

Report of the Trustees and  
Financial Statements  
for the Year Ended 31 March 2025  
for  
Middlesbrough Environment City Trust  
Limited

Anderson Barrowcliff Limited  
Statutory Auditors  
Chartered Accountants  
3 Kingfisher Court  
Bowesfield Park  
Stockton on Tees  
TS18 3EX

**Middlesbrough Environment City Trust**  
**Limited**

**Contents of the Financial Statements**  
**for the Year Ended 31 March 2025**

	<b>Page</b>
Report of the Trustees	1 to 13
Report of the Independent Auditors	14 to 16
Statement of Financial Activities	17
Balance Sheet	18 to 19
Cash Flow Statement	20
Notes to the Cash Flow Statement	21
Notes to the Financial Statements	22 to 32

**Middlesbrough Environment City Trust**  
**Limited (Registered number: 03386853)**

**Report of the Trustees**  
**for the Year Ended 31 March 2025**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice 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).

**Objectives and activities**

The Trustees present their objectives, activities and public benefit statement for the year, which set out the charitable purpose of Middlesbrough Environment City (MEC) and how this has been delivered during 2024/25.

MEC exists to promote sustainable development, improve health and wellbeing, and support communities to live healthier, more resilient and environmentally responsible lives. Our charitable objectives, as set out in our governing document, are delivered through practical programmes that address local needs and help create lasting change within our neighbourhoods.

The Trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit when planning and delivering the charity's activities.

**Our Purpose**

MEC's purpose is to empower communities across Middlesbrough and the wider Tees Valley to adopt healthier, more sustainable lifestyles. We achieve this by:

- supporting residents to access affordable, nutritious food;
- improving health and wellbeing through cooking skills, nutrition and active lifestyles;
- increasing access to green space and community growing opportunities;
- building resilience through practical environmental education;
- addressing fuel poverty through home energy advice;
- promoting active travel and sustainable transport; and,
- strengthening community capacity through volunteering, partnerships and collaboration.

**How We Deliver Our Purpose**

MEC delivers these aims through a combination of:

- practical projects in communities, schools and green spaces;
- targeted support for vulnerable groups and households facing inequalities;
- education and skills programmes, including cooking, growing, climate action and active travel;
- environmental improvement work, supporting biodiversity, sustainable transport and low carbon living;
- co-ordination and partnership development, including hosting the Middlesbrough Food Partnership;
- volunteering opportunities, enabling people to contribute to their communities; and,
- advocacy and collaboration, working with local authorities, funders and partners to improve systems and increase impact.

**Middlesbrough Environment City Trust**  
**Limited (Registered number: 03386853)**

**Report of the Trustees**  
**for the Year Ended 31 March 2025**

**Objectives and activities**

**Who We Support**

MEC works with a wide range of residents, including:

- families experiencing food insecurity;
- people living with long-term health conditions;
- individuals affected by the cost-of-living crisis;
- young people and schools;
- communities experiencing poor access to green space;
- people facing fuel poverty;
- people from diverse ethnic backgrounds, refugees and new arrivals;
- volunteers seeking skills, wellbeing and community connection.

Across all programmes, MEC priorities those most affected by health inequalities, poverty and environmental disadvantage.

**Public Benefit**

Our work delivers public benefit by:

- improving health and nutrition;
- reducing food insecurity;
- supporting behaviour change linked to climate and sustainability;
- reducing social isolation and improving wellbeing;
- contributing to local environmental improvement;
- promoting community resilience and skills development;
- diverting waste and supporting a circular economy; and,
- enabling children and adults to travel safely and sustainably.

These benefits reach thousands of people each year and are aligned to local strategic priorities around health inequalities, climate action, community resilience and sustainable living.

**Staff and Volunteers**

MEC's work is delivered by a dedicated and skilled team who bring expertise, commitment and creativity to every programme we run. The Trustees would like to record their sincere thanks to all staff for their hard work, professionalism and adaptability throughout what has been a year of significant organisational change.

Our staff team continued to deliver high-quality support across cooking and nutrition, active travel, climate action, community growing, affordable warmth and partnership coordination. Their ability to respond to rising levels of community need, while maintaining high standards of delivery, has been central to MEC's impact in 2024/25.

We are also fortunate to work alongside a large number of committed volunteers, particularly within Communities Growing Together, Eco Shops, community gardening, events and peer-support roles. Volunteers contributed hundreds of hours throughout the year, supporting food-growing sessions, helping maintain green spaces, supporting Eco Shop operations, providing cooking demonstrations and engaging with community members. Their contribution continues to be a vital part of MEC's community presence and our ability to support local people.

During the year we strengthened our approach to staff management and development. This included work to modernise HR policies, clarify management structures, improve internal communication and begin developing clearer competency frameworks. The creation of the Deputy Chief Executive post from April 2025 reflects our commitment to further strengthening leadership capacity and providing consistent operational oversight.

MEC is committed to being a supportive, inclusive and values driven employer. Throughout 2024/25 we continued to invest in staff wellbeing through supervision, training and opportunities for reflective practice. Colleagues were encouraged to contribute to organisational development through staff meetings, working groups and informal feedback channels. Work also began on improving internal systems to ensure staff have the tools, clarity and support needed to deliver high-quality community work.

The dedication of our staff and volunteers ensures that MEC continues to make a positive and measurable difference to local communities. The Trustees place on record their deep appreciation for the commitment and resilience shown by all those who contribute to the charity's work.



**Report of the Trustees**  
**for the Year Ended 31 March 2025**

**Achievements and performance**

2024/25 has been a significant year of transition and development for Middlesbrough Environment City (MEC). Against a backdrop of continued economic pressures, rising demand for services, cost-of-living challenges and changes within the local authority landscape, MEC has continued to deliver strong community impact while laying the foundations for organisational renewal.

A major development during the year was the appointment of a new Chief Executive in August 2024, bringing fresh leadership focus and initiating a period of assessment, engagement and early strategic scoping. Over the second half of the year, the CEO worked closely with staff, trustees and partners to understand MEC's strengths and challenges and to begin shaping the future direction of the charity.

During 2024/25 the Board also approved changes to strengthen MEC's management structure, recognising the need to enhance leadership capacity, improve accountability and support more effective delivery. This included approving the creation of a Deputy Chief Executive role in March 2025, scheduled for implementation at the start of the new financial year.

Alongside this, the charity began initial work to modernise policy frameworks, review financial and governance systems, and prepare for a more integrated organisational strategy. This preparatory work has laid the groundwork for deeper transformation to be delivered in 2025/26.

**Strategic Context and External Environment**

The external environment in which Middlesbrough Environment City operates continued to be demanding during 2024/25. Communities across Middlesbrough and the wider Tees Valley faced significant pressures linked to the cost-of-living crisis, public health inequalities, and the ongoing impacts of climate and environmental change. These challenges intensified demand for support across all areas of MEC's work, particularly in relation to:

1. food insecurity and access to affordable, healthy food;
2. fuel poverty and home energy advice;
3. cooking skills, nutrition and healthy lifestyle support;
4. active travel, environmental education and community engagement; and,
5. biodiversity, local growing and access to green space.

At the same time, the wider funding landscape remained volatile. Local authority budgets continued to tighten, competition for grant funding increased, and many households and voluntary sector partners experienced rising levels of need. For MEC, this meant operating within a context where:

1. needs are growing faster than available resources;
2. funders are seeking clearer evidence of impact and value;
3. community led solutions are becoming increasingly important; and,
4. charities must demonstrate strong governance and financial resilience.

These conditions reinforced the importance of MEC's role as a practical, place-based organisation delivering direct community benefit, whilst also highlighting the need for a more cohesive strategic framework to guide future work. Throughout the year, Trustees and senior staff monitored these external trends closely, ensuring the organisation remained responsive to emerging challenges and positioned to meet rising local demand.

This strategic context shaped the early scoping and diagnostic work undertaken during 2024/25 and underpins the organisation's plans for more substantial development and modernisation in 2025/26.

**Mission, Vision and Strategic Development**

During 2024/25 MEC began the early stages of a strategic refresh designed to strengthen the organisation's identity, clarify its long-term direction and ensure its work continues to respond effectively to local needs. Although the full strategy will be finalised and implemented during 2025/26, the foundations for this work were laid during the reporting year.

Following the appointment of a new Chief Executive in August 2024, the organisation undertook a focused period of assessment and engagement to understand current strengths, challenges and opportunities for future development.

This included early conversations with staff, trustees, volunteers, partners and communities to explore how MEC's purpose should evolve in response to local need. These discussions informed the initial scoping of a refreshed vision and mission for the organisation. However, this work remained in development during the reporting year, with formal approval of the new mission and vision taking place after 31 March 2025 as part of MEC's wider strategic planning process.



**Middlesbrough Environment City Trust**  
**Limited (Registered number: 03386853)**

**Report of the Trustees**  
**for the Year Ended 31 March 2025**

To provide clarity on the direction of travel, the refreshed statements, approved in October 2025, are set out below and will guide the charity's work from 2025/26 onwards:

**Our Vision**

A thriving, sustainable and equitable Tees Valley.

**Our Mission**

Middlesbrough Environment City empowers communities to live healthier and more sustainable lives. Through powerful, community-driven projects, practical education and supportive partnerships, we help build a society that cares for each other as well as the planet.

The exploratory work carried out during 2024/25 laid important foundations for these developments. It provided early insights into the organisational changes required, highlighted the importance of strengthening leadership capacity, and informed the Trustees' approval of a revised management structure to be implemented from 2025/26. Further strategic work, including finalisation of the Organisational Strategy 2025-27, will be delivered during the coming year.

**Our Impact in 2024/25**

Despite the challenging operating environment, MEC continued to deliver meaningful, measurable impact for communities across Middlesbrough and the wider Tees Valley. Our work remained rooted in practical sustainability, community participation and health and wellbeing, reaching diverse groups across neighbourhoods, schools, community hubs and green spaces.

The following sections provide a summary of activity across our core programme areas during 2024/25.

**1. Connecting Communities and Reducing Inequalities**

**Lifestyle Choice (Healthy Living)**

The Lifestyle Choice programme (formerly Healthy Living) supports residents to build cooking confidence, improve nutrition, and make healthier, affordable food choices. The service is funded through the Public Health SLA and focuses on people experiencing food insecurity and families with young children.

During 2024/25 MEC delivered:

- 474 participants supported through basic healthy cooking, budgeting and nutrition sessions.
- 127 participants engaged in targeted cooking sessions for families and parents.
- Training provided to Eco Shop volunteers on healthy weight messaging and signposting.
- Staff maintained up-to-date training on evidence based healthy eating guidance.
- Ongoing monitoring and collaboration with Public Health South Tees to improve delivery.

Participants reported increased confidence cooking from scratch, better budgeting skills, greater awareness of healthy eating and improved fruit and vegetable consumption.

The Lifestyle Choice programme contributes directly to Middlesbrough's public health priorities by supporting healthier eating, reducing inequalities and strengthening resilience in households experiencing food insecurity.

**Eco Shops**

MEC's network of Eco Shops continued to offer affordable, sustainable food to local communities, reducing food waste and easing cost-of-living pressures.

During 2024/25:

- 28 Eco Shops operated across Middlesbrough and wider Tees Valley.
- Around 1,000 people visited Eco Shops weekly.
- The network provided approximately 8,000 meal equivalents per week.
- A significant volume of surplus food was diverted from landfill, contributing directly to environmental impact targets.
- Eco Shop volunteers and customers also engaged in additional activities including cookery sessions, budgeting workshops and Healthy Start promotion.



**Report of the Trustees**  
**for the Year Ended 31 March 2025**

Eco Shops remain one of MEC's most important and visible community offers, combining environmental sustainability with social support and affordability.

**Middlesbrough Food Partnership (Good Food Middlesbrough)**

Coordination and hosting by MEC in 2024/25

MEC continued to host and coordinate the Middlesbrough Food Partnership (Good Food Middlesbrough) throughout 2024/25, supporting collaboration across local organisations working to improve the town's food system. MEC's role includes partnership governance, administration, communications and network building, ensuring the partnership remains aligned to the Sustainable Food Places framework.

During the year MEC:

- Coordinated partnership activity and maintained the network's communication channels, including producing regular Good Food Middlesbrough newsletters to share updates, highlight partner stories and promote good food initiatives across the town.
- Supported partnership wide visibility, including communications relating to Middlesbrough achieving the Sustainable Food Places Gold Award (2024) and facilitating media engagement, such as BBC Look North's visit to partnership members in December 2024.
- Maintained hosting and administrative functions, including convening meetings, supporting relationship building, and ensuring a consistent and coordinated approach across organisations working on good food, sustainability and food insecurity.
- Strengthened stakeholder engagement, widening participation and supporting members to share news, events and opportunities across the network (evidenced by regular calls for stories and events in all newsletters throughout the year).

The focus in 2024/25 was to consolidate the partnership's achievements following the Gold Award, improve communication across the network and maintain co-ordination of the town's good food movement. This work provides the foundation for strengthening governance, clarifying collective priorities and continuing partnership development in 2025/26.

**2. Supporting Wellbeing and Community Resilience**

**Heating on Prescription (Affordable Warmth Support Programme)**

MEC delivered the Heating on Prescription programme during 2024/25, supporting residents whose health and wellbeing were affected by cold homes and fuel poverty. Delivered in partnership with Northern Gas Networks (VCMA), Charis, and respiratory teams across North and South Tees NHS Trusts, the programme aimed to reduce avoidable health complications by improving warmth, safety and energy resilience in vulnerable households.

Demand for support increased steadily throughout the year, with 756 residents directly assisted, alongside a further 200 indirect beneficiaries within affected households. The final quarter saw the highest volume of engagement, reflecting both seasonal pressures and increased awareness of the service among clinical referrers. Most beneficiaries lived in high-deprivation neighbourhoods (IMD 1) and were managing chronic conditions, particularly respiratory illness, where cold housing significantly exacerbates symptoms.

As the programme developed, referral pathways were strengthened through closer collaboration with secondary care. Respiratory teams across both hospital trusts played a key role in ensuring that clinically vulnerable patients were identified earlier and connected with the support available. Partnership working with Charis also enabled a more accessible process for residents with limited digital access, ensuring that no one was excluded from receiving assistance due to technology barriers.

Support provided through the programme included personalised home energy advice, access to fuel vouchers, carbon monoxide awareness, and onward referrals into additional community and welfare services. Early feedback indicates improvements in household warmth, reductions in stress linked to energy costs, and increased confidence in managing long-term health conditions. Several beneficiaries have agreed to contribute case studies to support wider learning and awareness.

A full independent evaluation, including an assessment of health outcomes and return on investment, is underway and will be completed by September 2025. Initial data suggests that the programme has made a meaningful contribution to respiratory health, energy security and preventative healthcare across the Tees Valley.



**Report of the Trustees**  
**for the Year Ended 31 March 2025**

**Climate Action Middlesbrough (CAM)**

CAM continued to engage young people, families and communities in practical climate action across the town. CAM's programme combines environmental education, nature-based activities, community events and youth leadership, helping residents develop the skills and confidence to live more sustainably.

During 2024/25, CAM:

- Engaged thousands of young people, with over 5,000 involved to date through school workshops, Climate Action Clubs and youth-led activities.
- Supported multiple schools to improve their outdoor environments through the National Education Nature Park programme, installing wildlife planters and nature features at Beech Grove, Bankfields and Hollis Academy.
- Delivered major community engagement at the Festival of Thrift, reaching large numbers of residents through sustainable food demonstrations and climate education.
- Planted thousands of trees and hedgerow plants, including 2,396 trees during National Tree Week and further planting in early 2025, contributing to CAM's long-term target of 30,000 trees.
- Organised community litter picks and nature activities as part of the Great British Spring Clean, supporting residents to take action on local environmental issues.

CAM's work plays a central role in increasing environmental awareness, strengthening community resilience and supporting Middlesbrough's response to the climate emergency.

**Communities Growing Together (CGT)**

CGT continued to support residents across Middlesbrough to develop food-growing skills, improve wellbeing and connect with nature. Working across community gardens, allotments and green spaces, the programme offered practical training, supported volunteering and built local capacity for sustainable food growing.

During 2024/25 MEC delivered:

- 150 training and community sessions across food growing, seed saving, cooking and environmental skills.
- 375 attendees participating in sessions throughout the year.
- 507 volunteers, including 291 new volunteers, involved across CGT sites.
- Support for four main community growing sites, including Town Farm, Edible Forest Garden, Saltersgill and the development of the new Sandy Flatts Community Garden.
- Activity delivered in partnership with over 30 organisations, including Recovery Connections, De Paul, Groundwork Northeast and local refugee support groups.

CGT contributed to improved wellbeing, increased social connection and enhanced community food resilience. Participants reported feeling more confident, less isolated and more connected to their local community. Practical activities included planting, harvesting, composting, orchard care and shared cooking sessions using site-grown produce.

The year also saw further development of the regional Seed Sovereignty work, with volunteers contributing to local seed saving initiatives to strengthen long term food resilience.

Plans for 2025/26 include completing additional infrastructure at Sandy Flatts Community Allotments, further developing volunteer leadership, expanding inclusive sessions for diverse community groups and continuing the programme's collaboration with local partners to strengthen sustainable food growing opportunities across the town.

**3. Promoting Sustainable Living and Active Travel**

**Bikeability and Learn to Ride**

MEC continued to deliver Bikeability training across Middlesbrough and Stockton during 2024/25, enabling children to develop essential cycling, confidence and road safety skills. As Bikeability is commissioned and monitored on a financial year basis (April-March), the figures below represent the final combined SLA outputs for the period.

Across both areas, MEC trained over 1,600 children, including:

- 818 pupils in Middlesbrough completing their Bikeability journey.
- 775 pupils in Stockton completing their Bikeability journey.
- 29 children supported through Learn to Ride provision.

Schools continued to report high levels of satisfaction, and pupils demonstrated increased confidence, improved hazard awareness and greater willingness to choose active travel. Bikeability and Learn to Ride remain core components of MEC's work to promote active, healthy and sustainable travel across the Tees Valley.



**Middlesbrough Environment City Trust**  
**Limited (Registered number: 03386853)**

**Report of the Trustees**  
**for the Year Ended 31 March 2025**

**Financial review**

As part of the Trustees Report, the Trustees present an overview of the charity's financial performance for the year ending 31 March 2025.

**Financial Overview**

The 2024/25 financial year was one of transition for MEC, taking place against a challenging external backdrop of rising costs, increased demand for community support and uncertainty within the wider local authority funding landscape. Despite this, the charity maintained a stable financial position and continued to deliver high levels of community impact.

MEC's income for the year was drawn from a diverse mix of contracts, grants, service level agreements and charitable project funding. Importantly, 2024/25 was the first year in which MEC did not receive its historic core funding allocation, resulting in a reduction in income of approximately £140,000. Despite this change, the charity benefited from continued support from Middlesbrough Council, Public Health South Tees, national funders and other local partners.

Expenditure during the year reflected core project delivery across healthy eating, active travel, community growing, climate action, Eco Shops and partnership co-ordination. The loss of core funding contributed to a planned deficit budget for 2024/25, which the Trustees had approved on the basis of the charity's available reserves and the need to maintain service continuity for communities.

Through careful cost management, strengthened income generation efforts and active oversight by the Trustees, MEC maintained financial stability throughout the year and continued to deliver high levels of community impact.

The Trustees are satisfied that MEC remains a financially viable and resilient organisation with appropriate systems in place for financial management, oversight and internal control.

**Reserves Policy**

The Trustees review MEC's reserves position throughout the year as part of routine financial monitoring and formally assess the adequacy of reserves during the year-end planning process. The purpose of holding reserves is to ensure the charity can:

- meet its ongoing financial commitments;
- respond to unforeseen reductions in income or increases in expenditure;
- manage cashflow fluctuations arising from grant and contract payment cycles; and,
- maintain stability for staff, volunteers and service users in the event of financial uncertainty.

MEC holds both restricted and unrestricted funds. Restricted reserves are held for specific projects and cannot be used for general operating purposes.

The Trustees have set a policy that free (unrestricted) reserves should be maintained at a level sufficient to cover:

- three months of core operating costs, including staffing, premises and essential overheads; and
- any additional obligations linked to project close-down or transition should significant funding streams change unexpectedly.

The current level of free reserves is £378,310 (unrestricted funds £427,910 less fixed assets £49,600).

This represents a prudent level of reserves for a community-focused organisation operating in a variable funding environment.

The Trustees consider the current level of reserves to be appropriate and aligned to the charity's Reserves Policy. The position will continue to be monitored closely in 2025/26 as the organisation progresses through its wider programme of strategic and operational transformation.

**Investment Policy**

MEC does not hold investments for long-term financial return. The charity's funds are primarily applied to ongoing project delivery, community programmes and operational activities. Any surplus cash balances are held to support day-to-day operations, manage cashflow and maintain an appropriate level of reserves in line with the charity's Reserves Policy.

In setting its approach to investment, the Trustees have had regard to:

- the charity's duty to protect its assets;
- the need for liquidity to meet short-term expenditure commitments;
- the low-risk nature of MEC's financial strategy; and
- the Charity Commission's guidance on investment and financial stewardship.

**Report of the Trustees**  
**for the Year Ended 31 March 2025**

The Board's policy is that:

- MEC will not engage in high-risk or speculative investment activity; available funds will be held in low-risk, interest-bearing deposit accounts where possible, while ensuring immediate access for operational needs;
- cash balances will be reviewed regularly by the Head of Finance and reported to Trustees as part of routine management accounts;
- any decision to invest funds beyond standard deposit arrangements would require explicit Trustee approval and an assessment of risk, return and ethical considerations.

During 2024/25 the charity held no investment assets other than cash deposits. The Trustees are satisfied that MEC's Investment Policy remains appropriate for the organisation's scale, risk appetite and the current financial environment.

**Principal Risks and Uncertainties**

The Trustees maintain an active approach to risk management and oversee a framework designed to identify, assess and manage the principal risks facing the charity. During 2024/25, this work remained a key priority as MEC continued to operate within a challenging external environment and undertook significant internal organisational development.

MEC's risk register is reviewed regularly by senior management and reported to the Board. The most significant areas of risk identified during the year were:

**Financial and Funding Risks**

MEC continues to rely on a diverse mix of contracts, grants and service level agreements. The wider funding environment remained uncertain during 2024/25, with increasing competition for grants, pressures on local authority budgets and rising delivery costs. Mitigations included:

- strengthened financial monitoring and forecasting;
- close communication with funders;
- diversification of income sources; and,
- maintaining adequate reserves in line with the Reserves Policy.

**Governance and Organisational Capacity**

2024/25 was a year of transition, with a new Chief Executive appointed and further leadership restructuring approved. This brought short-term risks around capacity, oversight and continuity. Mitigations included:

- approval of a revised management structure;
- investment in policy updates and governance systems;
- strengthened Trustee engagement and reporting processes;
- planned introduction of a Deputy CEO in 2025/26.

**Workforce, Recruitment and Retention**

Like many voluntary sector organisations, MEC experienced challenges related to recruitment, retention and wellbeing, particularly in a period of change. Mitigations included:

- reviewing HR policies;
- improving internal communication;
- investment in training and supervision;
- Safeguarding, Health and Safety and Compliance planned implementation of clearer competency and role frameworks.

**Safeguarding, Health and Safety Compliance**

MEC works with vulnerable groups, children, volunteers and the general public across multiple community settings. This brings inherent safeguarding and compliance risks. Mitigations included:

- maintaining robust safeguarding procedures;
- compulsory staff training and DBS checks;
- strengthened reporting processes;
- site risk assessments and updated health and safety protocols.



**Report of the Trustees**  
**for the Year Ended 31 March 2025**

**Operational Delivery Risks**

External pressures, including cost-of-living impacts, supply chain issues, and the ability of partners or venues to host activities, created some uncertainty for project delivery. Mitigations included:

- flexible programme planning;
- strong relationships with community partners;
- clear contingency planning for programme adaptations.

**IT, Data and Cyber Security Risks**

As MEC manages increasing volumes of data through digital systems, risks relating to data security and system resilience remain relevant. Mitigations included:

- secure cloud-based systems;
- updated GDPR processes;
- restricted user access controls;
- ongoing IT support and monitoring.

**Trustee Statement**

The Trustees are satisfied that appropriate systems and controls are in place to manage the risks identified and that the charity remains resilient. Work to strengthen risk management will continue into 2025/26 as part of MEC's broader programme of organisational development.

**Going Concern**

The Trustees have considered the financial position of Middlesbrough Environment City, including reserves, cashflow, projected income and the wider funding environment. Although 2024/25 was a year of organisational transition and external pressures such as rising costs and uncertainty within public sector funding continued, the charity finished the year in a stable financial position.

MEC has a confirmed programme of contracted and grant-funded activity for 2025/26 and maintains reserves in line with its Reserves Policy. The charity continues to receive support from key partners and commissioners, and regular financial monitoring provides the Trustees with assurance that appropriate controls and oversight are in place.

Based on forecasts prepared by management, the Trustees are satisfied that the charity has adequate resources to continue operating for the foreseeable future and for at least 12 months from the date of approval of these financial statements. No material uncertainties have been identified that would cast doubt on the charity's ability to continue.

Accordingly, the financial statements have been prepared on a going concern basis.

**Future Plans**

Looking ahead to 2025/26, Middlesbrough Environment City will focus on consolidating the organisational changes initiated during 2024/25 while continuing to deliver high-quality environmental, health and community programmes. The charity remains committed to responding effectively to local needs, strengthening its internal systems and ensuring a resilient foundation for long-term impact.

A key priority for the coming year will be the implementation of MEC's new organisational strategy (2025-2027). This will provide a clearer framework for impact, guide operational decision making and enable the charity to focus on a defined set of strategic priorities linked to sustainability, health inequalities, food resilience, climate action and community wellbeing.

The charity's plans for 2025/26 include:

**Strengthening Leadership and Governance**

The new leadership structure, including the Deputy Chief Executive role, will be embedded to enhance operational oversight and strategic capacity. Work will continue to modernise policies, improve governance processes, and further refine risk management and compliance arrangements.

**Middlesbrough Environment City Trust**  
**Limited (Registered number: 03386853)**

**Report of the Trustees**  
**for the Year Ended 31 March 2025**

**Improving Systems and Operational Infrastructure**

MEC will continue its programme of internal development, including modernising financial systems, improving HR processes, enhancing data and monitoring practices and strengthening organisational policies. These improvements will support more consistent delivery and provide better evidence of impact.

**Enhancing Core Programme Delivery**

The organisation will build on existing strengths within key programme areas, including:

- Healthy living and nutrition programmes.
- Eco Shops and surplus food redistribution.
- Active travel and Bikeability training.
- Climate Action Middlesbrough and community engagement.
- Community growing and seed sovereignty initiatives.
- Partnership work through the Middlesbrough Food Partnership.

Programme development will focus on increasing reach, improving quality and deepening engagement with priority communities.

**Building Financial Resilience**

MEC will continue to diversify its funding base, strengthen the sustainability of core programmes and maintain a prudent reserves position. The charity will work proactively with local commissioners, funders and partners to secure medium-term funding for key areas of work.

**Supporting Communities Through Change**

With cost-of-living pressures and environmental challenges continuing to affect local residents, MEC will prioritise support for those facing inequality, food insecurity, fuel poverty and limited access to green space. This includes expanding inclusive opportunities for volunteering and community participation.

**Trustees' Forward View**

The Trustees remain committed to ensuring the charity's long-term sustainability and believe that the planned organisational developments, coupled with strong community demand and diverse programme delivery, position MEC well for the future. The focus for 2025/26 will be to build stability, strengthen governance and continue delivering meaningful impact across Middlesbrough and the wider Tees Valley.



**Middlesbrough Environment City Trust**  
**Limited (Registered number: 03386853)**

**Report of the Trustees**  
**for the Year Ended 31 March 2025**

**Structure, governance and management**

MEC is a charitable company limited by guarantee, incorporated in England and Wales and governed by its Articles of Association. The charity is led by a Board of Trustees who are also the Directors of the company for the purposes of the Companies Act.

**Governance Structure**

The Board is responsible for the strategic direction, governance oversight and overall stewardship of the charity. Trustees bring a range of experience across local government, community development, finance, health, environment and voluntary sector practice. The Board meets regularly throughout the year to review performance, monitor risk, oversee financial management and support the organisation's strategic development.

During 2024/25, MEC experienced several changes to Board membership as part of natural turnover and ongoing efforts to strengthen governance capacity. Induction processes ensure that new Trustees receive the necessary information about their legal duties, MEC's work and their role within the governance structure.

**Trustee Recruitment, Induction and Training**

Trustees are appointed in accordance with the charity's governing document. Recruitment is undertaken using skills-based criteria to ensure the Board maintains the expertise required to provide effective oversight. New Trustees are offered an induction programme, including briefings on MEC's activities, organisational policies, financial governance and safeguarding responsibilities. Ongoing training and development opportunities are provided as required.

**Executive Management and Leadership**

Day to day management of the charity is delegated to the Chief Executive, supported by the Executive Management Team (EMT). During 2024/25, MEC undertook important work to strengthen its management structure, including approving the creation of a Deputy Chief Executive role to take effect from April 2025. This reflects the Trustees' commitment to ensuring robust leadership capacity and clear operational oversight across the organisation.

The EMT is responsible for implementing strategy, managing staff, overseeing programme delivery and ensuring compliance with relevant legislation, policies and funder requirements.

**Decision Making and Delegation**

The Board has delegated certain responsibilities to the Chief Executive and EMT through a Scheme of Delegation and associated policies. Financial decisions are governed by authorised limits, budget approval processes and regular reporting to Trustees. All matters reserved for the Board, such as strategic planning, risk management, approval of annual budgets, major contracts and organisational changes, remain under Trustee control.

**Risk Management**

The Trustees are responsible for ensuring that MEC has effective systems in place to identify and manage risk. The Executive Management Team maintains a risk register which is reviewed regularly and reported to the Board. Further strengthening of governance systems began in 2024/25 as part of the charity's wider organisational development work.

**Related Parties and Partnership Working**

MEC works closely with a wide range of partners including Middlesbrough Council, Public Health South Tees, local community organisations, schools, environmental groups and regional networks. These partnerships are essential to delivering the charity's objectives and extending its reach. Trustees confirm that no related party transactions occurred during the year that require disclosure, other than those set out in the financial statements.

**Reference and administrative details**

**Registered Company number**  
03386853 (England and Wales)

**Registered Charity number**  
1070131

**Middlesbrough Environment City Trust**  
**Limited (Registered number: 03386853)**

**Report of the Trustees**  
**for the Year Ended 31 March 2025**

**Registered office**

Middlesbrough Environment City  
Sandy Flatts Lane  
Acklam  
Middlesbrough  
Yorkshire  
TS5 7YN

**Trustees**

B T Araia  
V Cunningham  
Cllr P Gavigan  
S J Granger - Chair  
C Maughan  
K J Mcmonagle  
R K Mills (resigned 1.8.25)  
J Rostron  
M Watson - Vice-Chair  
J A Garside (resigned 5.7.24)  
B Glover (resigned 31.12.24)  
T Grainge (resigned 19.4.24)  
A L Rigg (resigned 18.10.24)

The directors of the charitable company are its trustees for the purposes of charity law.

**Auditors**

Anderson Barrowcliff Limited  
Statutory Auditors  
Chartered Accountants  
3 Kingfisher Court  
Bowesfield Park  
Stockton on Tees  
TS18 3EX

**Bankers**

Cooperative Bank  
PO Box 250  
Skelmersdale  
Lancashire  
WN8 6WT

**Statement of trustees' responsibilities**

The trustees (who are also the directors of Middlesbrough Environment City Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Middlesbrough Environment City Trust**  
**Limited (Registered number: 03386853)**

**Report of the Trustees**  
**for the Year Ended 31 March 2025**

**Statement of trustees' responsibilities - continued**

In so far as the trustees are aware:

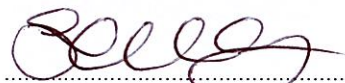
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Auditors**

The auditors, Anderson Barrowcliff Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 23/11/2025 and signed on its behalf by:



S J Granger - Trustee



**Report of the Independent Auditors to the Trustees of**  
**Middlesbrough Environment City Trust**  
**Limited**

**Opinion**

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

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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the 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.

**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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; 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 Statement of Trustees' Responsibilities, 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.



**Report of the Independent Auditors to the Trustees of**  
**Middlesbrough Environment City Trust**  
**Limited**

**Our responsibilities for the audit of the financial statements**

We have been appointed as auditors 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

Based on our understanding of the charity, we have considered applicable laws and regulations which may be fundamental to the charity's ability to operate or to avoid a material penalty, and we considered the extent to which non-compliance might have a material effect on the financial statements. We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate manual journal entries to manipulate financial performance, management bias in significant accounting estimates and any significant one-off or unusual transactions.

We discussed among the audit engagement team the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

**Auditors' responsibilities for the audit of the financial statements**

Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Challenging estimates and judgements made by management in their significant accounting estimates.
- Revenue recognition; agreeing a sample of revenue transactions to gain assurance over the occurrence and accuracy of revenue and also to ensure revenue has been recognised in the correct period.

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. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of  
Middlesbrough Environment City Trust  
Limited

**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 the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Anderson Barrowcliff Limited

Statutory Auditors

Chartered Accountants

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

3 Kingfisher Court

Bowesfield Park

Stockton on Tees

TS18 3EX

Date: 23/11/2025

**Middlesbrough Environment City Trust**  
**Limited**

**Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**for the Year Ended 31 March 2025**

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	6,188	1	6,189	108,291
<b>Charitable activities</b>	5				
Encouraging the Prudent Use of Resources		-	342,955	342,955	461,234
Promoting Healthy Lifestyles		-	249,234	249,234	863,960
Encouraging Greater Use of Sustainable Transport		-	137,538	137,538	115,825
Contributing to Physical Environmental Improvements		-	-	-	9,890
Education and Awareness Raising		-	160,277	160,277	42,703
Investment income	4	45,424	-	45,424	24,457
<b>Total</b>		<b>51,612</b>	<b>890,005</b>	<b>941,617</b>	<b>1,626,360</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	6				
Encouraging the Prudent Use of Resources		-	422,353	422,353	421,634
Promoting Healthy Lifestyles		-	592,374	592,374	363,623
Encouraging Greater Use of Sustainable Transport		-	151,698	151,698	173,459
Contributing to Physical Environmental Improvements		-	-	-	20,799
Education and Awareness Raising		4,949	174,013	178,962	119,941
Core and Organisational Management		86,746	-	86,746	95,668
<b>Total</b>		<b>91,695</b>	<b>1,340,438</b>	<b>1,432,133</b>	<b>1,195,124</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(40,083)</b>	<b>(450,433)</b>	<b>(490,516)</b>	<b>431,236</b>
Transfers between funds	18	(41,935)	41,935	-	-
<b>Net movement in funds</b>		<b>(82,018)</b>	<b>(408,498)</b>	<b>(490,516)</b>	<b>431,236</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		509,930	1,452,671	1,962,601	1,531,365
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>427,912</b>	<b>1,044,173</b>	<b>1,472,085</b>	<b>1,962,601</b>

The notes form part of these financial statements



**Middlesbrough Environment City Trust**  
**Limited (Registered number: 03386853)**

**Balance Sheet**  
**31 March 2025**

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	14	49,600	-	49,600	40,555
<b>CURRENT ASSETS</b>					
Debtors	15	276	52,565	52,841	70,609
Cash at bank and in hand		442,555	1,016,441	1,458,996	1,981,046
		<u>442,831</u>	<u>1,069,006</u>	<u>1,511,837</u>	<u>2,051,655</u>
<b>CREDITORS</b>					
Amounts falling due within one year	16	(64,521)	(24,831)	(89,352)	(129,609)
<b>NET CURRENT ASSETS</b>		<u>378,310</u>	<u>1,044,175</u>	<u>1,422,485</u>	<u>1,922,046</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>427,910</u>	<u>1,044,175</u>	<u>1,472,085</u>	<u>1,962,601</u>
<b>NET ASSETS</b>		<u>427,910</u>	<u>1,044,175</u>	<u>1,472,085</u>	<u>1,962,601</u>
<b>FUNDS</b>	18				
Unrestricted funds				427,910	509,930
Restricted funds				<u>1,044,175</u>	<u>1,452,671</u>
<b>TOTAL FUNDS</b>				<u>1,472,085</u>	<u>1,962,601</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2025.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.



Middlesbrough Environment City Trust  
Limited (Registered number: 03386853)

Balance Sheet - continued  
31 March 2025

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

The financial statements were approved by the Board of Trustees and authorised for issue on 21/11/2025 and were signed on its behalf by:

  
S J Granger - Trustee

  
Cllr P Gavan - Trustee

**Middlesbrough Environment City Trust**  
**Limited**

**Cash Flow Statement**  
**for the Year Ended 31 March 2025**

	Notes	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(546,436)	414,197
Net cash (used in)/provided by operating activities		(546,436)	414,197
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(22,338)	(14,320)
Sale of tangible fixed assets		1,300	-
Interest received		45,424	24,457
Net cash provided by investing activities		24,386	10,137
<b>Change in cash and cash equivalents in the reporting period</b>		(522,050)	424,334
<b>Cash and cash equivalents at the beginning of the reporting period</b>		1,981,046	1,556,712
<b>Cash and cash equivalents at the end of the reporting period</b>		1,458,996	1,981,046

The notes form part of these financial statements



**Middlesbrough Environment City Trust**  
**Limited**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31 March 2025**

**1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2025 £	2024 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(490,516)	431,236
Adjustments for:		
Depreciation charges	10,878	7,792
Loss on disposal of fixed assets	1,115	-
Interest received	(45,424)	(24,457)
Decrease/(increase) in debtors	17,768	(17,466)
(Decrease)/increase in creditors	(40,257)	17,092
Net cash (used in)/provided by operations	<u>(546,436)</u>	<u>414,197</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.24 £	Cash flow £	At 31.3.25 £
Net cash			
Cash at bank and in hand	1,981,046	(522,050)	1,458,996
	<u>1,981,046</u>	<u>(522,050)</u>	<u>1,458,996</u>
Total	<u>1,981,046</u>	<u>(522,050)</u>	<u>1,458,996</u>

**Middlesbrough Environment City Trust**  
**Limited**

**Notes to the Financial Statements**  
**for the Year Ended 31 March 2025**

**1. STATUTORY INFORMATION**

Middlesbrough Environmental City Trust Limited is a private charitable company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found in the Trustees' Report.

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

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared on a going concern basis under the historical cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the accounts. The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

**Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Direct charitable expenditure includes the direct costs of the activities and depreciation on related assets. Where such costs relate to more than one functional cost category, they have been split on an appropriate basis.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 50% on cost, 33% on cost, 25% on cost and 10% on cost
Motor vehicles	- 25% on cost and 10% on cost

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.



**Middlesbrough Environment City Trust**  
**Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2025**

**2. ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**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 one year or less from the date of acquisition or opening of the deposit or similar account.

**Financial instruments**

The charitable company 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.

**Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**3. DONATIONS AND LEGACIES**

	2025	2024
	£	£
Donations	<u>6,189</u>	<u>108,291</u>
Included within donation above:	2025	2024
	£	£
Other Sundry Income	189	6445
Middlesbrough Council - Salaries (Donations in kind)	-	78,846
Middlesbrough Council - Rent (Donations in kind)	6,000	6,000
Middlesbrough Council - Utilities (Donations in kind)	-	17,000
	<u>6,189</u>	<u>108,291</u>

**4. INVESTMENT INCOME**

	2025	2024
	£	£
Deposit account interest	<u>45,424</u>	<u>24,457</u>

**Middlesbrough Environment City Trust**  
**Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2025**

**5. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	2025 £	2024 £
Grants	Encouraging the Prudent Use of Resources	342,955	461,234
Grants	Promoting Healthy Lifestyles	249,234	863,960
	Encouraging Greater Use of Sustainable		
Grants	Transport	58,414	54,068
	Encouraging Greater Use of Sustainable		
Shopmobility Income	Transport	578	2,821
	Encouraging Greater Use of Sustainable		
Hartlepool Bikeability	Transport	22,415	18,600
	Encouraging Greater Use of Sustainable		
Stockton Bikeability	Transport	56,131	40,336
	Contributing to Physical Environmental		
Gardening Services	Improvements	-	9,890
Grants	Education and Awareness Raising	160,277	45,677
Training Income	Education and Awareness Raising	-	(2,974)
		<u>890,004</u>	<u>1,493,612</u>

Grants received, included in the above, are as follows:

	2025 £	2024 £
Redress	7,544	133,665
Climate Action Programme	335,412	327,569
Sustainable Food Cities	8,800	16,545
Public Health (Lifestyle Choice)	114,255	114,322
YGT Expenses	5,639	4,500
Boro Active Explorers	-	26,219
Tees Hub Eco Shop Online Dashboard	20,339	34,175
Rooted in Nature	-	20,729
YGT Administrator	52,109	23,529
Project Kitchen	-	420
NIHR & SMI	5,101	27,256
Communities Growing Together	62,500	37,500
Tees Valley Heating on Prescription	-	558,765
Department for Transport	58,414	48,328
Big Local Expenses	160,277	45,677
Stockton Pedestrian Training	-	280
Hartlepool Pedestrian Training	-	5,460
	<u>830,390</u>	<u>1,424,939</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 7) £	Grant funding of activities (see note 8) £	Support costs (see note 9) £	Totals £
Encouraging the Prudent Use of Resources	406,270	-	16,083	422,353
Promoting Healthy Lifestyles	559,168	16,640	16,566	592,374
Encouraging Greater Use of Sustainable Transport	149,825	-	1,873	151,698
Education and Awareness Raising	147,536	22,390	9,036	178,962
Core and Organisational Management	625	-	86,121	86,746
	<u>1,263,424</u>	<u>39,030</u>	<u>129,679</u>	<u>1,432,133</u>



**Middlesbrough Environment City Trust**  
**Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2025**

**7. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2025 £	2024 £
Staff costs	578,636	606,504
Consumables	54,783	28,727
Materials	1,574	1,035
Contractors	354,887	122,577
Other Project Costs	9,797	16,571
Project Support Costs	46,988	69,314
Payments to Partners	216,759	153,240
	<u>1,263,424</u>	<u>997,968</u>

**8. GRANTS PAYABLE**

	2025 £	2024 £
Promoting Healthy Lifestyles	16,640	25,030
Education and Awareness Raising	22,390	41,282
	<u>39,030</u>	<u>66,312</u>

	2025 £	2024 £
Grants to institutions:		
- Senior Over 50's Club	480	380
- Trinity Centre	-	322
- Ecoshop set up	16,640	25,520
- North Ormesby FC	500	500
- North Ormesby School	1,000	-
- Sue Green	-	100
- Janet Clancey	-	100
- North Ormesby Hub	-	39,390
- Saint Alponsus Church	20,000	-
- Kids Cabin	410	-
	<u>39,030</u>	<u>66,312</u>

**9. SUPPORT COSTS**

	Management £	Governance costs £	Totals £
Encouraging the Prudent Use of Resources	6,381	9,702	16,083
Promoting Healthy Lifestyles	7,601	8,965	16,566
Encouraging Greater Use of Sustainable Transport	1,873	-	1,873
Education and Awareness Raising	4,855	4,181	9,036
Core and Organisational Management	4,664	81,457	86,121
	<u>25,374</u>	<u>104,305</u>	<u>129,679</u>

**Middlesbrough Environment City Trust**  
**Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2025**

**9. SUPPORT COSTS - continued**

Support costs, included in the above, are as follows:

**Management**

	Encouraging the Prudent Use of Resources £	Promoting Healthy Lifestyles £	Encouraging Greater Use of Sustainable Transport £
Other staff costs	4,064	7,440	1,873
Volunteer and trainee costs	-	20	-
Promotion and Information	2,317	141	-
Depreciation of tangible assets	-	-	-
Loss on sale of tangible fixed assets	-	-	-
	<u>6,381</u>	<u>7,601</u>	<u>1,873</u>
		2025	2024

	Education and Awareness Raising £	Core and Organisational Management £	Total activities £	Total activities £
Other staff costs	4,360	-	17,737	12,187
Volunteer and trainee costs	-	-	20	98
Promotion and Information	495	19	2,972	2,224
Depreciation of tangible assets	-	3,530	3,530	5,055
Loss on sale of tangible fixed assets	-	1,115	1,115	-
	<u>4,855</u>	<u>4,664</u>	<u>25,374</u>	<u>19,564</u>

**Governance costs**

	Encouraging the Prudent Use of Resources £	Promoting Healthy Lifestyles £	Education and Awareness Raising £
Wages	-	-	-
Auditors' remuneration	5,702	7,370	4,181
Accountancy fees	-	-	-
Other staff costs	-	-	-
Consumables	-	-	-
Materials	-	-	-
Contractors	-	-	-
Other Project Costs	-	-	-
Project Support Costs	4,000	1,595	-
Depreciation of tangible fixed assets	-	-	-
	<u>9,702</u>	<u>8,965</u>	<u>4,181</u>



**Middlesbrough Environment City Trust**  
**Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2025**

**9. SUPPORT COSTS - continued**

**Governance costs - continued**

	Core and Organisational Management £	2025 Total activities £	2024 Total activities £
Wages	24,914	24,914	72,675
Auditors' remuneration	-	17,253	15,612
Accountancy fees	1,264	1,264	2,054
Other staff costs	20,714	20,714	995
Consumables	669	669	1,099
Materials	-	-	68
Contractors	3,752	3,752	5,544
Other Project Costs	-	-	6,561
Project Support Costs	22,796	28,391	3,935
Depreciation of tangible fixed assets	7,348	7,348	2,737
	<u>81,457</u>	<u>104,305</u>	<u>111,280</u>

**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2025 £	2024 £
Auditors' remuneration	17,253	15,612
Depreciation - owned assets	10,878	7,792
Deficit on disposal of fixed assets	<u>1,115</u>	<u>-</u>

**11. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

**12. STAFF COSTS**

	2025 £	2024 £
Seconded staff (donation in kind)	-	78,846
Wages and salaries	541,231	544,442
Social security costs	37,740	32,001
Other pension costs	24,579	23,890
	<u>603,550</u>	<u>679,179</u>

The total amount of employee benefits received by key management personnel is £97,390 (2024 - £168,946). The Charity considers its key management personnel comprise the Chief Executive, Office and Data Manager, and Head of Finance.

Total redundancy and termination payments included with other staff costs in the year amounted to £22,587 (2024: £Nil).

**Middlesbrough Environment City Trust**  
**Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2025**

**12. STAFF COSTS - continued**

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

	<b>2025</b>	2024
Seconded staff	-	2
Project and support staff	<b>25</b>	26
	<u><b>25</b></u>	<u>28</u>

No employees received emoluments in excess of £60,000.

**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	108,291	-	108,291
<b>Charitable activities</b>			
Encouraging the Prudent Use of Resources	-	461,234	461,234
Promoting Healthy Lifestyles	-	863,960	863,960
Encouraging Greater Use of Sustainable Transport	5,740	110,085	115,825
Contributing to Physical Environmental Improvements	-	9,890	9,890
Education and Awareness Raising	(2,974)	45,677	42,703
Investment income	24,457	-	24,457
<b>Total</b>	<u>135,514</u>	<u>1,490,846</u>	<u>1,626,360</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Encouraging the Prudent Use of Resources	-	421,634	421,634
Promoting Healthy Lifestyles	-	363,623	363,623
Encouraging Greater Use of Sustainable Transport	14,605	158,854	173,459
Contributing to Physical Environmental Improvements	-	20,799	20,799
Education and Awareness Raising	1,114	118,827	119,941
Core and Organisational Management	95,668	-	95,668
<b>Total</b>	<u>111,387</u>	<u>1,083,737</u>	<u>1,195,124</u>
<b>NET INCOME</b>	24,127	407,109	431,236
Transfers between funds	37,695	(37,695)	-
<b>Net movement in funds</b>	61,822	369,414	431,236
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	448,108	1,083,257	1,531,365
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>509,930</u></u>	<u><u>1,452,671</u></u>	<u><u>1,962,601</u></u>



**Middlesbrough Environment City Trust**  
**Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2025**

**14. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 April 2024	32,756	71,104	103,860
Additions	22,338	-	22,338
Disposals	-	(6,100)	(6,100)
	<hr/>	<hr/>	<hr/>
At 31 March 2025	55,094	65,004	120,098
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1 April 2024	6,195	57,110	63,305
Charge for year	7,348	3,530	10,878
Eliminated on disposal	-	(3,685)	(3,685)
	<hr/>	<hr/>	<hr/>
At 31 March 2025	13,543	56,955	70,498
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 March 2025	41,551	8,049	49,600
	<hr/>	<hr/>	<hr/>
At 31 March 2024	26,561	13,994	40,555
	<hr/>	<hr/>	<hr/>

**15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2025 £	2024 £
Trade debtors	276	15,482
Prepayments and accrued income	52,565	55,127
	<hr/>	<hr/>
	52,841	70,609
	<hr/>	<hr/>

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2025 £	2024 £
Trade creditors	17,367	18,961
Social security and other taxes	9,510	8,239
Other creditors	3,805	57,715
Deferred income	24,831	19,509
Accrued expenses	33,839	25,185
	<hr/>	<hr/>
	89,352	129,609
	<hr/>	<hr/>

**17. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025 £	2024 £
Within one year	6,986	6,986
Between one and five years	25,287	26,274
In more than five years	6,000	12,000
	<hr/>	<hr/>
	38,273	45,260
	<hr/>	<hr/>

**Middlesbrough Environment City Trust**  
**Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2025**

**18. MOVEMENT IN FUNDS**

	At 1.4.24 £	Net movement in funds £	Transfers between funds £	At 31.3.25 £
<b>Unrestricted funds</b>				
General fund	312,867	(35,423)	150,466	427,910
Designated Fund - Education and Awareness Raising	78,831	(4,662)	(74,169)	-
Designated Fund - Encouraging Greater Use of Sustainable Transport	118,232	-	(118,232)	-
	<u>509,930</u>	<u>(40,085)</u>	<u>(41,935)</u>	<u>427,910</u>
<b>Restricted funds</b>				
Encouraging the Prudent Use of Resources	303,732	(78,253)	25,266	250,745
Promoting Healthy Lifestyles	984,181	(343,140)	-	641,041
Encouraging Greater Use of Sustainable Transport	143,391	(15,302)	16,463	144,552
Contributing to Physical Environment Improvements	1,405	-	-	1,405
Education and Awareness Raising	19,962	(13,736)	206	6,432
	<u>1,452,671</u>	<u>(450,431)</u>	<u>41,935</u>	<u>1,044,175</u>
<b>TOTAL FUNDS</b>	<u>1,962,601</u>	<u>(490,516)</u>	<u>-</u>	<u>1,472,085</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	51,611	(87,034)	(35,423)
Designated Fund - Education and Awareness Raising	1	(4,663)	(4,662)
	<u>51,612</u>	<u>(91,697)</u>	<u>(40,085)</u>
<b>Restricted funds</b>			
Encouraging the Prudent Use of Resources	342,954	(421,207)	(78,253)
Promoting Healthy Lifestyles	249,234	(592,374)	(343,140)
Encouraging Greater Use of Sustainable Transport	137,540	(152,842)	(15,302)
Education and Awareness Raising	160,277	(174,013)	(13,736)
	<u>890,005</u>	<u>(1,340,436)</u>	<u>(450,431)</u>
<b>TOTAL FUNDS</b>	<u>941,617</u>	<u>(1,432,133)</u>	<u>(490,516)</u>



**Middlesbrough Environment City Trust  
Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2025**

**18. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.4.23 £	Net movement in funds £	Transfers between funds £	At 31.3.24 £
<b>Unrestricted funds</b>				
General fund	237,389	37,080	38,399	312,868
Designated Fund - Education and Awareness Raising	82,849	(4,088)	70	78,831
Designated Fund - Encouraging Greater Use of Sustainable Transport	127,870	(8,865)	(774)	118,231
	<u>448,108</u>	<u>24,127</u>	<u>37,695</u>	<u>509,930</u>
<b>Restricted funds</b>				
Encouraging the Prudent Use of Resources	304,069	39,600	(39,937)	303,732
Promoting Healthy Lifestyles	474,677	500,337	9,167	984,181
Encouraging Greater Use of Sustainable Transport	190,399	(48,769)	1,761	143,391
Contributing to Physical Environment Improvements	1,405	(10,909)	10,909	1,405
Education and Awareness Raising	112,707	(73,150)	(19,595)	19,962
	<u>1,083,257</u>	<u>407,109</u>	<u>(37,695)</u>	<u>1,452,671</u>
<b>TOTAL FUNDS</b>	<u>1,531,365</u>	<u>431,236</u>	<u>-</u>	<u>1,962,601</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	132,748	(95,668)	37,080
Designated Fund - Education and Awareness Raising	(2,974)	(1,114)	(4,088)
Designated Fund - Encouraging Greater Use of Sustainable Transport	5,740	(14,605)	(8,865)
	<u>135,514</u>	<u>(111,387)</u>	<u>24,127</u>
<b>Restricted funds</b>			
Encouraging the Prudent Use of Resources	461,234	(421,634)	39,600
Promoting Healthy Lifestyles	863,960	(363,623)	500,337
Encouraging Greater Use of Sustainable Transport	110,085	(158,854)	(48,769)
Contributing to Physical Environment Improvements	9,890	(20,799)	(10,909)
Education and Awareness Raising	45,677	(118,827)	(73,150)
	<u>1,490,846</u>	<u>(1,083,737)</u>	<u>407,109</u>
<b>TOTAL FUNDS</b>	<u>1,626,360</u>	<u>(1,195,124)</u>	<u>431,236</u>

**Middlesbrough Environment City Trust**  
**Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2025**

**19. EMPLOYEE BENEFIT OBLIGATIONS**

The charity operates a contributory defined contribution pension scheme for all employees. The charge for the year amounted to £24,579 (2024: £23,890). The amount outstanding at 31 March 2025 was £2,782 (2024: £3,929).

**20. RELATED PARTY DISCLOSURES**

The charity provided funding to a project partner £19,339 (2024: £61,483) to 5 July 2024, with £Nil (2024: £1,980) included within creditors at the balance sheet date. J A Garside, a trustee of the charity to 5 July 2024, is the CEO of the above project partner, Tees Valley Wildlife Trust.

During the year the charity provided funding to a project partner £18,494 (2024: £19,582) to 5 July 2024, with £Nil (2024: £953) included within creditors at the balance sheet date. B Araia, a trustee of the charity, is also a Trustee of the above project partner, The Other Perspective CIC.

During the year the charity incurred expenditure amounting to £5,423, and received income amounting to £50,854 from Middlesbrough Borough Council an entity of which Trustee P Gavigan is an executive member. The amount due to the charity at the year end amounted to £48.