects with a total value of more than £100,000,000 have been supported. A total of £4,879,971 (2021/22 - £5,306,655) was either paid to projects during the year or is considered to be an obligation at the year end. Further details of current projects are given in the notes to the financial statements and the overall number of projects approved for funding during the year under review and the value of awards made are summarised in the chart below.

Number of Awarded Projects 2022/23



Total funds as at 31 March 2023 are £2,935,948 (2021/22 - £4,005,761) of which £1,763,894 are general funds and £1,172,054 are designated funds (2021/22 - £2,248,165 and £1,757,596 respectively).

Based on the ENTRUST 2022/23 annual return the administration costs for the financial accounting period 2022/23 amounted to £270,410, which represented 5.33% (2021/22 £254,133 and 4%) of expenditure on LCF projects, against the government target of 7.5%.

During the year under review, quarterly meetings were held via a mixture of in-person meetings and virtual meetings with Trustees to enable the funding of awards to projects, review the progress of projects and to continue to oversee the running and management of the Trust. Trustees reviewed the Trust's policies during the year, in line with the Trust's Policies Review Schedule.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

c. Factors relevant to achieve objectives

The Trustees consider that the objectives of the Trust have been achieved during the period by making 173 grant beneficiary payments. The Trust will continue to work to achieve these objectives in the future.

In December 2022 ENTRUST, conducted a Control Framework Inspection of the Trust to ensure that:

- Project expenditure is compliant with the Regulations;
- Statutory reporting requirements have been met;
- The Trust is appropriately governed and managed;
- Projects are delivered and managed according to regulatory requirements and ENTRUST guidance/good practice; and
- Unspent LCF funds are committed to approved projects within two years of receipt.

Inspectors reviewed and analysed project files and tested the actual activity against the procedures operated by the Trust, our control expectations and best practice. ENTRUST concluded all areas were operating satisfactorily with no findings to report or actions arising, which is a very satisfactory outcome and reflects well on the Trust staff and Trustees. As part of its Control Framework Inspection Report, Entrust issued guidance that the Trust should strengthen its background checks when recruiting trustees. The Trust immediately implemented new procedures which were accepted as satisfactory by Entrust.

Financial review

a. Going concern

The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income. After making appropriate enquiries the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Financial review

The Annual Accounts for the year to 31 March 2023 are set out at pages 19-37. In 2023 the unrestricted operating deficit was (£1,072,000) (2022: £320,000 deficit). The movement in fixed assets is set out in note 10 of the financial statements. The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income.

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed. The risks considered include payment of fictitious or otherwise fraudulent claims and the mis-management of the funds available to the Trust.

The Trustees are satisfied that systems are in place to manage these risks.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

d. Reserves policy

Reserves are held in the Trust's bank accounts and the current account is balanced on a monthly basis.

It is the policy of the Trust to hold £160,000 to cover costs in the event of the wind up of the Trust.

It is the policy of the Trust to hold a minimum of £500,000 in its current account to meet day-to-day running costs to ensure that it can remain operational.

The Trust's free reserves, excluding designated funds at the year-end, amounted to a surplus of £1,763,894 (2021/22 - £2,242,429). Included within these reserves is £1,308,631 (2021/22 - £1,974,972) of approved financial support, not yet comprising binding commitments and £50,000 VMTs administration funding set aside for any future costs.

The Trust only places funds on treasury deposit when cash flow allows in order to maximise income.

Structure, governance and management

a. Structure, governance and management

The Trust is registered as a charitable company limited by guarantee (charity number 1064144) and was set up by a Trust deed on 8 August 1997.

The principal objectives of the Trust are to support community and environmental projects, as set out in the Trust's Memorandum of Association. The principal activities continue to relate to the meeting of these objectives.

During the period the Memorandum of Association was reviewed and updated to bring it in line with the Trust's strategic goals.

b. Methods of appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected or co-opted under the terms of the Trust deed. During the last year, Trustees maintained a sub group to deliver a more structured approach to the recruitment of Trustees which was agreed and followed to recruit two new Trustees.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The Trust is a company limited by guarantee and a registered charity. Its expenditure is directed in furtherance of its charitable objectives. The Trust has made a number of grants during the period to other charitable organisations; these are detailed in the notes to the financial statements.

The Trust's Board currently comprises ten Trustees. Up to seven, plus the Chair, are independently appointed, and up to four are appointed by Veolia. No member of the Board benefits financially for their services.

The Trustees can already nominate new Trustees and this approach will continue in addition to the Trust advertising any vacancies. Trustees are recruited for their specific skills and experience to ensure the Trust has a broad depth of knowledge. Upon appointment, each Trustee receives an induction pack and is offered a visit to the Trust's offices, in order to understand more fully the way in which the organisation operates. Trustees are regularly kept abreast of changing circumstances relevant to the Trust via email and at Trustee meetings.

The Trustees meet quarterly to consider applications, discuss the business of the Trust and review projects already underway.

The Trustees take reasonable steps to:

1. Ensure that funds from the Landfill Communities Fund are used only for purposes approved by the regulator, ENTRUST;
2. Ensure there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
3. Secure the commercial, efficient and effective management of the Trust's resources and expenditure.

Applicants applying for any of the Trust's grants are requested to check if their proposed project meets the funding criteria on the Trust's website. Applicants are given access to the Trust's online grant management system, where they are invited to create a Veolia Environmental Trust User Account and submit their application form for review. All applications are assessed by Trust staff ensuring they are compliant with the governing regulations and the Trust's criteria. At this stage, an applicant may be asked for more information as it is assessed for how well they meet the Trust's objectives for funding and before they are reviewed by the Board of Trustees, who decide whether funding should be awarded and if so, the amount to be given.

If a grant is awarded the Trust ensures the project is registered with ENTRUST. Applicants, unless instructed otherwise, are required to secure a third-party contribution of 10% of the award amount, the 10% is then paid directly by the contributing third party to the landfill operator, Veolia. Once the Trust is satisfied all the required documentation is complete, a Finance Agreement is issued. The project can start once this is in place, or equivalent consent by the Trust has been granted. The beneficiary of a grant is required to maintain contact with the Trust throughout the duration of the project. This includes reporting progress and expenditure via their Veolia Environmental Trust User Account as well as a final report on completion of the project. Some grant recipients hold events to celebrate and raise awareness of the supported project within their community, although during this year events have often been placed on hold or been virtual due to the current restrictions. Projects and associated assets are monitored for a minimum period of three years following completion.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

As two independent Trustee vacancies opened up this year, the Trustee Skills Audit was reviewed prior to the posts being advertised.

Following the interviews two candidates were successful and were formally accepted as trustees at the September 2022 Board meeting.

Following on from this an induction pack was provided to each new Trustee along with a video conference with the Chair to discuss the role and responsibilities and answer any questions.

The process of recruitment was successful and will be used again next year when further independent Trustee positions become available.

e. Pay policy for key management personnel

Although technically, all employees working on behalf of the Trust are Veolia employees, the terms and conditions of employment of all such personnel are determined by Trustees. This includes hours of work, salaries and any increases, for example because of cost of living increases, etc. The practice is to create appropriate job descriptions/ person specifications and to have them evaluated (Veolia uses the term benchmarked) through the Veolia HR function. This ensures a consistent and recognised approach but in every case, final approval is given by Trustees, usually by the Trust's Staffing and Remuneration Committee which has delegated powers (within its Terms of Reference) for all staffing matters.

f. Related party relationships

There are a number of related party relationships that the Trust is involved in, these have been summarised in note 20 of these financial statements. It should be noted that up to four Trustees can be appointed by Veolia and the names of those so appointed are listed on page 1 of this report. No Trustee receives any remuneration for their services except for the reimbursement of any travel and related expenses where these are claimed. None of the Veolia appointed Trustees made any expenses claims during the year. All expense claims are made in accordance with the Trustee Expense Guidance, Appendix C of the Finance Policy and receipts must be attached to all claims where appropriate.

g. Financial risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

During the period, the Board of Trustees approved the creation of a Finance Committee to further scrutinise the Trust's financial performance, and to offer guidance on financial matters to the Head of Finance and Executive Director.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

h. Trustees' indemnities

Veolia has agreed to indemnify one or more Trustees of the charitable company against liability in respect of proceedings brought by third parties subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the report of the Trustees.

Plans for future periods

The future of the Trust is dependent upon the government continuing to offer, and its landfill operator continuing to participate in, the LCF. In the 2022 Budget, the government confirmed the continuation of the LCF scheme and maintained the LCF diversion rate at 5.3% from April 2022.

The Trust therefore anticipates another year of the effective and efficient distribution of whatever LCF monies are available, to worthwhile community projects.

During 2021, the Trust conducted a period of extensive consultation and research in order to inform the future strategic direction of the charity. In January 2022, Trustees formulated a new vision, mission, values and strategic goals for the Trust, placing increased emphasis on supporting communities to reduce their carbon footprint and enhance local biodiversity. A three-year business plan was developed to support the delivery of the Trust's new strategic goals and it began to be implemented during the period. It is expected that the Trust's eligibility criteria and process will be launched in May 2023 to support the implementation of the new strategic plan.

Members' liability

The Members of the Trust guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Employee engagement and Equity, Diversity and Inclusion

Employees have been consulted on issues of concern to them by means of regular staff meetings and have been kept informed on specific matters directly by management and by the Chair of the Trustees. The Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Trust has adopted a number of Veolia policies in relation to aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Trust's Equal Opportunities Policy, the Trust has long established fair employment practices in the recruitment, selection, retention and training of staff.

As part of their commitment to diversity, equity and inclusion (DEI), trustees enshrined a strategic goal focussing on providing fair and accessible funding to all in the Trust's 2022 - 2025 Business Plan. During the period, the Trust began developing data collection methods and benchmarking measures of DEI performance that will begin to see results in 2023/24. The Trust management will report its DEI performance on an annual basis to trustees.

In 2022/23 trustees undertook Unconscious Bias training in order to identify and mitigate any bias or unfairness in the decision making process.

A DEI survey of staff and trustees undertaken in February 2023 showed that:

- More than half of the staff/trustee team are females (53%)
- 20% of the staff/trustee team are from a Black, Asian or Minority Ethnic background. This is slightly above the UK average (18%)
- 27% of the staff/trustee team are living with a long term health condition or impairment

Draft figures provided by ENTRUST as part of their Economic, Community and Environmental Impact Model (ECEIM) report for 2021/22 showed that:

- 26% of funds awarded in 2021/22 went to areas in the 1st (most deprived) and 2nd deciles on the IMD. This is better than the average for the LCF as a whole.
- The average population of 'non-White British' people in postcode areas that the Trust funded is 24%. This is double the average for the LCF as a whole.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees 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 Trust and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of WR Partners as auditors of the Charity is to be proposed at the forthcoming Annual General Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:


J Demetrius (Sep 6, 2023 13:38 GMT+1)
.....
Ms J Demetrius
Company Secretary and Trustee
Date:

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST

Opinion

We have audited the financial statements of Veolia Environmental Trust (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' 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 charitable 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 Trustees with respect to going concern are described in the relevant sections of this report.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

- We reviewed the susceptibility of the Charity's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Charity's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the Charity and its environment and identify any instances of non-compliance.
- We also assessed the Charity's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and Charity awareness to carry out our work to the required standard.

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. This description forms part of our Auditors' Report.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



WR Partners

Chartered Accountants

Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

Shropshire

SY2 6LG

Date:

8th September 2023

WR Partners are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from:				
Donations and legacies	3	4,335	4,335	5,429
Total income		<u>4,335</u>	<u>4,335</u>	<u>5,429</u>
Expenditure on:				
Charitable activities	6	5,407	5,407	5,749
Total expenditure		<u>5,407</u>	<u>5,407</u>	<u>5,749</u>
Net movement in funds		<u>(1,072)</u>	<u>(1,072)</u>	<u>(320)</u>
Reconciliation of funds:				
Total funds brought forward		4,006	4,006	4,326
Net movement in funds		(1,072)	(1,072)	(320)
Total funds carried forward		<u><u>2,934</u></u>	<u><u>2,934</u></u>	<u><u>4,006</u></u>

The notes on pages 22 to 37 form part of these financial statements.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03419138

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	10	2	6
		<u>2</u>	<u>6</u>
Current assets			
Debtors	11	7	6
Cash at bank and in hand	16	3,143	4,302
		<u>3,150</u>	<u>4,308</u>
Creditors: amounts falling due within one year	12	(218)	(308)
Net current assets		<u>2,932</u>	<u>4,000</u>
Total net assets		<u><u>2,934</u></u>	<u><u>4,006</u></u>
Charity funds			
Unrestricted funds	13	2,934	4,006
Total funds		<u><u>2,934</u></u>	<u><u>4,006</u></u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


Caroline Schwaller (Sep 6, 2023 11:21 GMT+1)
.....
Mrs C M S Schwaller MBE
(Chair)

Date: Sep 6, 2023


J Demetrius (Sep 6, 2023 13:38 GMT+1)
.....
Ms J Demetrius
Trustee

Sep 6, 2023

The notes on pages 22 to 37 form part of these financial statements.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash used in operating activities	15	(1,159)	(813)
Cash flows from investing activities			
Purchase of tangible fixed assets	10	-	(2)
Net cash provided by/(used in) investing activities		-	(2)
Change in cash and cash equivalents in the year		(1,159)	(815)
Cash and cash equivalents at the beginning of the year		4,302	5,117
Cash and cash equivalents at the end of the year	16	3,143	4,302

The notes on pages 22 to 37 form part of these financial statements

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Trust is a company limited by guarantee, incorporated in England. The registered office is disclosed on the Trust information page. The members of the Trust are the Trustees named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Veolia Environmental Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on the going concern basis.

After making enquires, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income. After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

2.3 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and legacies

Income under the Landfill Communities Fund is recognised on the basis of amounts received.

Investment Income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Charitable activities and Governance costs are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Depreciation is provided on the following basis:

Fixtures and fittings	- 3 - 10 years straight line basis
-----------------------	------------------------------------

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.7 Debtors

Prepayments are valued at the amount prepaid net of any discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.12 Pensions

The Trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Trust to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

The Trust may, at its discretion, designate funds for specific purposes that would otherwise form part of general reserves. The designated funds comprise of amounts due under special project awards where the financial agreements have been signed but certain conditions are yet to be satisfied and hence the awards are conditional. Until the conditions are met to the satisfaction of the Trust, no obligation exists and no liability is recognised. As such, the amounts within the designated fund are not available for other purposes. Project payments are included in the Statement of Financial Activities and Grants payable in the furtherance of the Charity's objects where they are paid in the year, or valid requests for payment are received and approved by the Trust by the end of the accounting period.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. Income from donations and legacies

	Unrestricted funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Donations			
Landfill Tax Credits	4,335	4,335	5,414
Project Refunds	-	-	15
	<u>4,335</u>	<u>4,335</u>	<u>5,429</u>
<i>Total 2022</i>	<u>5,429</u>	<u>5,429</u>	

Donations were received from Veolia ES Landfill during the current and prior year.

4. Grant making

	2023 £000	<i>2022 £000</i>
Analysis of Grants		
Category A - remediation of land	-	-
Category B - reduction of pollution	-	-
Category D - public amenities	4,808	5,192
Category DA - conservation of bio-diversity	171	114
Category E - restoration of religious buildings or places of historical interest	-	-
Total	<u>4,979</u>	<u>5,306</u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Grant making (continued)

The support costs associated with grant-making are £Nil (2022: £Nil)

The principal objectives of the Veolia Environmental Trust are to support community and environmental projects, as set out in the Trust's Memorandum and Articles of Association. Grants recognised in the year relate to projects approved by the Trustees after the consideration of their compliance with the governing regulations and the Trust's criteria.

The Trust does not offer grants to individuals. The material grants to institutions for the year came to a total of £4,979,000 (2022: £5,307,000) are set out below:

	2023 £000
Grant Recipient:	
Ackers Adventure	50
Alfriston Parish Council	57
Bilbrook Parish Council	75
Bury Metropolitan Borough Council	75
Flixton Cricket and Sports Club	60
Gasworks Dock Partnership	154
Kirkdale Amateur Boxing Club	75
Leeds City Council	57
Long Eaton RFC C.I.C	75
Manchester City Council	60
Newton Aycliffe Cricket Club	53
One Church Brighton	71
Oxton Parish Council	75
Railway Land Wildlife Trust	140
Penkridge Parish Council	56
Shirley Community Association	75
Somerford Youth and Community Centre	80
St Andrews Grange	75
Telford Interfaith Council	75
The Conservation Volunteers	60
Todwick Parish Council	54
Trafford Athletic Club	67
Vauxhall Neighbourhood Council	63
Total grants < £50,000 (150 grants)	3,297

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

6. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Grant funding of activities 2023 £000	Support costs 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Charitable activities	-	4,979	428	5,407	5,749
<i>Total 2022</i>	25	5,307	417	5,749	

Analysis of direct costs

	Charitable activities 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Special Projects	-	-	25
<i>Total 2022</i>	25	25	

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Charitable activities 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Staff costs	232	232	215
Depreciation	2	2	2
Other Staff Costs	1	1	2
Travel & Subsistence	3	3	-
Phone/Internet	1	1	1
Motor Expenses	7	7	6
Consultancy	8	8	9
Printing & Stationery	1	1	-
Office Equipment	-	-	1
Periodicals & Subscriptions	1	1	1
Audit Fee	11	11	11
PR	1	1	4
Meeting Expenses	3	3	1
Fees & Charges	1	1	6
Administration Fees - ENTRUST	154	154	158
Loss on disposal of Fixed Assets	2	2	-
	<u>428</u>	<u>428</u>	<u>417</u>
<i>Total 2022</i>	<u>417</u>	<u>417</u>	

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Net Income/(Expenditure)

Net Income/(Expenditure) is stated after charging:

	2023 £000	2022 £000
Audit fee	9	8
Accountancy fee	2	2
Depreciation	2	2
	13	12

8. Staff costs

	2023 £000	2022 £000
Wages and salaries	185	172
Social security costs	21	19
Contribution to defined contribution pension schemes	26	24
	232	215

The Trust has no employees. Staff who work full time for the Trust are employed by Veolia Environmental Services and the costs of employment are re-charged to the Trust. Above show the aggregate payroll costs of these staff.

The average number of persons employed by the Trust during the year was as follows:

	2023 No.	2022 No.
Management and Administration	5	5

No employee received remuneration amounting to more than £60,000 in either year.

The total employee benefits, including employer pension contributions and national insurance, of the key management personnel of the charity were £166K (2022: £158K).

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, expenses totalling £2,114 were reimbursed or paid directly to 5 Trustees (2022 - £1,260 to 5 Trustees). The expenses were paid to Trustees in relation to travel, subsistence and out of pocket expenses.

10. Tangible fixed assets

	Fixtures and fittings £000
Cost or valuation	
At 1 April 2022	15
Disposals	(9)
At 31 March 2023	<u>6</u>
Depreciation	
At 1 April 2022	9
Charge for the year	2
On disposals	(7)
At 31 March 2023	<u>4</u>
Net book value	
At 31 March 2023	<u><u>2</u></u>
At 31 March 2022	<u><u>6</u></u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Debtors

	2023	2022
	£000	£000
Due within one year		
Prepayments and accrued income	7	6
	<u>7</u>	<u>6</u>
	<u><u>7</u></u>	<u><u>6</u></u>

12. Creditors: Amounts falling due within one year

	2023	2022
	£000	£000
Amounts held as Agent	174	274
Other creditors	10	4
Accruals and deferred income	34	30
	<u>218</u>	<u>308</u>
	<u><u>218</u></u>	<u><u>308</u></u>

Included within the creditors above are monies received from the Landfill Communities Fund (LCF) to which the Trust are acting as agents in administering these funds to 8 pre-existing agreed projects alongside ENTRUST. Of the monies received, £1,654,000 has been paid out as at 31 March 2023.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2023 £000
Unrestricted funds					
Designated funds					
Designated Funds - all funds	1,757	-	(4,880)	4,295	1,172
General funds					
General Funds - all funds	2,249	4,335	(527)	(4,295)	1,762
Total Unrestricted funds	4,006	4,335	(5,407)	-	2,934

Statement of funds - prior year

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2022 £000
Unrestricted funds					
Designated funds					
Designated Funds - all funds	1,705	-	(5,307)	5,359	1,757
General funds					
General Funds - all funds	2,621	5,404	(417)	(5,359)	2,249
Total Unrestricted funds	4,326	5,404	(5,724)	-	4,006

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	2	2
Current assets	3,150	3,150
Creditors due within one year	(218)	(218)
Total	2,934	2,934

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Tangible fixed assets	6	6
Current assets	4,308	4,308
Creditors due within one year	(308)	(308)
Total	4,006	4,006

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Analysis of net assets between funds (continued)

General Fund

As of 31st March 2023, the Trustees have approved the financial support for a number of projects. These projects which are expected to lead to awards of approximately £1,763,894 (2022 - £1,974,972) do not comprise binding commitments because financial agreements had not been signed as at 31 March 2022.

Taking these projects into account, the total fund surplus at 31 March 2023 is £403,267 (2022 - £167,236). The transfer of £4,294,429 (2022 - £5,359,243) made from the general fund to the designated fund is in respect of the value of approved awards which have had a finance agreement signed during 2022/2023 and so are considered an obligation at the period end.

Designated Fund

The designated fund amounting to £1,172,000 (2022 - £1,757,596) has been allocated to projects permitted under the Landfill Tax regulations where financial agreements have been signed and upfront payments made, leaving the balance of the award to be claimed once evidence of expenditure relating to the payment is received. The balance on the designated fund is therefore considered to represent a contingent liability for which no amounts have been accrued. Designated funds are not disclosed by the due dates as the Trustees are not able to determine with certainty the timing of projects.

A contingent liability is considered due in respect of the total balance of £1,172,000 (2022 - £1,757,596).

During the course of the period, there has been £20,125 (2022- £13,000) released due to under spending projects and £121,500 (2022- £182,000) released due to withdrawn projects. These monies have been reallocated into the general fund.

15. Reconciliation of net movement in funds to net cash flow from operating activities

	2023	2022
	£000	£000
Net expenditure for the year (as per Statement of Financial Activities)	(1,072)	(320)
Adjustments for:		
Depreciation charges	2	2
Decrease/(increase) in debtors	(1)	1
Decrease in creditors	(88)	(496)
Net cash used in operating activities	(1,159)	(813)

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Analysis of cash and cash equivalents

	2023	2022
	£000	£000
Cash in hand	3,143	4,302
Total cash and cash equivalents	3,143	4,302

17. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£000	£000	£000
Cash at bank and in hand	4,302	(1,159)	3,143
	4,302	(1,159)	3,143

18. Contingent liabilities

Grants offered subject to conditions which have not been met at the year end are included below as a contingent liability, but not accrued as expenditure in the year.

	2023	2022
	£000	£000
Grants		
Grants approved - no binding agreement at 31/03/2023	1,308	1,974
Grants permitted - projects not completed at 31/03/2023	1,172	1,758
	2,480	3,732

19. Operating lease commitments

The Trust had no commitments under non-cancellable operating leases at 31 March 2023.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

20. Related party transactions

The table below shows the income received from related parties into the Trust during the year to 31 March 2023:

	2023	<i>2022</i>
	£000	<i>£000</i>
Veolia ES Landfill Limited	4,335	<i>5,414</i>
	4,335	<i>5,414</i>

Certain expenses of the Trust amounting to £241,000. (2022: £219,000) have been paid by subsidiaries of Veolia, and then recharged at cost to the Trust. This principally relates to recharging of employee costs. At the year end, balances with related parties were accruals £23,000 (2022: £20,000).

During the year, a grant of £45,000 was awarded to the Canal & River Trust an entity which Trustee J Dennison is an employee. J Dennison was excluded from the decision making process regarding this grant.

THE VEOLIA ENVIRONMENTAL TRUST

England & Wales - Charity number 1064144

Accounts

Registered number: 0341938
Charity number: 1064144

VEOLIA ENVIRONMENTAL TRUST

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**



VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Trust, its Trustees and Advisers	1 - 2
Trustees' Report	3 - 15
Independent Auditors' Report on the Financial Statements	16 - 19
Statement of Financial Activities	20
Balance Sheet	21 - 22
Statement of Cash Flows	23
Notes to the Financial Statements	24 - 39

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

The Veolia Environmental Trust

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2021.

Administrative Details and Trustees

The Directors of the Charitable Company ("the Charity") also referred to as the Trust, are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. As set out in the Articles of Association, the Chairman of the Trustees is nominated by the members of the Board.

The Trustees below served during the year, and up to the date of the signing of this report.

Trustees	Mr O A Dodds MBE, Chair (resigned 31 October 2021)
	Mr A Ali (resigned 8 October 2021)
	Mr L Bailey (appointed 9 June 2021)
	Mr J Bowden-Williams (resigned 2 January 2022)
	Mr J F Brown
	Ms J Demetrius
	Mr J Dennison (appointed 9 June 2021)
	Mrs R Forbes
	Mr D J Goodenough (resigned 31 October 2021)
	Mr R P Hulland (appointed 31 January 2022)
	Mr K A Hurst (resigned 31 December 2021)
	Mr D J F Macphail
	Mr M Marshall (resigned 31 October 2021)
	Mr D Moore (appointed 1 March 2022)
	Ms M Price (appointed 9 June 2021)
	Mrs C M S Schwaller MBE, Chair
	Mr M D Smith (resigned 31 October 2021)

Company registered number	03419138
Charity registered number	1064144
Registered office	210 Pentonville Road London N1 9JY

The Charity is incorporated in England and Wales

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Secretary	Ms J Demetrius
Senior Management Team	Andrew Brown - Executive Director Elizabeth Cooke - Head of Grants Lorraine Womack - Head of Finance and Operations
Independent auditors	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
Bankers	Barclays Bank plc 54 Lombard street London EC3V 9EX

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements for the year 1 April 2021 to 31 March 2022. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by SORP Update Bulletin 2 (effective 5 October 2018).

Since the Trust qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required, however the Trust feels that it is important to produce a strategic report and ensures transparency and clarity to the vital funding that the Trust distributes and is set out below.

Objectives and activities

a. Policies and objectives

The Veolia Environmental Trust was set up in 1997 following the introduction of the Landfill Communities Fund in 1996. The Trust is registered with ENTRUST as an environmental body under the Landfill Tax Regulations and is also a registered charity. The Landfill Communities Fund is regulated by ENTRUST on behalf of HM Revenue & Customs.

Veolia Environmental Services (UK) plc and its subsidiaries (Veolia) voluntarily donated 5.3% of its landfill tax liability to the Trust in the year ending 31 March 2022. This was the maximum amount allowed for the period. The Trust is enrolled to receive such funding.

The principal objectives of Veolia Environmental Trust are to support community and environmental projects, as set out in the Trust's Memorandum and Articles of Association. The principal activities continue to relate to the meeting of these objectives.

The Trust uses the contribution of landfill tax payments for two of the five major categories of grants permitted under the Landfill Tax Regulations, as follows:

- Category D - public amenities.
- Category DA - conservation of biodiversity.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

b. Public benefit

In order to ensure the Trust continues to benefit the public, it aims to award grants correctly, fairly and proportionately to projects which meet its criteria, are needed, and will lead to long-term and sustainable improvements to the natural and built environment therefore increasing wellbeing and quality of life in communities.

The Trust works to ensure that its operations are compliant with the requirements of the Landfill Communities Fund and Trustees have had regard to the guidance issued by the Charity Commission on public benefit.

The Trust supports many projects where volunteers make a vital contribution. As well as providing a vital practical resource, and expertise that will benefit the wider community, volunteers can also develop new skills and make personal connections that will benefit them in the future.

One of the principal requirements of the Trust is that an applicant consults with local people in order to identify a need for the project and provide the opportunity for engagement and influence. Without this consultation, a project's public benefit may be limited. The Trust has ensured that such community engagement has taken place and the need for the project has been identified. However, Trustees appreciate and take into consideration the fact that the restrictions brought about by the Covid-19 pandemic have affected applicants' ability to effectively engage with their communities.

Community "Ownership" is also important to the Trust, which considers the public benefit is maximised by supporting projects where the community has been genuinely involved in the project design and will continue to play a meaningful role in its delivery.

The sustainability and environmental impact of projects also have a high priority. To have wider public benefit, projects must have a long-term future and need to positively improve the built or natural environment. Trustees place additional value on projects that can demonstrate a reduction in CO2 emissions and a net gain in biodiversity.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

a. Review of activities

The Trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2022.

The government's March 2021 Landfill Tax Briefing set the potential value for the LCF for 2021/22 at £34.4 million and the percentage credit that Veolia, as the landfill site operator could claim against its Landfill Tax liability for LCF contributions made to the Trust was maintained at 5.3% from 1 April 2021.

Early contribution estimates for the year indicated a slightly reduced level of funding to the previous year, with contributions expected to be around £4,450,000 (2020/21 - £4,647,200). However after a re-forecast by the landfill operator in October 2021, contributions were re-estimated to be approximately £4,772,000. By the end of the year, a significant upturn in landfill volumes resulted in the Trust receiving contributions totalling £5,414,000. The Trust did not have to make any significant changes to ensure the running of the Trust remained at the same level as previous years in terms of staffing, administration costs and the funding of projects.

Although the Trust itself has successfully adapted its working practices to cope with the Covid-19 pandemic, applicants and funded projects continued to experience significant difficulties with applying, starting and completing projects. Rising prices of building materials coupled with shortages of labour and transportation have affected funded projects' ability to obtain quotes for work (necessary as part of the Finance Agreement process), engage contractors and establish with certainty estimated start and completion dates for works. These project delays have resulted in a subsequent increase in the age of contribution due to a significant slow down in grant claims and payments.

In December 2019 the Trust agreed to assist the Veolia Havering Riverside Maintenance Trust (VHRMT) and Veolia Pitsea Marshes Maintenance Trust (VPMMT), known collectively as the Veolia Maintenance Trusts (VMTs) as they move towards closure. This process is still ongoing. During this financial year, the Trust received no transfer of funding or projects from either trust, and it is anticipated that the final transfer will take place in the 2022/23 financial year.

The Trust gave its best wishes and thanks to three long-serving Trustees who had reached the end of their terms of office this year. Derek Goodenough, Malcolm Marshall and Mike Smith had provided steadfast service to the Trust for many years, and their expertise and dedication will be missed.

The Trust also said goodbye to our Chair, Oswald Dodds MBE, who stepped down in October 2021 after being with the Trust for 16 years and as Chair for over 10 years. Trustees acknowledged his long standing dedication, support and wealth of knowledge that he brought to the Trust. At the December 2021 Board meeting, Caroline Schwaller MBE was elected as the new Chair. Caroline was appointed as a Trustee in June 2015 and all Trustees welcomed Caroline's knowledge of the Trust, the LCF and the continuity that she will bring to the role of Chair.

The Trust received the resignations of two Veolia appointed Trustees during the year. Kevin Hurst who has now retired from Veolia was an active and committed Trustee bringing much knowledge of the waste industry, Veolia and a vital support mechanism to the Trust since December 2018. Julian Bowden-Williams joined the Trust in September 2019 and brought invaluable knowledge of the landfill tax scheme and accounting support to the Trust.

Atif Ali also stepped down as Trustee in October 2021 after joining the Trust in September 2020. During his time with the Trust Atif Ali was awarded BEM at the Queen's Birthday Honours listing June 2021 for services to the community in Birmingham during the Covid-19 pandemic.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

The Trust would like to thank all those mentioned above for their support, dedication and commitment to the Trust and wish them all well on their new endeavours.

The Trust welcomed three new Trustees; Luke Bailey, James Dennison and Melanie Price, in June 2021. Luke is a civil servant working in energy policy development and delivery. He has experience of low carbon heat policy, renewable electricity policy and energy efficiency auditing. Currently he is working on developing the UK's carbon capture, use and storage strategy. In the civil service he has held a range of policy delivery, policy development, operational and compliance roles all focussed on decarbonising energy use in the UK.

James currently works as an Enterprise Manager with Canal and River Trust covering the Black Country and Staffordshire. This role involves working with a wide range of local authorities, statutory bodies and local communities to develop projects to improve the canal network for benefit of local people and the environment. Projects range from complex multi-million capital infrastructure schemes through to small scale community led initiatives and everything in between. Prior to joining the Trust's Board in 2021 James was a member of the former Midlands Regional Panel of the Trust which used to act in an advisory capacity to assess and prioritise applications prior to consideration by the main board. These panels ceased a number of years ago, but have provided James with a useful insight into the range of project applications that come forward in each funding round.

Melanie brings over 20 years of local government experience in waste management, strategic partnerships, behaviour change, and digital transformation of customer services. Currently she is Head of Volunteer Innovation and Transformation at the British Red Cross, redesigning the volunteer experience. Melanie approaches her work from a human-centre perspective, coupled with strong personal values of fairness, transparency and kindness. With a first degree in biology with environmental studies, and a masters in plant biotechnology, these personal interests have grown to include landscape design and the power of healing plants. As a qualified performance coach, Melanie also draws on the benefits of the local environment by practising outdoor coaching.

Two Veolia Trustees have been appointed during the year Richard Hulland in January 2022 and Dean Moore in March 2022. Richard is the Chief Risk & Assurance Officer and a member of Veolia UK & Ireland Executive Committee (ExCo). Richard is responsible for the Risk & Assurance support team who set the vision and strategy for Risk, Health & Safety, Insurance, Environmental, Quality, Estates and Operational Training & Development. This also means developing a positive safety and risk culture, as well as providing assurance through internal and external audits and performance reporting, such as leading and lagging KPIs.

Dean Moore is the General Manager for Veolia's Commercial activities across the Midlands, Dean's remit includes responsibilities for 12 sites which include Depots, Transfer Stations and Treatment facilities. Dean's previous role included the responsibility for the Midlands Landfill operations at Ling Hall and the closed landfill at Moira in Derbyshire.

It is with deep sadness and sorrow that the Trust's Honorary President, Lady Baroness Howe passed away in March 2022. Lady Howe was appointed a Board member 09th July 2003, and after many years of dedication, enthusiasm and devotion to the Trust, she announced her resignation in June 2015.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

The Trust also welcomed two new members of staff, Andrew Brown and Martin Brown. Andrew joined the Trust in April 2021 as Executive Director with a specific brief to rejuvenate the Trust's strategic direction and bring a sense of renewed purpose and coherence to the staff team. Prior to joining the Trust Andrew gained ten years of grant-making experience at the National Lottery Community Fund, overseeing the strategic delivery of environmental and economic regeneration funding programmes. Before entering the grant-making sector, Andrew held a number of charity management roles with a focus on disability and mental health. Martin joined the team in January 2022 as a Grants and Administration Officer, replacing Alison Sutton who left the Trust to pursue a change of career in July 2021. Prior to joining the Trust Martin spent 16 years at Lloyds Banking Group across a number of customer facing functions, dealing with lending proposals and account management, as well as working within an IT project delivery function, managing stakeholders and project deadline management. He then moved to a small construction firm assisting the directors, by managing the day to day operations within the office, lead generation along with developing and managing their online presence.

Impact of COVID-19

The Trust continued to adapt to the ongoing impacts of the Covid-19 pandemic, providing additional support and flexibility to applicants and funded projects. The staff team maintained a hybrid working approach, allowing them to attend the office in-person when government restrictions allowed, and working from home at other times. The Trust continued to develop its processes and systems to support this virtual approach.

Applicants and funded projects continued to experience significant issues and delays with obtaining quotes for works, commencing and completing projects caused by labour, transportation and materials shortages. In direct response to assist applicants during the pandemic, Trustees extended deadlines to organisations unable to progress their finance agreements and end dates for projects where works had halted as a result of government Covid restrictions or difficulties with contractor availability. At the March 2022 Board meeting Trustees agreed to indefinitely extend the removal of the requirement for applicants to have secured 15% of the total projects costs before applying for funding.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

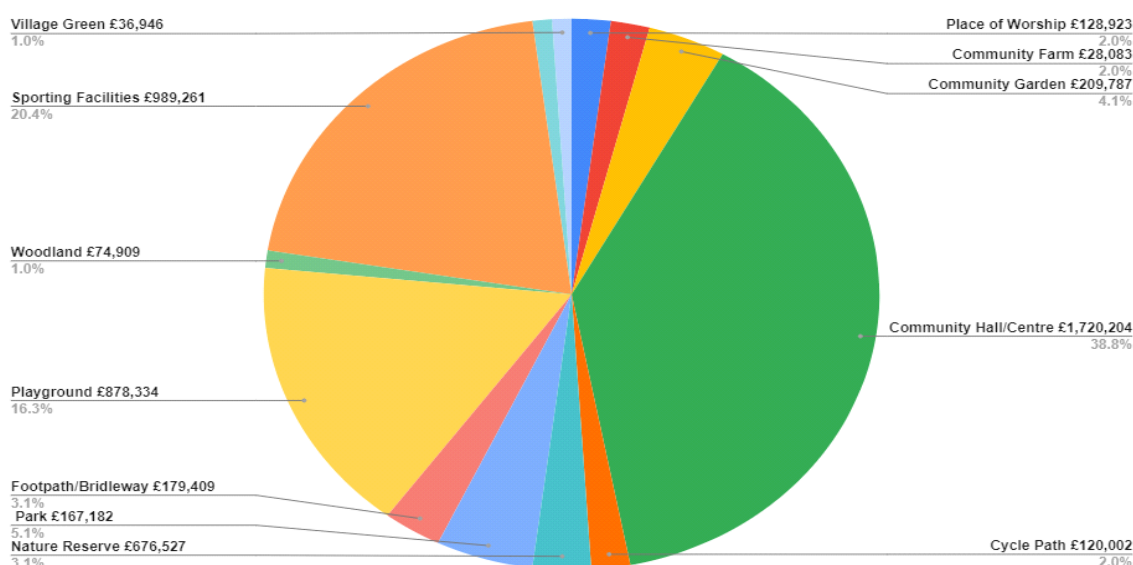
Achievements and performance (continued)

b. Achievements and performance

Contributions totalling £5,414,000 were received from Veolia during 2021/22 (2020/21 - £4,712,600) and it has advised the Trust that, during the period, it received £526,838 (2020/21 - £474,664) from third parties.

In 2021/22, the Board made 98 awards in the various permitted categories, with a total value of £5,107,217. Since incorporation, over 2,645 projects with a total value of more than £97,000,000 have been supported. A total of £5,306,655 (2020/21 - £4,269,360) was either paid to projects during the year or is considered to be an obligation at the year end. Further details of current projects are given in the notes to the financial statements and the overall number of projects approved for funding during the year under review and the value of awards made are summarised in the chart below.

Number of Awarded Projects 2021/22



Total funds as at 31 March 2022 are £4,005,761 (2020/21 - £4,326,401) of which £2,248,165 are general funds and £1,757,596 are designated funds (2020/21 - £2,621,393 and £1,705,008 respectively).

Based on the ENTRUST 2021/22 annual return the administration costs for the financial accounting period 2021/22 amounted to £254,133, which represented 4% (2020/21 £215,771 and 3.8%) of expenditure on LCF projects, against the government target of 7.5%.

During the year under review, quarterly meetings were held via a mixture of in-person meetings and virtual meetings with Trustees to enable the funding of awards to projects, review the progress of projects and to continue to oversee the running and management of the Trust. Trustees reviewed the Trust's policies during the year, in line with the Trust's Policies Review Schedule.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

c. Factors relevant to achieve objectives

The Trustees consider that the objectives of the Trust have been achieved during the period by making 170 grant beneficiary payments. The Trust will continue to work to achieve these objectives in the future.

In October 2021 ENTRUST, conducted a Control Framework Inspection of the Trust to ensure that:

- Project expenditure is compliant with the Regulations;
- Statutory reporting requirements have been met;
- The Trust is appropriately governed and managed;
- Projects are delivered and managed according to regulatory requirements and ENTRUST guidance/good practice; and
- Unspent LCF funds are committed to approved projects within two years of receipt.

Inspectors reviewed and analysed project files and tested the actual activity against the procedures operated by the Trust, our control expectations and best practice. ENTRUST concluded all areas were operating satisfactorily with no findings to report or actions arising, which is a very satisfactory outcome and reflects well on the Trust staff and Trustees.

Financial review

a. Going concern

The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income. After making appropriate enquiries, and despite the effects of the Covid 19 pandemic, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Financial review

The Annual Accounts for the year to 31 March 2022 are set out at pages 20-39. In 2022 the unrestricted operating deficit was (£320,000) (2021: £187,000 surplus). The movement in fixed assets is set out in note 12 of the financial statements. The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income. Despite the effects of the Covid 19 pandemic, the Trustees have adequate resources to continue in operational existence for the foreseeable future.

The Veolia Environmental Trust is fortunate to be in a robust financial position and has reserves sufficient to withstand the challenging issues caused by the Covid-19 pandemic.

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed. The risks considered include payment of fictitious or otherwise fraudulent claims and the mis-management of the funds available to the Trust.

The Trustees are satisfied that systems are in place to manage these risks.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

d. Reserves policy

Reserves are held in the Trust's bank accounts and the current account is balanced on a monthly basis.

It is the policy of the Trust to hold £130,000 to cover costs in the event of the wind up of the Trust.

It is the policy of the Trust to hold a minimum of £500,000 in its current account to meet day-to-day running costs to ensure that it can remain operational.

The Trust's free reserves, excluding designated funds at the year-end, amounted to a surplus of £2,242,429 (2020/21 - £2,616,559). Included within these reserves is £1,974,972 (2020/21 - £2,343,493) of approved financial support, not yet comprising binding commitments and £100,221 VMTs administration funding set aside for any future costs.

The Trust only places funds on treasury deposit when cash flow allows in order to maximise income.

Structure, governance and management

a. Structure, governance and management

The Trust is registered as a charitable company limited by guarantee (charity number 1064144) and was set up by a Trust deed on 8 August 1997.

The principal objectives of the Trust are to support community and environmental projects, as set out in the Trust's Memorandum of Association. The principal activities continue to relate to the meeting of these objectives.

b. Methods of appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected or co-opted under the terms of the Trust deed. During the last year, Trustees maintained a sub group to deliver a more structured approach to the recruitment of Trustees which was agreed and followed to recruit three new Trustees.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The Trust is a company limited by guarantee and a registered charity. Its expenditure is directed in furtherance of its charitable objectives. The Trust has made a number of grants during the period to other charitable organisations; these are detailed in the notes to the financial statements.

The Trust's Board currently comprises ten Trustees. Up to seven, plus the Chair, are independently appointed, and up to four are appointed by Veolia. No member of the Board benefits financially for their services.

The Trustees can already nominate new Trustees and this approach will continue in addition to the Trust advertising any vacancies. Trustees are recruited for their specific skills and experience to ensure the Trust has a broad depth of knowledge. Upon appointment, each Trustee receives an induction pack and is offered a visit to the Trust's offices, in order to understand more fully the way in which the organisation operates. Trustees are regularly kept abreast of changing circumstances relevant to the Trust via email and at Trustee meetings.

The Trustees meet quarterly to consider applications, discuss the business of the Trust and review projects already underway.

The Trustees take reasonable steps to:

1. Ensure that funds from the Landfill Communities Fund are used only for purposes approved by the regulator, ENTRUST;
2. Ensure there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
3. Secure the commercial, efficient and effective management of the Trust's resources and expenditure.

Applicants applying for any of the Trust's grants are requested to check if their proposed project meets the funding criteria on the Trust's website. Applicants are given access to the Trust's online grant management system, where they are invited to create a Veolia Environmental Trust User Account and submit their application form for review. All applications are assessed by Trust staff ensuring they are compliant with the governing regulations and the Trust's criteria. At this stage, an applicant may be asked for more information as it is assessed for how well they meet the Trust's objectives for funding and before they are reviewed by the Board of Trustees, who decide whether funding should be awarded and if so, the amount to be given.

If a grant is awarded the Trust ensures the project is registered with ENTRUST. Applicants, unless instructed otherwise, are required to secure a third-party contribution of 10% of the award amount, the 10% is then paid directly by the contributing third party to the landfill operator, Veolia. Once the Trust is satisfied all the required documentation is complete, a Finance Agreement is issued. The project can start once this is in place, or equivalent consent by the Trust has been granted. The beneficiary of a grant is required to maintain contact with the Trust throughout the duration of the project. This includes reporting progress and expenditure via their Veolia Environmental Trust User Account as well as a final report on completion of the project. Some grant recipients hold events to celebrate and raise awareness of the supported project within their community, although during this year events have often been placed on hold or been virtual due to the current restrictions. Projects and associated assets are monitored for a minimum period of three years following completion.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

As three independent Trustee vacancies opened up this year, the Trustee Skills Audit was reviewed prior to the posts being advertised.

Following the interviews three candidates were successful and were asked to observe at the June 2021 Board meeting and AGM.

Following on from this an induction pack was provided to each new Trustee along with a video conference with the Chair to discuss the role and responsibilities and answer any questions. This was in place of the usual visit to the Trust's office due to the Covid restrictions in place.

The process of recruitment was successful and will be used again next year when further independent Trustee positions become available.

e. Pay policy for key management personnel

Although technically, all employees working on behalf of the Trust are Veolia employees, the terms and conditions of employment of all such personnel are determined by Trustees. This includes hours of work, salaries and any increases, for example because of cost of living increases, etc. The practice is to create appropriate job descriptions/ person specifications and to have them evaluated (Veolia uses the term benchmarked) through the Veolia HR function. This ensures a consistent and recognised approach but in every case, final approval is given by Trustees, usually by the Trust's Staffing and Remuneration Committee which has delegated powers (within its Terms of Reference) for all staffing matters.

f. Related party relationships

There are a number of related party relationships that the Trust is involved in, these have been summarised in note 22 of these financial statements. It should be noted that up to four Trustees can be appointed by Veolia and the names of those so appointed are listed on page 1 of this report. No Trustee receives any remuneration for their services except for the reimbursement of any travel and related expenses where these are claimed. None of the Veolia appointed Trustees made any expenses claims during the year. All expense claims are made in accordance with the Trustee Expense Guidance, Appendix C of the Finance Policy and receipts must be attached to all claims where appropriate.

g. Financial risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

h. Trustees' indemnities

Veolia has agreed to indemnify one or more Trustees of the charitable company against liability in respect of proceedings brought by third parties subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the report of the Trustees.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods

The future of the Trust is dependent upon the government continuing to offer, and its landfill operator continuing to participate in, the LCF. In the 2022 Budget, the government confirmed the continuation of the LCF scheme and maintained the LCF diversion rate at 5.3% from April 2022.

The LCF has proven, during this year, to be in greater demand than before and is seen as ever more essential to the provision of amenities to the community and to improvements to local wildlife and habitats, as funding elsewhere becomes more scarce.

The Trust therefore anticipates another year of the effective and efficient distribution of whatever LCF monies are available, to worthwhile community projects.

During 2021, the Trust conducted a period of extensive consultation and research in order to inform the future strategic direction of the charity. In January 2022, Trustees formulated a new vision, mission, values and strategic goals for the Trust, placing increased emphasis on supporting communities to reduce their carbon footprint and enhance local biodiversity. A new three-year business plan is under development to support the delivery of the Trust's new strategic goals. It is expected that the Trust will conduct a 'soft relaunch' in 2022/23, communicating its new vision to the public and adapting its funding criteria to support the implementation of its key strategic goals.

Members' liability

The Members of the Trust guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Employee engagement and Equity, Diversity and Inclusion

Employees have been consulted on issues of concern to them by means of regular staff meetings and have been kept informed on specific matters directly by management and by the Chairman of the Trustees. The Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Trust's Equal Opportunities Policy, the Trust has long established fair employment practices in the recruitment, selection, retention and training of staff.

As part of its commitment to diversity, equity and inclusion (DEI), Trustees have agreed that a key strategic goal for 2022/23 will be to ensure its funding is fair, accessible and available to all. Current DEI performance will be benchmarked and a new diversity and inclusion strategy implemented. The Trust management will report its DEI performance on an annual basis to trustees.

In 2021/22 staff undertook Unconscious Bias training in order to identify and mitigate any bias or unfairness in the application and decision making process. Similar training will be undertaken by Trustees in 2022/23.

Finally, in order to maximise public benefit, the Trust has long supported projects that improve access for people with disabilities, and those from disadvantaged sectors of society.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 Trust and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of WR Partners as auditors of the Charity is to be proposed at the forthcoming Annual General Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Ms J Demetrius
Company Secretary and Trustee
Date: 7 June 2022

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST

Opinion

We have audited the financial statements of Veolia Environmental Trust (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' 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 charitable 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 Trustees with respect to going concern are described in the relevant sections of this report.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

- We reviewed the susceptibility of the Charity's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Charity's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the Charity and its environment and identify any instances of non-compliance.
- We also assessed the Charity's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partners believes is equipped with the relevant level of technical and Charity awareness to carry out our work to the required standard.

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. This description forms part of our Auditors' Report.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

WR Partners

Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

8 June 2022

WR Partners are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £000	Total funds 2022 £000	<i>Total funds 2021 £000</i>
Income from:				
Donations and legacies	3	5,429	5,429	4,725
Charitable activities	4	-	-	50
Investments	5	-	-	1
Total income		5,429	5,429	4,776
Expenditure on:				
Charitable activities	8	5,749	5,749	4,589
Total expenditure		5,749	5,749	4,589
Net movement in funds		(320)	(320)	187
Reconciliation of funds:				
Total funds brought forward		4,326	4,326	4,139
Net movement in funds		(320)	(320)	187
Total funds carried forward		4,006	4,006	4,326

The notes on pages 24 to 39 form part of these financial statements.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03419138

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	12	6	6
		<u>6</u>	<u>6</u>
Current assets			
Debtors	13	6	7
Cash at bank and in hand	18	4,302	5,117
		<u>4,308</u>	<u>5,124</u>
Creditors: amounts falling due within one year	14	(308)	(804)
Net current assets		<u>4,000</u>	<u>4,320</u>
Total net assets		<u><u>4,006</u></u>	<u><u>4,326</u></u>
Charity funds			
Unrestricted funds	15	4,006	4,326
Total funds		<u><u>4,006</u></u>	<u><u>4,326</u></u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
Mrs C M S Schwaller MBE
(Chair)
Date: 7 June 2022

.....
Ms J Demetrius
Trustee

The notes on pages 24 to 39 form part of these financial statements.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Net cash used in operating activities	17	(813)	(522)
Cash flows from investing activities			
Purchase of tangible fixed assets	12	(2)	(3)
Interest receivable	5	-	1
Net cash used in investing activities		(2)	(2)
Change in cash and cash equivalents in the year		(815)	(524)
Cash and cash equivalents at the beginning of the year		5,117	5,641
Cash and cash equivalents at the end of the year	18	4,302	5,117

The notes on pages 24 to 39 form part of these financial statements

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Trust is a company limited by guarantee, incorporated in England. The registered office is disclosed on the Trust information page. The members of the Trust are the Trustees named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Veolia Environmental Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on the going concern basis.

After making enquires, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income. After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

2.3 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and legacies

Income under the Landfill Communities Fund is recognised on the basis of amounts received.

Investment Income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Charitable activities and Governance costs are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Depreciation is provided on the following basis:

Fixtures and fittings	- 3 - 10 years straight line basis
-----------------------	------------------------------------

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.7 Debtors

Prepayments are valued at the amount prepaid net of any discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.12 Pensions

The Trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Trust to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

The Trust may, at its discretion, designate funds for specific purposes that would otherwise form part of general reserves. The designated funds comprise of amounts due under special project awards where the financial agreements have been signed but certain conditions are yet to be satisfied and hence the awards are conditional. Until the conditions are met to the satisfaction of the Trust, no obligation exists and no liability is recognised. As such, the amounts within the designated fund are not available for other purposes. Project payments are included in the Statement of Financial Activities and Grants payable in the furtherance of the Charity's objects where they are paid in the year, or valid requests for payment are received and approved by the Trust by the end of the accounting period.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. Income from donations and legacies

	Unrestricted funds 2022 £000	Total funds 2022 £000	<i>Total funds 2021 £000</i>
Donations			
Landfill Tax Credits	5,414	5,414	4,713
Project Refunds	15	15	12
	<u>5,429</u>	<u>5,429</u>	<u>4,725</u>
<i>Total 2021</i>	<u>4,725</u>	<u>4,725</u>	

Donations were received from Veolia ES Landfill during the current and prior year.

4. Income from charitable activities

	Unrestricted funds 2022 £000	Total funds 2022 £000	<i>Total funds 2021 £000</i>
Agent Income	-	-	50
	<u>50</u>	<u>50</u>	
<i>Total 2021</i>	<u>50</u>	<u>50</u>	

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. Investment income

	Unrestricted funds 2022 £000	Total funds 2022 £000	<i>Total funds 2021 £000</i>
Interest receivable on bank deposits	-	-	1
	<u> </u>	<u> </u>	<u> </u>
<i>Total 2021</i>	<u> 1 </u>	<u> 1 </u>	

6. Grant making

	2022 £000	<i>2021 £000</i>
Analysis of Grants		
Category A - remediation of land	-	-
Category B - reduction of pollution	-	-
Category D - public amenities	5,192	<i>4,114</i>
Category DA - conservation of bio-diversity	114	<i>155</i>
Category E - restoration of religious buildings or places of historical interest	-	-
Total	<u>5,306</u>	<u><i>4,269</i></u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Grant making (continued)

The support costs associated with grant-making are £Nil (2021: £Nil)

The principal objectives of the Veolia Environmental Trust are to support community and environmental projects, as set out in the Trust's Memorandum and Articles of Association. Grants recognised in the year relate to projects approved by the Trustees after the consideration of their compliance with the governing regulations and the Trust's criteria.

The Trust does not offer grants to individuals. The material grants to institutions for the year came to a total of £5,307,000 (2021: £4,269,000) are set out below:

	2022	<i>2021</i>
	£000	<i>£000</i>
Grant Recipient:		
1st Corringham Scout Group	70	63
Alt Valley Community Trust	50	-
Bury Metropolitan Borough Council	64	57
Derbyshire Wildlife Trust	54	67
Durham Wildlife Trust	570	-
Frenford Clubs	63	75
Friends of Coalville Park	73	75
Knowsley Council	60	69
Pitch 2 Progress CIC	75	71
Roupell Park Resident Management Organisation Ltd	75	59
Rugby Borough Council	75	71
Sefton Council	60	57
Shadwell Park Campaign	75	67
Great Dawley Town Council	71	71
Christ Church Heeley	69	60
Community Forest Trust, trading as City of Trees	60	60
Croft House Settlement	75	71
Friends of Stretford Public Hall	71	60
Knowsley Metropolitan Borough Council	70	55
Lancashire Wildlife Trust	69	80
Gasworks Dock Partnership	270	75
London Borough of Barking & Dagenham	69	-
London Wildlife Trust	60	57
Madeley Town Council	75	300
Total grants < £50,000 (147 grants)	2,984	<i>2,649</i>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £000	Grant funding of activities 2022 £000	Support costs 2022 £000	Total funds 2022 £000	<i>Total funds 2021 £000</i>
Grant-making	25	5,307	417	5,749	4,589
<i>Total 2021</i>	-	4,269	320	4,589	

Analysis of support costs

	General funds 2022 £000	Total funds 2022 £000	<i>Total funds 2021 £000</i>
Staff costs	215	215	165
Depreciation	2	2	2
Other staff costs	3	3	2
Marketing and publicity	4	4	4
Other resources expended	17	17	29
Meeting Expenses	7	7	1
ENTRUST Fees	158	158	107
Audit of the financial statements	11	11	10
	417	417	320
<i>Total 2021</i>	320	320	

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Net Income/(Expenditure)

Net Income/(Expenditure) is stated after charging:

	2022 £000	<i>2021</i> <i>£000</i>
Audit fee	8	8
Accountancy fee	2	2
Depreciation	2	2
	<u>12</u>	<u>12</u>

10. Staff costs

	2022 £000	<i>2021</i> <i>£000</i>
Wages and salaries	172	135
Social security costs	19	14
Contribution to defined contribution pension schemes	24	17
	<u>215</u>	<u>166</u>

The Trust has no employees. Staff who work full time for the Trust are employed by Veolia and the costs of employment are re-charged to the Trust. Above show the aggregate payroll costs of these staff.

The average number of persons employed by the Trust during the year was as follows:

	2022 No.	<i>2021</i> <i>No.</i>
Management and Administration	<u>5</u>	<u>4</u>

No employee received remuneration amounting to more than £60,000 in either year.

The total employee benefits, including employer pension contributions and national insurance, of the key management personnel of the charity were £158K (2021: £93K).

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totalling £1,260 were reimbursed or paid directly to 5 Trustees (2021 - £231 to 3 Trustees). The expenses were paid to Trustees in relation to travel, subsistence and out of pocket expenses.

12. Tangible fixed assets

	Fixtures and fittings £000
Cost or valuation	
At 1 April 2021	15
Additions	2
Disposals	(2)
At 31 March 2022	15
Depreciation	
At 1 April 2021	9
Charge for the year	2
On disposals	(2)
At 31 March 2022	9
Net book value	
At 31 March 2022	6
At 31 March 2021	6

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Debtors

	2022	<i>2021</i>
	£000	<i>£000</i>
Due within one year		
Prepayments and accrued income	6	<i>7</i>
	6	<i>7</i>

14. Creditors: Amounts falling due within one year

	2022	<i>2021</i>
	£000	<i>£000</i>
Amounts held as Agent	274	<i>699</i>
Other creditors	4	<i>80</i>
Accruals and deferred income	30	<i>25</i>
	308	<i>804</i>

Included within the creditors above are monies received from the Landfill Communities Fund (LCF) to which the Trust are acting as agents in administering these funds to 8 pre-existing agreed projects alongside ENTRUST. Of the monies received, £1,554,635 has been paid out as at 31 March 2022.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2022 £000
Unrestricted funds					
Designated funds					
Designated Funds - all funds	<u>1,705</u>	<u>-</u>	<u>(5,307)</u>	<u>5,359</u>	<u>1,757</u>
General funds					
General Funds - all funds	<u>2,621</u>	<u>5,404</u>	<u>(417)</u>	<u>(5,359)</u>	<u>2,249</u>
Total Unrestricted funds	<u><u>4,326</u></u>	<u><u>5,404</u></u>	<u><u>(5,724)</u></u>	<u><u>-</u></u>	<u><u>4,006</u></u>

Statement of funds - prior year

	<i>Balance at 1 April 2020 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Balance at 31 March 2021 £000</i>
Unrestricted funds					
Designated funds					
Designated Funds - all funds	<u>1,357</u>	<u>-</u>	<u>(4,269)</u>	<u>4,617</u>	<u>1,705</u>
General funds					
General Funds - all funds	<u>2,782</u>	<u>4,776</u>	<u>(320)</u>	<u>(4,617)</u>	<u>2,621</u>
Total Unrestricted funds	<u><u>4,139</u></u>	<u><u>4,776</u></u>	<u><u>(4,589)</u></u>	<u><u>-</u></u>	<u><u>4,326</u></u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	6	6
Current assets	4,308	4,308
Creditors due within one year	(308)	(308)
Total	<u>4,006</u>	<u>4,006</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £000</i>	<i>Total funds 2021 £000</i>
Tangible fixed assets	6	6
Current assets	5,123	5,123
Creditors due within one year	(803)	(803)
Total	<u>4,326</u>	<u>4,326</u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16. Analysis of net assets between funds (continued)

General Fund

As of 31st March 2022, the Trustees have approved the financial support for a number of projects. These projects which are expected to lead to awards of approximately £1,974,972 (2021 - £2,343,000) do not comprise binding commitments because financial agreements had not been signed as at 31 March 2022.

Taking these projects into account, the total fund surplus at 31 March 2022 is £167,236 (2021 - £143,323). The transfer of £5,359,243 (2021 - £4,668,205) made from the general fund to the designated fund is in respect of the value of approved awards which have had a finance agreement signed during 2021/2022 and so are considered an obligation at the period end.

Designated Fund

The designated fund amounting to £1,757,596 (2021 - £1,705,000) has been allocated to projects permitted under the Landfill Tax regulations where financial agreements have been signed and upfront payments made, leaving the balance of the award to be claimed once evidence of expenditure relating to the payment is received. The balance on the designated fund is therefore considered to represent a contingent liability for which no amounts have been accrued. Designated funds are not disclosed by the due dates as the Trustees are not able to determine with certainty the timing of projects.

A contingent liability is considered due in respect of the total balance of £1,757,596 (2021- £1,705,000).

During the course of the period, there has been £13,000 (2021- £12,000) released due to under spending projects and £182,000 (2021- £0) released due to withdrawn projects. These monies have been reallocated into the general fund.

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £000	2021 £000
Net income/expenditure for the year (as per Statement of Financial Activities)	(320)	187
Adjustments for:		
Depreciation charges	2	2
Investment income	-	(1)
Decrease in debtors	1	2
Decrease in creditors	(496)	(712)
Net cash used in operating activities	(813)	(522)

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Analysis of cash and cash equivalents

	2022	<i>2021</i>
	£000	<i>£000</i>
Cash in hand	4,302	5,117
Total cash and cash equivalents	4,302	<i>5,117</i>

19. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£000	£000	£000
Cash at bank and in hand	5,117	(815)	4,302
	5,117	(815)	4,302

20. Contingent liabilities

Grants offered subject to conditions which have not been met at the year end are included below as a contingent liability, but not accrued as expenditure in the year.

	2022	<i>2021</i>
	£000	<i>£000</i>
Grants		
Grants approved - no binding agreement at 31/03/2022	1,974	2,343
Grants permitted - projects not completed at 31/03/2022	1,758	1,705
	3,732	<i>4,048</i>

21. Operating lease commitments

The Trust had no commitments under non-cancellable operating leases at 31 March 2022.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

22. Related party transactions

The table below shows the income received from related parties into the Trust during the year to 31 March 2022:

	2022 £000	<i>2021</i> <i>£000</i>
Veolia ES Landfill Limited	5,414,000	4,712,000
Veolia Pitsea Maintenance Trust Funds transfer	-	538,608
Veolia Havering Maintenance Trust Funds transfer	-	178,396
	<u>5,414,000</u>	<u>5,429,004</u>

Certain expenses of the Trust amounting to £219,000. (2021: £169,000) have been paid by subsidiaries of Veolia, and then recharged at cost to the Trust. This principally relates to recharging of employee costs. At the year end, balances with related parties were accruals £20,000 (2021: £14,000).

THE VEOLIA ENVIRONMENTAL TRUST

England & Wales - Charity number 1064144

Accounts

VEOLIA ENVIRONMENTAL TRUST

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**



VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Trust, its Trustees and Advisers	1 - 2
Trustees' Report	3 - 13
Independent Auditors' Report on the Financial Statements	14 - 17
Statement of Financial Activities	18
Balance Sheet	19
Statement of Cash Flows	20
Notes to the Financial Statements	21 - 36

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

The Veolia Environmental Trust

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2021.

Administrative Details and Trustees

The Directors of the Charitable Company ("the Charity") also referred to as the Trust, are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. As set out in the Articles of Association, the Chairman of the Trustees is nominated by the members of the Board.

The Trustees below served during the year, and up to the date of the signing of this report.

Trustees	Mr O A Dodds MBE, Chairman Mr A Ali (appointed 8 September 2020) Mr J Bowden-Williams Mr J F Brown Ms J Demetrius Mrs R Forbes (appointed 8 September 2020) Mr D J Goodenough Mr K A Hurst Mr D J F Macphail Mr M Marshall Mrs C M S Schwaller MBE Mr M D Smith
-----------------	--

Company registered number	03419138
----------------------------------	----------

Charity registered number	1064144
----------------------------------	---------

Registered office	210 Pentonville Road London N1 9JY
--------------------------	--

The Charity is incorporated in England and Wales

Secretary	Ms J Demetrius
------------------	----------------

Senior Management Team	Elizabeth Cooke - Head of Grants Lorraine Womack - Head of Finance and Operations
-------------------------------	--

Independent auditors	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
-----------------------------	--

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Bankers	Barclays Bank plc 54 Lombard street London EC3V 9EX
----------------	--

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the Veolia Environmental Trust for the year 1 April 2020 to 31 March 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (October 2019).

Since the Trust qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Veolia Environmental Trust was set up in 1997 following the introduction of the Landfill Communities Fund in 1996. The Trust is registered with ENTRUST as an environmental body under the Landfill Tax Regulations and is also a registered charity. The Landfill Communities Fund is regulated by ENTRUST on behalf of HM Revenue & Customs.

Veolia Environmental Services (UK) plc and its subsidiaries (Veolia) voluntarily donated 5.3% of its landfill tax liability to the Trust in the year ending 31 March 2021. This was the maximum amount allowed for the period. The Trust is enrolled to receive such funding.

The principal objectives of Veolia Environmental Trust are to support community and environmental projects, as set out in the Trust's Memorandum and Articles of Association. The principal activities continue to relate to the meeting of these objectives.

The Trust uses the contribution of landfill tax payments for two of the five major categories of grants permitted under the Landfill Tax Regulations, as follows:

- Category D - public amenities.
- Category DA - conservation of biodiversity.

b. Public benefit

In order to ensure the Trust continues to benefit the public, it aims to award grants, correctly, fairly and proportionately to projects which meet its criteria, are needed, and will lead to long-term and sustainable improvements to the natural and built environment therefore increasing people's quality of life.

The Trust works to ensure that its operations are compliant with the requirements of the Landfill Communities Fund and Trustees have had regard to the guidance issued by the Charity Commission on public benefit.

The Trust supports many projects where volunteers make a vital contribution. As well as providing a vital source of labour and expertise that will benefit the wider community, the Trust believes volunteers can also develop new skills that will benefit them in the future.

One of the principal requirements of the Trust is that an applicant consults with local people in order to identify a need for the project and provide the opportunity for input and influence. Without this consultation, a project's public benefit may be reduced.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

The Trust has ensured that such consultations have taken place and the need for the project has been identified, although Trustees appreciate and take into consideration at this time the difficulties the current restrictions brought about by the Covid-19 pandemic have been causing.

“Ownership” of a project is also important to the Trust, which considers the public benefit is maximised by supporting projects that will be owned and operated by the community, or a committee or group appointed by that community.

The sustainability and environmental aspects of projects also have a high priority. To have wider public benefit, projects must have a long-term future and need to positively improve the built or natural environment.

Achievements and performance

a. Review of activities

The government's March 2020 Budget set the potential value for the LCF for 2020/21 at £35 million and the percentage credit that our landfill site operator could claim against their Landfill Tax liability for LCF contributions made to the Trust was maintained at 5.3% from 1 April 2020.

Early contribution estimates for the year indicated a similar level of funding the Trust received the previous year, with contributions expected to be around £5,100,000 (2019/20 - £5,697,651). However with the emergence of the Covid-19 pandemic it brought with it the first lockdown in the UK, and as such the levels of waste significantly reduced during this period. The Trust saw the first contribution of the financial year reduced by 20%. In response to this, the contributions were re-forecasted by the landfill operator and were re-estimated to be approximately £4,647,200. By the end of the year the Trust received contributions totalling £4,712,600. The Trust did not have to make any significant changes to ensure the running of the Trust remained at the same level as previous years in terms of staffing, administration costs and the funding of projects.

Trust staff have remained focused through the year on making the application process more accessible and communication clearer for applicants. The Habitat and Biodiversity Grant Criteria was also established, improving guidance regarding Category DA applications. More support and guidance to assist both applicants and beneficiaries of grants during the pandemic has also been provided.

Some applicants have however been unable to establish with certainty estimated start and completion dates or obtain quotes. Beneficiaries have seen work stop, prices fluctuate, contractors unable to complete work or in many cases facilities have had to close temporarily or have had to adapt activities to meet the current needs of their communities and government guidelines.

In December 2019 the Trust agreed to assist the Veolia Havering Riverside Maintenance Trust (VHRMT) and Veolia Pitsea Marshes Maintenance Trust (VPMMT), known collectively as the Veolia Maintenance Trusts (VMTs) as they move towards closure. This process is still ongoing. During this financial year, the Trust received the transfer of funding from VHRMT of £165,950 for two approved projects that were also transferred, together with £12,446 for associated administration costs. The Trust also received £501,031 for 4 approved projects that were transferred from VPMMT and £37,577 for administration costs.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

Two of the projects that were transferred to the Trust during this financial year, were subsequently withdrawn giving the Trust the amount of £116,340 to be re-allocated. Trustees have re-allocated most of those project funds to three projects that came through the Trusts application process and were eligible for awards under the terms of the original transfer agreement between the Trust and the VMTs.

The Trust welcomed two new Trustees; Atif Ali and Ruth Forbes, in September 2020. Atif is a Public Health Officer for Inequalities at Birmingham City Council and is passionate about social justice and change, and is a Community Fund Panel Member at Severn Trent Community Fund. He is also a Housing & Community Services Committee Co-opted Independent Member at Bournville Village Trust, Fellow of the Royal Society of Arts and Fellow of the Lunar Society. Atif has previously served on the Youth Steering Committee at Beatfrecks and is a longstanding volunteer for Abid Welfare.

Ruth Forbes is UK Head of Responsible Business Projects at Japan Tobacco International (JTI). During a decade long career at JTI she has held various positions of increasing levels of responsibility with the Sustainability Team. Prior to joining JTI, Ruth worked for a political consultancy and had clients including McDonalds, the alcohol industry and the Scout Association. She has also worked as a political adviser in the charitable sector and, for three years, worked as an adviser in Parliament for a Shadow Minister. Ruth is a member of the Independent Tobacco Trade Benevolent Fund Welfare Committee and currently volunteers for Contact the Elderly and Recruit for Spouses.

The current Trust Chair Oswald Dodd MBE, will be stepping down in October 2021 after being with the Trust for 16 years and as Chair for over 10 years. Trustees acknowledge his long standing dedication, support and wealth of knowledge that he has brought to the Trust. At the December 2020 Board meeting, Trustees approved the successor Chair, Caroline Schwaller MBE. Caroline was appointed as a Trustee in June 2015 and all Trustees welcomed Caroline's knowledge of the Trust, the scheme and the continuity that she will bring to the role of Chair.

Impact of COVID-19

The Trust, the sector as a whole and the scheme regulator ENTRUST, have responded swiftly and compassionately to the difficulties that the current pandemic has left us all facing, especially of applicants and beneficiaries. An assessment in February 2021 of the impact of the pandemic on organisations collated by ADEB (Association of Distributive and Environmental Bodies), of which the Trust is a member, highlighted some of those responses by the sector in a letter to HMRC:

- Members swiftly and successfully adapted their organisations to deliver their activities from home offices
- Members reported being busier than ever, especially during the early months of the pandemic, and no staff have been made redundant or participated in the Government's furlough scheme
- Significant additional attention was given to 'live' projects to reassure organisations that their funding was secure. This close and regular contact has continued
- Deadlines on projects were extended where applications were unable to meet targets due to the lockdowns
- Criteria were relaxed to remove the need for match funding, allowing applicants to apply for 100% of their project costs
- Members reported offering top-up grants to recipients to ensure match funding targets could be met and projects could start
- Additional claims were accepted so that further payments could be released to contractors at a time when they were reporting problems with their cash flow

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

In direct response to assist applicants during the pandemic, Trustees extended deadlines to organisations unable to progress their finance agreements and end dates for projects where works had halted as a result of government Covid regulations/guidelines. Trustees agreed to accept documents signed via digital signature in addition to those signed by hand. At the December 2020 Board meeting Trustees also removed the requirement for applicants to have secured 15% of the total projects costs before applying for funding. This will be reviewed again by Trustees after a 12 month period.

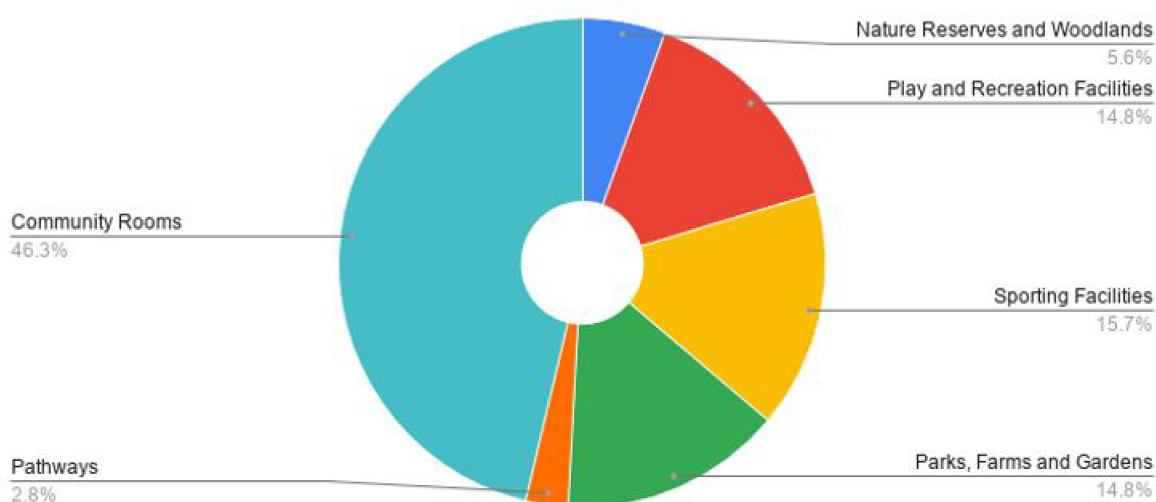
In February 2021, the Trust changed its application process from a two stage application to a single stage application. This aims to simplify the process for applicants, capture relevant and appropriate information without duplication, ensures that the application can be assessed to the highest of standards when presented at Board meetings, and also reduces the Trust's administration of applications received.

b. Achievements and performance

Contributions totalling £4,712,600 were received from Veolia during 2020/21 (2019/20 - £5,697,651) and Veolia has advised the Trust that, during the period, Veolia received £474,664 (2019/20 - £437,728) from third parties.

In 2020/21, the Board made 108 awards in the various permitted categories, with a total value of £4,445,979. Since incorporation, over 2,547 projects with a total value of more than £91,000,000 have been supported. A total of £4,269,360 (2019/20 - £4,872,038) was either paid to projects during the year or is considered to be an obligation at the year end. Further details of current projects are given in the notes to the financial statements and the overall number of projects approved for funding during the year under review and the value of awards made are summarised in the charts below.

Number of Awarded Projects 2020-2021

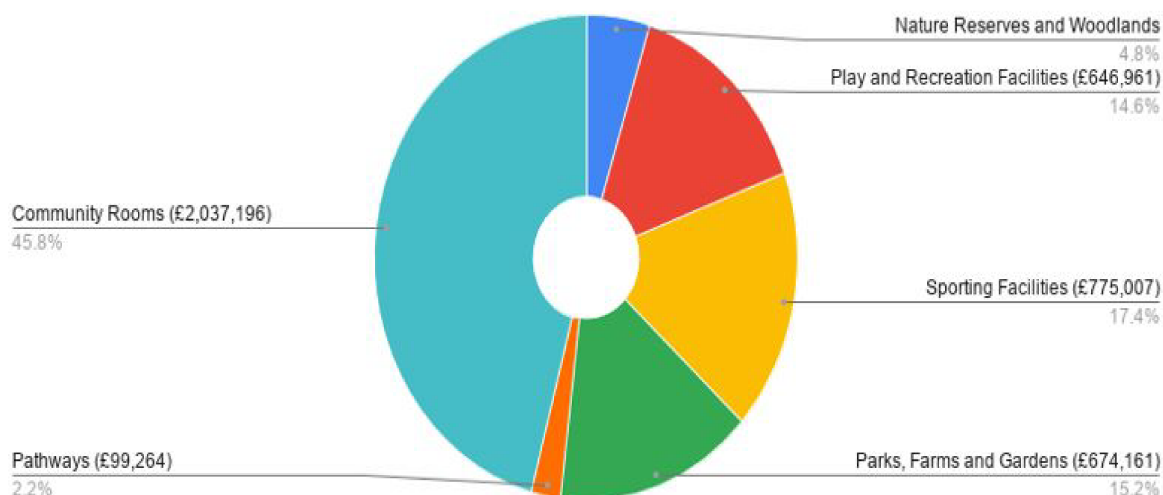


VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

Value of Awarded Projects 2020-21



Total funds as at 31 March 2021 are £4,326,401 (2019/20 - £3,561,861) of which £2,621,395 are general funds and £1,705,008 are designated funds (2019/20 - £2,781,328 and £1,357,135 respectively).

Based on the ENTRUST 2020/21 annual return the administration costs for the financial accounting period 2020/21 amounted to £215,771, which represented 3.8% (2019/20 £208,612 and 4.28%) of expenditure on LCF projects, against the government target of 7.5%.

During the year under review, quarterly meetings were held via conference calls with Trustees to enable the funding of awards to projects, review the progress of projects and to continue to oversee the running and management of the Trust. Trustees reviewed the organisation's policies during the year, in line with the Trust's Policies Review Schedule.

c. Factors relevant to achieve objectives

The Trustees consider that the objectives of the Trust have been achieved during the period by making grant payments to 170 applicants. The Trust will continue to work to achieve these objectives in the future.

In October 2020 ENTRUST, conducted a Control Framework Inspection of the Trust to ensure that:

- Project expenditure is compliant with the Regulations;
- Statutory reporting requirements have been met;
- The Trust is appropriately governed and managed;
- Projects are delivered and managed according to regulatory requirements and ENTRUST guidance/good practice; and
- Unspent LCF funds are committed to approved projects within two years of receipt.

Inspectors reviewed and analysed project files and tested the actual activity against the procedures operated by the Trust, our control expectations and best practice. ENTRUST concluded all areas were operating satisfactorily with no findings to report or actions arising, which is a very satisfactory outcome and reflects well on the Trust staff and Trustees.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Financial review

a. Going concern

The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income. After making appropriate enquiries, and despite the effects of the Coronavirus Covid 19 pandemic, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Financial review

The Annual Accounts for the year to 31 March 2021 are set out at pages 18-37. In 2021 the unrestricted operating surplus was £186,940 (2020: £576,602 surplus). The movement in fixed assets is set out in note 13 of the financial statements. The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income. Despite the effects of the Coronavirus Covid 19 pandemic, the Trustees have adequate resources to continue in operational existence for the foreseeable future.

The Veolia Environmental Trust is fortunate to be in a robust financial position and has reserves sufficient to withstand the challenging issues caused by the Covid-19 pandemic.

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed. The risks considered include payment of fictitious or otherwise fraudulent claims and the mis-management of the funds available to the Trust.

The Trustees are satisfied that systems are in place to manage these risks.

d. Reserves policy

Reserves are held in the Trust's bank accounts and the current account is balanced on a monthly basis.

It is the policy of the Trust to hold £130,000 to cover costs in the event of the wind up of the Trust.

It is the policy of the Trust to hold a minimum of £500,000 in its current account to meet day-to-day running costs to ensure that the Charity can remain operational.

The Trust's free reserves, excluding designated funds at the year-end, amounted to a surplus of £2,615,461 (2019/20 - £2,776,495). Included within these reserves is £2,343,493 (2019/20 - £2,578,000) of approved financial support, not yet comprising binding commitments and £129,743 VMTs administration funding set aside for any future costs.

The Trust only places funds on treasury deposit when cash flow allows in order to maximise income.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

a. Structure, governance and management

The Trust is registered as a charitable company limited by guarantee (charity number 1064144) and was set up by a Trust deed on 8 August 1997.

The principal objectives of The Veolia Environmental Trust are to support community and environmental projects, as set out in the Trust's Memorandum of Association. The principal activities continue to relate to the meeting of these objectives.

b. Methods of appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected or co-opted under the terms of the Trust deed. During the last year, Trustees established a sub group to develop a more structured approach to the recruitment of Trustees which was agreed and followed to recruit 2 new Trustees – see below. A Trustee Skills Audit was also conducted during the year to enhance the recruitment process. Trustees have agreed to use the new approach to fill any future Trustee vacancies.

c. Organisational structure and decision-making policies

The Trust is a company limited by guarantee and a registered charity. Its expenditure is directed in furtherance of its charitable objectives. The Trust has made a number of grants during the period to other charitable organisations; these are detailed in the notes to the financial statements.

The Veolia Environmental Trust's Board currently comprises twelve Trustees. Up to seven plus the Chairman, are independently appointed, and up to four are appointed by Veolia. No member of the Board benefits financially for their services.

The Trustees can already nominate new Trustees and this approach will continue in addition to the Trust advertising any vacancies. Trustees are recruited for their specific skills and experience to ensure the Trust has a broad depth of knowledge. Upon appointment, each Trustee receives an induction pack and is offered a visit to the Trust's offices, in order to understand more fully the way in which the organisation operates. Although our new Trustees have yet to make a visit to the Trust's office, as soon as government guidelines allow they will be given the opportunity to visit. Trustees are regularly kept abreast of changing circumstances relevant to the Trust via email and at Trustee meetings.

The Trustees meet quarterly to consider applications, discuss the business of the Trust and review projects already underway.

The Trustees take reasonable steps to:

1. Ensure that funds from the Landfill Communities Fund are used only for purposes approved by the regulator, ENTRUST;
2. Ensure there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
3. Secure the commercial, efficient and effective management of the Trust's resources and expenditure.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

Applicants applying for any of the Trust's grants are requested to check that their potential project meets the funding criteria on the Trust's website. Applicants are given access to the Trust's online grant management system, where they are invited to create a Veolia Environmental Trust User Account and submit their application form for review. All applications are assessed by Trust staff ensuring they are compliant with the governing regulations and the Trust's criteria. At this stage, an applicant may be asked for more information as it is assessed for how well they meet the Trust's objectives for funding and before they are reviewed by the Board of Trustees, who decide whether funding should be awarded and if so, the amount to be given.

If a grant is awarded the Trust ensures the project is registered with ENTRUST. Applicants, unless instructed otherwise, are required to secure a third-party contribution of 10% of the award amount, payable to Veolia. Once the Trust is satisfied all the required documentation is complete, a Finance Agreement is issued. The project can start once this is in place, or equivalent consent by the Trust has been granted. The beneficiary of a grant is required to maintain contact with the Trust throughout the duration of the project. This includes reporting progress and expenditure via their Veolia Environmental Trust User Account as well as a final report on completion of the project. Some grant recipients hold events to celebrate and raise awareness of the supported project within their community, although during this year events have often been placed on hold or been virtual due to the current restrictions.

d. Policies adopted for the induction and training of Trustees

As two independent Trustee vacancies opened up this year, a Trustee Skills Audit was completed prior to the posts being advertised.

Following the interviews two candidates were successful and were asked to observe at the September 2020 Board meeting. Following the meeting a session of questions, answers and feedback for both the candidates, Atif and Ruth and for Trustees took place before they were both formally appointed.

Following from this an induction pack was provided to each new Trustee along with a video conference with the Chair to discuss the role and responsibilities and answer any questions. This was in place of the usual visit to the Trust's office due to the Covid restriction in place.

The process of recruitment was successful and will be used again next year when further independent Trustee positions become available.

e. Pay policy for key management personnel

Although technically, all employees working on behalf of the Trust are Veolia employees, the terms and conditions of employment of all such personnel are determined by Trustees. This includes hours of work, salaries, any increases, for example because of cost of living increases, etc. The practice is to create appropriate job descriptions/ person specifications and to have them evaluated (Veolia use the term benchmarked) through the Veolia HR function. This ensures a consistent and recognised approach but in every case, final approval is given by Trustees, usually by the Trust's Staffing Committee which has delegated powers (within its Terms of Reference) for all staffing matters.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

f. Related party relationships

There are a number of related party relationships that the Trust is involved in, these have been summarised in note 23 of these financial statements. It should be noted that up to four Trustees can be appointed by Veolia and the names of those so appointed are listed on page 1 of this report. No Trustee receives any remuneration for their services except for the reimbursement of any travel and related expenses where these are claimed. None of the Veolia appointed Trustees made any expenses claims during the year. All expense claims are made in accordance with the Trustee Expense Guidance, Appendix C of the Finance Policy and receipts must be attached to all claims where appropriate.

g. Financial risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

h. Trustees' indemnities

Veolia has agreed to indemnify one or more Trustees of the charitable company against liability in respect of proceedings brought by third parties subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the report of the Trustees.

Plans for future periods

The future of the Trust is dependent upon the government continuing to offer, and its landfill operator continuing to participate in, the LCF. In the 2021 Budget, the Government confirmed the continuation of the scheme and maintained the LCF diversion rate at 5.3% from April 2021.

In February 2021 ADEB also reported to HMRC on the impact of Covid-19 on income, demand, and distribution of funding and whether the LCF was now providing a greater percentage of total projects costs due to local and national funding sources being diverted for Covid-19 emergency support. In summary the findings were:

- The number of projects completing reduced during the last 9 months and a clear indication on the impact of lockdown on construction and delivery
- The number of payments to projects was not significantly different, demonstrating that members were able to continue to provide vital funds and cashflows to organisations
- Application numbers and the total value requested was slightly down compared to the previous year but not significantly, demonstrating the continued demand for LCF funding throughout the pandemic
- The value awarded and number of projects supported has slightly reduced from last year but expected considering the economic slowdown and reduction of landfill tax generally
- The value of LCF funding in proportion to the total project cost increased from 34% to 48% during this period, suggesting the greater importance of the LCF as other funds were diverted to Covid-19 emergency funds.

The LCF has proven, during this year, to be in greater demand than before and is seen as ever more essential to the provision of amenities to the community and to improvements to local wildlife and habitats, as funding elsewhere becomes more scarce.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods (continued)

The Trust therefore anticipates another year of the effective and efficient distribution of whatever LCF monies are available to worthwhile community projects.

Members' liability

The Members of the Trust guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular staff meetings and have been kept informed on specific matters directly by management and by the Chairman of the Trustees. The Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Trust's Equal Opportunities Policy, the Trust has long established fair employment practices in the recruitment, selection, retention and training of staff with disabilities.

As part of its commitment to ensuring that the Trust's activities are fair and open to all potential applicants, Trustees have agreed to review its activities and policies against the recommendations made by a 2027 Programme secondee employed during 2018/19. It will also use the opportunity to re-examine its procedures to ensure that it takes the issues of diversity, equity and inclusion into account during a forthcoming review of its strategy, mission and vision due to begin during the autumn of 2021. The outcomes from these will be reported in the next Trustee Report.

Finally, in order to maximise public benefit, the Trust has long supported projects that improve access for people with disabilities, and those from disadvantaged sectors of society.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 Trust and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, WR Partners, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:


Joanne Demetrius (Jun 9, 2021 15:34 GMT+1)
.....
Ms J Demetrius
Company Secretary and Trustee
Date: 9 June 2021

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST

Opinion

We have audited the financial statements of Veolia Environmental Trust (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect there under.

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 Auditors' 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:

- We reviewed the susceptibility of the Charity's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Charity's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the Charity and its environment and identify any instances of non-compliance.
- We also assessed the Charity's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and Charity awareness to carry out our work to the required standard.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VEOLIA ENVIRONMENTAL TRUST
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

WR Partners

WR Partners (Jun 10, 2021 18:40 GMT+1)

WR Partners

Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

9 June 2021

WR Partners are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Income from:				
Donations and legacies	4	4,725	4,725	5,706
Charitable activities	5	50	50	108
Investments	6	1	1	6
Total income		4,776	4,776	5,820
Expenditure on:				
Charitable activities	9	4,589	4,589	5,243
Total expenditure		4,589	4,589	5,243
Net movement in funds		187	187	577
Reconciliation of funds:				
Total funds brought forward	16	4,139	4,139	3,562
Net movement in funds		187	187	577
Total funds carried forward		4,326	4,326	4,139

The notes on pages 21 to 36 form part of these financial statements.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03419138

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	13	6	5
		<u>6</u>	<u>5</u>
Current assets			
Debtors	14	7	9
Cash at bank and in hand		5,117	5,641
		<u>5,124</u>	<u>5,650</u>
Creditors: amounts falling due within one year	15	(804)	(1,516)
Net current assets		<u>4,320</u>	<u>4,134</u>
Total net assets		<u><u>4,326</u></u>	<u><u>4,139</u></u>
Charity funds			
Unrestricted funds	16	4,326	4,139
Total funds		<u><u>4,326</u></u>	<u><u>4,139</u></u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006. The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011. The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements. The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Date: 9 June 2021

The notes on pages 21 to 36 form part of these financial statements.


Joanne Demetrius (Jun 9, 2021 15:34 GMT+1)

Joanne Demetrius

Jun 9, 2021



Oswald A Dodds

Jun 9, 2021

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash used in operating activities	18	(522)	2,007
Cash flows from investing activities			
Purchase of tangible fixed assets		(3)	-
Interest receivable and similar income		1	6
Net cash (used in)/provided by investing activities		(2)	6
Change in cash and cash equivalents in the year		(524)	2,013
Cash and cash equivalents at the beginning of the year		5,641	3,628
Cash and cash equivalents at the end of the year	19	5,117	5,641

The notes on pages 21 to 36 form part of these financial statements

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Trust is a company limited by guarantee, incorporated in England. The registered office is disclosed on the Trust information page. The members of the Trust are the Trustees named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the second edition Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Veolia Environmental Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on the going concern basis.

After making enquires, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust has a strong balance sheet and cash reserves, and ability to manage costs to income. After making appropriate enquiries, and despite the effects of the Coronavirus Covid 19 pandemic, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

2.3 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and legacies

Income under the Landfill Communities Fund is recognised on the basis of amounts received.

Investment Income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Trust and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Trust and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Depreciation is provided on the following basis:

Fixtures and fittings	- 3 - 10 years straight line basis
-----------------------	------------------------------------

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.7 Debtors

Prepayments are valued at the amount prepaid net of any discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.12 Pensions

The Trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Trust to the fund in respect of the year.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

The Trust may, at its discretion, designate funds for specific purposes that would otherwise form part of general reserves. The designated funds comprise of amounts due under special project awards where the financial agreements have been signed but certain conditions are yet to be satisfied and hence the awards are conditional. Until the conditions are met to the satisfaction of the Trust, no obligation exists and no liability is recognised. As such, the amounts within the designated fund are not available for other purposes. Project payments are included in the Statement of Financial Activities and Grants payable in the furtherance of the Charity's objects where they are paid in the year, or valid requests for payment are received and approved by the Trust by the end of the accounting period.

3. Critical accounting estimates and areas of judgment

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The Trustees do not consider that there are any significant areas of estimation or uncertainty in preparing the financial statements for the current or the prior period.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Income from donations and legacies

	Unrestricted funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Donations			
Landfill Tax Credits	4,713	4,713	5,697
Project Refunds	12	12	9
	<u>4,725</u>	<u>4,725</u>	<u>5,706</u>
<i>Total 2020</i>	<u>5,706</u>	<u>5,706</u>	

Donations were received from Veolia ES Landfill during the current and prior year.

5. Income from charitable activities

	Unrestricted funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Agent Income	50	50	108
	<u>108</u>	<u>108</u>	
<i>Total 2020</i>	<u>108</u>	<u>108</u>	

6. Investment income

	Unrestricted funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Interest receivable on bank deposits	1	1	6
	<u>6</u>	<u>6</u>	
<i>Total 2020</i>	<u>6</u>	<u>6</u>	

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7. Grant making

	2021	<i>2020</i>
	£000	<i>£000</i>
Analysis of Grants		
Category A - remediation of land	-	-
Category B - reduction of pollution	-	-
Category D - public amenities	4,114	<i>4,527</i>
Category DA - conservation of bio-diversity	155	<i>345</i>
Category E - restoration of religious buildings or places of historical interest	-	-
Total	4,269	<i>4,872</i>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. Grant making (continued)

The support costs associated with grant-making are £Nil (2020: £Nil)

The principal objectives of the Veolia Environmental Trust are to support community and environmental projects, as set out in the Trust's Memorandum and Articles of Association. Grants recognised in the year relate to projects approved by the Trustees after the consideration of their compliance with the governing regulations and the Trust's criteria.

The Trust does not offer grants to individuals. The material grants to institutions are set out below:

	2021	<i>2020</i>
	£000	<i>£000</i>
Grant Recipient:		
Barrow Hill Community Trust	63	<i>75</i>
Basildon Borough Council	59	<i>71</i>
Birmingham City Council	60	<i>162</i>
Blidworth Parish Council	71	<i>59</i>
Community Forest Trust, trading as City of Trees	57	<i>171</i>
Friends of Stretford Public Hall	69	<i>71</i>
Henbury Village Hall	67	<i>75</i>
Hillsborough Arena Sports Association	57	<i>69</i>
Linacre Bridge Community Hub	67	<i>71</i>
Mersey Rivers Trust	60	<i>79</i>
Mind in Tower Hamlets and Newham	55	<i>65</i>
St George the Martyr Church Brentwood	75	<i>56</i>
St Germain's Church PCC	75	<i>74</i>
St Richard's Parochial Church Council	71	<i>52</i>
The Barlow Institute	71	<i>114</i>
The Conservation Volunteers	75	<i>238</i>
The Lancashire Wildlife Trust	80	<i>100</i>
The Pakistan Muslim Centre (Sheffield) Limited	57	<i>75</i>
The Parochial Church Council Of The Ecclesiastical Parish Of Binley Coventry	71	<i>71</i>
The Parochial Church Council of the Ecclesiastical Parish of St Peter & St Paul, Mansfield	60	<i>75</i>
The Royal Liverpool & Broadgreen University Hospitals NHS Trust		
Charitable Funds	-	<i>75</i>
The Royal Society for the Protection of Birds (RSPB)	-	<i>60</i>
The Wildlife Trust for Birmingham and the Black Country	-	<i>60</i>
Walsall Metropolitan Borough Council	-	<i>60</i>
Watford Borough Council	-	<i>64</i>
Wellbeing At Garon Park	-	<i>60</i>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Woodland Trust	300	157
Total grants < £50,000 (147 grants)	2,649	2,513
	<u>4,269</u>	<u>4,872</u>

9. Analysis of expenditure by activities

	Grant funding of activities 2021 £000	Support costs 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Grant-making	4,269	320	4,589	5,243
	<u>4,269</u>	<u>320</u>	<u>4,589</u>	<u>5,243</u>
<i>Total 2020</i>	<u>4,872</u>	<u>371</u>	<u>5,243</u>	

Analysis of support costs

	General funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Staff costs	165	165	155
Depreciation	2	2	2
Other staff costs	2	2	2
Marketing and publicity	4	4	4
Other resources expended	29	29	32
Meeting Expenses	1	1	5
ENTRUST Fees	107	107	161
Audit of the financial statements	10	10	10
	<u>320</u>	<u>320</u>	<u>371</u>
<i>Total 2020</i>	<u>371</u>	<u>371</u>	

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

10. Net Income/(Expenditure)

Net Income/(Expenditure) is stated after charging:

	2021 £000	<i>2020</i> <i>£000</i>
Audit fee	8	8
Accountancy fee	2	2
Depreciation	2	2
	<u>12</u>	<u>12</u>

11. Staff costs

	2021 £000	<i>2020</i> <i>£000</i>
Wages and salaries	135	128
Social security costs	14	13
Contribution to defined contribution pension schemes	17	14
	<u>166</u>	<u>155</u>

The Trust has no employees. Staff who work full time for the Trust are employed by Veolia and the costs of employment are re-charged to the Trust. Above show the aggregate payroll costs of these staff.

The average number of persons employed by the Trust during the year was as follows:

	2021 No.	<i>2020</i> <i>No.</i>
Management and Administration	<u>4</u>	<u>4</u>

No employee received remuneration amounting to more than £60,000 in either year.

The total employee benefits, including employer pension contributions and national insurance, of the key management personnel of the charity were £93k (2020: £90K).

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, expenses totalling £231 were reimbursed or paid directly to 3 Trustees (2020 - £2,634 to 6 Trustees). The expenses were paid to Trustees in relation to travel, subsistence and out of pocket expenses.

13. Tangible fixed assets

	Fixtures and fittings £000
Cost or valuation	
At 1 April 2020	12
Additions	3
At 31 March 2021	15
Depreciation	
At 1 April 2020	7
Charge for the year	2
At 31 March 2021	9
Net book value	
At 31 March 2021	6
At 31 March 2020	5

14. Debtors

	2021 £000	2020 £000
Due within one year		
Prepayments and accrued income	7	9
	7	9

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£000	<i>£000</i>
Amounts held as Agent	699	<i>1,438</i>
Other creditors	80	<i>50</i>
Accruals and deferred income	25	<i>28</i>
	804	<i>1,516</i>

Included within the creditors above are monies received from the Landfill Communities Fund (LCF) to which the Trust are acting as agents in administering these funds to 8 pre-existing agreed projects alongside ENTRUST. Of the monies received, £1,104,706 has been paid out as at 31 March 2021.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2021 £000
Unrestricted funds					
Designated funds					
Designated Funds - all funds	<u>1,357</u>	<u>-</u>	<u>(4,269)</u>	<u>4,617</u>	<u>1,705</u>
General funds					
General Funds - all funds	<u>2,782</u>	<u>4,776</u>	<u>(320)</u>	<u>(4,617)</u>	<u>2,621</u>
Total Unrestricted funds	<u><u>4,139</u></u>	<u><u>4,776</u></u>	<u><u>(4,589)</u></u>	<u><u>-</u></u>	<u><u>4,326</u></u>

Statement of funds - prior year

	<i>Balance at 1 April 2019 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Balance at 31 March 2020 £000</i>
Unrestricted funds					
Designated funds					
Designated Funds - all funds	<u>991</u>	<u>-</u>	<u>(4,872)</u>	<u>5,238</u>	<u>1,357</u>
General funds					
General Funds - all funds	<u>2,571</u>	<u>5,820</u>	<u>(371)</u>	<u>(5,238)</u>	<u>2,782</u>
Total Unrestricted funds	<u>3,562</u>	<u>5,820</u>	<u>(5,243)</u>	<u>-</u>	<u>4,139</u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	6	6
Current assets	5,123	5,123
Creditors due within one year	(803)	(803)
Total	<u>4,326</u>	<u>4,326</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Tangible fixed assets	5	5
Current assets	5,650	5,650
Creditors due within one year	(1,516)	(1,516)
Total	<u>4,139</u>	<u>4,139</u>

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Analysis of net assets between funds (continued)

General Fund

As of 31st March 2021, the Trustees have approved the financial support for a number of projects. These projects which are expected to lead to awards of approximately £2,343,000 (2020: £2,578,000) do not comprise binding commitments because financial agreements had not been signed as at 31 March 2021.

Taking these projects into account, the total fund surplus at 31 March 2021 is £143,323 (2020: £199,000). The transfer of £4,668,205 (2020: £5,238,000) made from the general fund to the designated fund is in respect of the value of approved awards which have had a finance agreement signed during 2020/2021 and so are considered an obligation at the period end.

Designated Fund

The designated fund amounting to £1,705,000 (2020: £1,357,000) has been allocated to projects permitted under the Landfill Tax regulations where financial agreements have been signed and upfront payments made, leaving the balance of the award to be claimed once evidence of expenditure relating to the payment is received. The balance on the designated fund is therefore considered to represent a contingent liability for which no amounts have been accrued. Designated funds are not disclosed by the due dates as the Trustees are not able to determine with certainty the timing of projects.

A contingent liability is considered due in respect of the total balance of £1,705,000 of grants permitted but projects not completed at 31 March 2021 (2020: £2,036,000).

During the course of the period, there has been £12,000 (2020: £12,000) released due to under spending projects and £Nil (2020: £261,000) released due to withdrawn projects. These monies have been reallocated into the general fund.

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £000	2020 £000
Net income for the year (as per Statement of Financial Activities)	187	577
Adjustments for:		
Depreciation charges	2	2
Investment income	(1)	(6)
Decrease/(increase) in debtors	2	(1)
Increase/(decrease) in creditors	(712)	1,435
Net cash provided by/(used in) operating activities	(522)	2,007

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Analysis of cash and cash equivalents

	2021	<i>2020</i>
	£000	<i>£000</i>
Cash in hand	5,117	5,041
Cash held on deposit	-	600
Total cash and cash equivalents	5,117	<i>5,641</i>

20. Analysis of changes in net debt

	At 1 April	Cash flows	At 31 March
	2020	2021	2021
	£000	£000	£000
Cash at bank and in hand	5,641	(524)	5,117
	5,641	(524)	5,117

21. Contingent liabilities

Grants offered subject to conditions which have not been met at the year end are included below as a contingent liability, but not accrued as expenditure in the year.

	2021	<i>2020</i>
	£000	<i>£000</i>
Grants		
Grants approved - no binding agreement at 31/03/2020	2,343	2,578
Grants permitted - projects not completed at 31/03/2020	1,705	2,036
	4,048	<i>4,614</i>

22. Operating lease commitments

The Trust had no commitments under non-cancellable operating leases at 31 March 2021.

VEOLIA ENVIRONMENTAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

23. Related party transactions

The table below shows the income received from related parties into the Trust during the year to 31 March 2021:

	2021	<i>2020</i>
Veolia ES Landfill Limited	4,712,000	5,697,651
Veolia Pitsea Maintenance Trust Funds transfer	538,608	32,155
Veolia Havering Maintenance Trust Funds transfer	178,396	1,513,486
	<u>5,429,004</u>	<u>7,243,292</u>

Certain expenses of the Trust amounting to £169,000. (2020: £177,000) have been paid by subsidiaries of Veolia, and then recharged at cost to the Trust. This principally relates to recharging of employee costs. At the year end, balances with related parties were accruals £14,000 (2020: £15,000).