

THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED
(Limited by Guarantee)

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

Company Registration Number: 03428850
Charity Registration Number: 1115855

THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED

(Limited by Guarantee)

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

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**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED**

TRUSTEES:

Mr I Cotter
Mr P Jones
Mr B Joyce
Mr T Palmer (Chair)
Cllr A King
Mr E Ashburner (Resigned 22/06/2021)
Ms A Badcock
Mrs B Parker
Dr J Smith (Resigned 14/12/2021)
Cllr E Lonsdale (Appointed 22/06/2021)
Mr B Carter (Appointed 14/12/2021)

COMPANY SECRETARY:

Mr P Peat

TRUST MANAGER

Mrs S Walton

FINANCIAL OFFICER

Mr P Handford

REGISTERED OFFICE:

County Hall
Matlock
Derbyshire
DE4 3AG

COMPANY REGISTRATION NUMBER:

03428850

CHARITY REGISTRATION NUMBER:

1115855

AUDITORS:

ApC
Chartered Accountants and Registered Auditors
7 St John Street
Mansfield
Nottinghamshire
NG18 1QH

BANKERS:

Lloyds Bank
1 Butler Place
London
SW1H 0PR

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF

THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 30 September 2021.

OBJECTIVES AND ACTIVITIES

The principal activity of the company, which is limited by guarantee, is the awarding of grants to third parties, including Environmental Bodies for approved projects under the Landfill Communities Fund. Funding is drawn primarily from landfill operators and on occasion other Environmental Bodies. Awards are made by a management committee composed of nominees of local authorities and other public bodies and one private individual. The Trust acts as an approved Environmental Body for administering awards by Walley's Quarry (formally Red Industries) and Tarmac (formerly Lafarge Tarmac). Since 2005 the Trust has been responsible for administering the Tarmac Landfill Communities Fund nationally. The Trust has managed the Walleys Quarry Community Fund in parts of Staffordshire since 2017. In addition, the Trust manages non Landfill Communities Fund grant schemes from time to time, in particular the Lodge House Surface Mine Community Fund (2012 - 2016) and the Aggregates Levy Sustainability Fund (2002 - 2011).

DET's success is measured against its objectives of awarding grants in accordance with the rules and criteria of each funder whilst recovering operating costs from administrative fees. The Trust's success is also assessed by ENTRUST against HMRC's targets for EBs - that unspent funds should decrease year on year and be no more than 1.5 times income; and to keep administration costs within 7.5 % of annual project expenditure (and endeavour not to transfer funds to EBs with costs above this level).

Public Benefit

In order to ensure the Trust continues to benefit the public, it aims to manage funds and distribute grants on behalf of the Trust's funders correctly and fairly in accordance with the rules and criteria of each fund. The Trust aims to award grants to schemes which will lead to long term and sustainable improvements to people's quality of life and the environment.

The Trust works to ensure that its operations are compliant with the Charity Commissions Guidelines and the requirements of the Landfill Communities Fund and those of any other fund it manages.

The Trust values the vital contribution volunteers make to projects it supports. As well as providing a vital source of labour and expertise for the benefit of the wider community, volunteers can also develop new skills which will benefit them in the future.

Ownership of a project is also important to the Trust. Public benefit is maximised by supporting projects that will be owned and operated by a local authority or a committee or group appointed by the local community.

The sustainability and environmental aspects of projects are also important to the Trust. To have a wider public benefit projects should have a long term future and minimise environmental impact.

Finally, in order to maximise public benefit the Trust has supported projects that improve access for people with disabilities and mobility difficulties.

ACHIEVEMENTS AND PERFORMANCE

Achievements 1997 – 2021

Since 1997, over £27m has been secured through the Trust for projects under the Landfill Communities Fund, with the range of Landfill Communities Fund grant awarded from £300 - £603,000 (average £20,000). During this time funding has been secured for around 1,100 Landfill Communities Fund projects of which approximately 600 are in Derbyshire. Projects funded outside Derbyshire are mainly managed by the Trust for Tarmac or Walleys Quarry (Formally Red Industries). Between 2002 and 2011 until this funding stream ceased, over £2.2 million has been distributed to over 120 projects in Derbyshire under the Aggregates Levy Sustainability Fund on behalf of Derbyshire County Council and the Local Area Agreement.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
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Between 2012 and 2016 until this funding stream ceased, over £263,000 was distributed to 30 Projects in Amber Valley through the Lodge House Surface Mine Community Fund on behalf of Derbyshire County Council and UK Coal.

Since 1997 the work of the Trust has been supported by a range of Landfill Operators and Environmental Bodies of which the principal funders have been Tarmac, Walleys Quarry (formerly Red Industries), Viridor Credits, Biffa Award, Global Environmental, Hanson Environmental Fund, Veolia Environmental Trust, Cemex Community Fund and WREN.

Currently projects managed by the Trust are supported with grants awarded by Tarmac and Walleys Quarry (Formally Red Industries). The Trust acknowledges their support with thanks.

The Trust is also in talks with other providers about setting up other funds.

Financial review

During the year, the Trust received funding of £1,985,966 (2020: £1,494,945) from landfill operators and other Environmental Bodies, including allocated interest the Trust also allocated £40,190 (2020 £40,000) of its own funds, added to the restricted reserves brought forward of £1,920,064 (2020: £1,601,081) there was a total of £3,906,030 (2020: £3,096,026) available for funding projects under the Landfill Communities Fund.

The Trust board met 4 times during the year and allocated £1,998,640 (2020: £1,362,268) to 92 (2020: 56) projects. During the year 78 (2020: 57) projects met the funding criteria and were paid a total of £1,250,244 (2020: £1,215,962) leaving restricted reserves carried forward of £2,695,976 (2019: £1,920,064).

The surplus (2020:surplus) for the year was £831,956 (2020: £319,385) which increases reserves. This is made up of a surplus after transfers, of £56,044 (2020: deficit £402) on the unrestricted fund and a surplus of £755,912 (2020 surplus £318,983) on the restricted fund. The net liquid assets of the charity have increased to £3,155,846 (2020: increased to £2,323,890).

The principal funding sources are Tarmac (formerly Lafarge Tarmac) and Walleys Quarry (Formally Red Industries).

Investment powers and policy

Under the terms of the Memorandum and Articles of Association, the charity has the power to invest in any way the Trustees wish.

Reserves policy

The Trustees have established as at 30 September 2021 the total level of unrestricted reserves held amounting to £459,870 (2020: £403,826) to provide a buffer for uninterrupted services due to any unforeseen future events. This represents approximately 38 months administrative costs and will be kept under review.

Plans for future periods

The Trust's landfill operators continue to provide funding now and for the foreseeable future which should enable the company to continue operating on a similar basis as at present.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Derbyshire Environmental Trust Limited is a charitable company limited by guarantee and was incorporated on 29 August 1997. It is governed by a Memorandum and Articles of Association dated 29 August 1997 and updated in June 2006, May 2010, May 2012, and May 2018. Its objects are to award grants to third parties, including Environmental Bodies for approved projects under the Landfill Communities Fund.

It is registered as a charity with the Charity Commission.

Appointment of Trustees

New Trustees are normally invited to join the Trust by the board, after having been nominated by their respective member bodies. The appointment is made at the first available meeting after receipt of the nomination. The Trustees of the company are also Trustees of the charity under the company's Articles are members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of one year after which they must be re-elected at the next Annual General Meeting (AGM).

All members are circulated with invitations to nominate Trustees prior to the AGM advising them of the retiring Trustees and requesting nominations for the AGM.

Trustee induction and training

New Trustees undergo an orientation process to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. During the induction they are invited to meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The board of Trustees usually meet four times a year to review the strategy and performance and to set the operating plans and budgets. The Financial Officer works closely with the Trust Manager to ensure that the income charged by the Trust is sufficient to keep the Trust viable. The Financial Officer submits up to date financial reports to Trustees meetings, showing the Trusts current financial position.

Internal controls

The charity has set systems of internal control, which are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A strategic plan and an annual budget and quarterly reviews, approved by the Trustees.
- Regular consideration by the Trustees of financial results, variance from budgets, non-financial performance indicators and benchmarking reviews.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

The Trustees have also set the following policies on internal control:

- Clarified the responsibility of management to implement the Trustees' policies and identify and to evaluate risks for their consideration.
- Communicated that employees have responsibility for internal control as part of their accountability for achieving objectives.
- Embedded the control system in the charity's operations so that it becomes part of the culture of the charity.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
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- Included procedures for reporting failings immediately to appropriate levels of management and the Trustees together with details of corrective action being undertaken.

Risk management

The Trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face, along with new risks as they arise.
- The establishment of systems and procedures to mitigate those risks identified in the plan; and
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work has identified a limited number of risks, but has resulted in better procedures and contingency plans and has given the impetus for better planning.

Procedures are in place to ensure compliance with health and safety of staff and visitors to the premises. A key element in the management of financial risk is the continued review of the level of reserves.

Covid-19

The Trust has not been significantly impacted by Covid during this period and landfill volumes have stabilised at pre-covid levels. However staff have continued to work from home and management committee meetings have all been held virtually online. It is anticipated that in future management committee meetings will be a mixture of virtual/online and in person/face to face and that staff will work from home for a significant proportion of time.

TRUSTEES RESPONSIBILITIES

The Trustees in office during the year are listed on page 1. Also listed on page 1 is the charity's registered number, the charity's registered office address and the charity's bankers.

The Trustees (who are also directors of The Derbyshire Environmental Trust for the purposes of company law) are responsible for preparing the Trustees' Annual 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 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 these 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
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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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

AUDITORS

The auditors ApC are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

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

On behalf of the board



Trustee **IAN COTTER**
Dated: **21-6-22**

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED**

Opinion

We have audited the financial statements of The Derbyshire Environmental Trust Limited (the 'charitable company') for the year ended 30 September 2021 which comprise primary statements such as the Statement of Financial Activities, Balance Sheet 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, 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 30 September 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 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 Auditor's 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 report of the Trustees, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based 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.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
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Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 5, 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
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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, 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.

Identifying and assessing potential risks related to Irregularities

As detailed above we carried out our audit in line with the appropriate guidance. In regards to our procedures during the initial planning, onsite work and final review stages we assessed our audit plan against the changing environments and updated wherever appropriate.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered and carried out a background information assessment on the company and looked at all of the appropriate laws and regulations that the company must abide with.

These included Coronavirus regulations, but also GDPR, Health & Safety and the Charities SORP.

The significant laws and regulations in regards to the business in addition to Companies Act, Health & Safety, Covid19 Regulations and GDPR are regularly reviewed by the company's management and updated for compliance.

Audit response to risks identified

As a result of performing the above, we identified income recognition as key audit matters related to the potential risk of fraud or error. Our specific procedures in this regard are as follows:

- Agreement of all income to bank statements
- Re-calculating deferred income
- Agreement of amounts paid out to supporting documents
- Re-calculating income in unrestricted fund

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations, which have a direct effect on the financial statements
- making enquiries of management;
- reviewing a sample of journal entries for unusual or unexpected journal adjustments
- We used limited analytical review procedures during our audit work and placed more reliance up on our transactional and detailed audit testing. Our analytical review for highlighting trends were then reviewed and assessed against our detailed testing work.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
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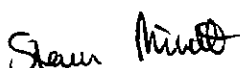
for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Pincott ACA, FCCA, ATT (Senior Statutory Auditor)
For and on behalf of
ApC Accountants Limited
Chartered Accountants and Statutory Auditors
7 St John Street, Mansfield, Nottinghamshire, NG18 1QH

Date: 22/06/2022

THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED
(Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and expenditure account)

YEAR ENDED 30 SEPTEMBER 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Income					
Income from charitable activities:					
Tax credits received	2	243,142	1,985,523	2,228,665	1,652,905
Investment income	2	49	443	492	3,305
Total Income		<u>243,191</u>	<u>1,985,966</u>	<u>2,229,157</u>	<u>1,656,210</u>
Expenditure					
Expenditure on charitable activities:	5	146,957	1,250,244	1,397,201	1,336,825
Total expenditure		<u>146,957</u>	<u>1,250,244</u>	<u>1,397,201</u>	<u>1,336,825</u>
Net income / (expenditure) before transfers and taxation		96,234	735,722	831,956	319,385
Transfer between funds	11	(40,190)	40,190	-	-
Net income / (expenditure) for the year		<u>56,044</u>	<u>775,912</u>	<u>831,956</u>	<u>319,385</u>
Reconciliation of funds					
Fund balance brought forward at 1 October	11	403,826	1,920,064	2,323,890	2,004,505
Fund balance carried forward at 30 September	11	<u>459,870</u>	<u>2,695,976</u>	<u>3,155,846</u>	<u>2,323,890</u>

All of the above are derived from continuing activities. All gains and losses recognised in the year are included above.

The notes on pages 14 to 24 form part of these financial statements

THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED
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BALANCE SHEET

YEAR ENDED 30 SEPTEMBER 2021

	Note	2021	2020
CURRENT ASSETS			
Cash at bank and in hand	9	3,173,873	2,340,678
		<u>3,173,873</u>	<u>2,340,678</u>
CREDITORS: Amounts falling due within one year	10	(18,027)	(16,788)
		<u>3,155,846</u>	<u>2,323,890</u>
NET CURRENT ASSETS		<u>3,155,846</u>	<u>2,323,890</u>
FUNDS			
Restricted funds	11	2,695,976	1,920,064
Unrestricted funds			
General funds	11	459,870	403,826
		<u>3,155,846</u>	<u>2,323,890</u>

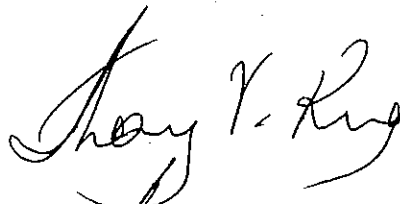
These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

Signed on behalf of the Board


Trustee **IAN COTTER**

Date: **21-6-22**

Company Registration Number: 03428850


Trustee **ANTHONY KING**
Date: **21-6-22**

The notes on pages 14 to 24 form part of these financial statements

THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED
(Limited by Guarantee)

CASHFLOW STATEMENT

YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 £	2020 £
Net cash outflow (inflow) from operating activities	14	832,703	247,448
Cashflows from financial activities	15	492	3,305
Change in cash and cash equivalents\ in this reporting period	16	833,195	250,753
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET CASH FUNDS			
Net Funds at 1 October		2,340,678	2,089,925
Net Funds at 30 September		3,173,873	2,340,678

THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Summary of significant accounting policies

a) General information and basis of preparation

The Derbyshire Environmental Trust Limited is a company limited by guarantee registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are insert detail.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 Issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £ unless stated otherwise in individual notes

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.

b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost 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

c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

c) Income recognition (continued)

The Trust receives income from landfill operators and occasionally other Environmental Bodies under the Landfill Communities Fund for the purpose of funding community and environmental projects. The income from the landfill operators charged to the Statement of Financial Activities when the funding is received by the Trust as this is the point at which the Trust is legally responsible for the funds.

The Landfill Communities Fund monies are held for spending on community and environmental projects the income is credited to the restricted reserve.

Of the Landfill Communities Fund, the Trust receives a fee (usually 7.5% of each project approved or each donation received) for administering the projects and this is credited to the unrestricted reserve. As the income relates to specific projects, the administration fee is deferred over the life of each project.

Gifts in kind for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for service donated by volunteers.

Interest income is included in the SOFA when it has been earned.

d) Expenditure recognition

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. It is categorised under the following headings:

All overhead expenditure is accounted for on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be recovered and has been classified under headings that aggregate all costs related to the category.

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage as set out in note 5.
- Awards to applicants are allocated to projects during the year and are charged to the SOFA when the grant claim is submitted by the applicant, and can be identified as meeting the requirements for the grant. Once the requirement of the grant are met, the funds are transferred to the SOFA and current liabilities.

THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

d) Expenditure recognition (continued)

- Admin fees are charged to the SOFA over the life of each project, the admin fee deferred at the balance sheet date is determined by the stage of completion of each project.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e) 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.

f) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

g) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern

2. INCOME

	Unrestricted Income £	Restricted Income £	Total 2021 £	Total 2020 £
Income from charitable activities				
Landfill operators	243,142	1,985,523	2,228,665	1,652,905
	<u>243,142</u>	<u>1,985,523</u>	<u>2,228,665</u>	<u>1,652,905</u>
Investment income				
Bank interest received	49	443	492	3,305
	<u>49</u>	<u>443</u>	<u>492</u>	<u>3,305</u>
Total incoming resources	<u>243,191</u>	<u>1,985,966</u>	<u>2,229,157</u>	<u>1,656,210</u>
Total incoming resources 2020	<u>160,935</u>	<u>1,491,970</u>	<u>1,652,905</u>	

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

3. GRANTS PAID IN FURTHERANCE OF THE CHARITY'S OBJECTS

Grants paid by category (per Landfill Tax Regulations 1996):

		2021 £'000	2020 £'000
Category A	Remediation of land	-	-
Category B	Reduction of pollution	-	-
Category D	Public amenities	1,231	1,166
Category DA	Conservation of biodiversity	7	-
Category E	Restoration of religious buildings or buildings of historical interest	12	49
Non	Non Landfill Community Fund Grants	-	-
Grants paid during year		1,250	1,215

4. GRANTS PAID IN FURTHERANCE OF THE CHARITY'S OBJECTS

Analysis of Charitable Awards in the year

Grant Recipient	£'000	Nature of award
Chapel en le Frith Bowling Club	11	Renovation & improvements to Bowling Green
Redgate Clayton Football Club	11	Community centre regeneration
Cuckney Cricket Club	11	Active families project
Wirksworth Heritage Centre	12	Lime rendering
Severn Vale Bowls Club	12	Insulate severn vale bowls club
St Marys Church, Knutton	12	Repair/Replace boundary wall
Newcastle Track Cycling Assoc	12	Perimeter fencing
Porthill Park Cricket Club	14	Kitchen refurbishment
Chapel Town Football Club	14	Ground maintenance equipment
School of Artisan Food	15	Artisan Food Production Equipment for students and Community use
Kingsley Community Association	15	Kingsley community centre extension project
Highfields Park Trust	15	Footpath repair project
Kilburn Parish Council	15	Kilburn and Rawson Green Nature Reserve
Newcastle Town Football Club	16	Gym development phase 2
North Kilworth Sports Club	16	Bringing cricket to our community
Queensbury Amateur Boxing Club	18	Roof repairs
Lutterworth Town Hall Charity	18	Replacement lift
All Saints Church, Hanley	18	Internal toilet and tea point
Sevenoaks Vine Club	19	Club boiler
Carried forward to next page	274	

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

4. GRANTS PAID IN FURTHERANCE OF THE CHARITY'S OBJECTS

Analysis of Charitable Awards in the year (continued)

Grant Recipient	£'000	Nature of award
Balance brought forward from previous page	274	
Parwich Royal British Legion	19	Parwich British Legion Club
Coltishall Village Hall & Recreation Ground	19	Coltishall Village Hall project
Langar cum Barnstone Parish Council	20	Play area development
Kingsley Parish Council	20	Kingsley Venture Valley
Wessex Chalk Stream and Rivers Trust	20	Ellingham Carriers on the Somerley Estate
Staffordshire Wildlife Trust	20	Cherry Holme River restoration
Cornforth Parish Council	20	Memorial Park
Derbyshire Wildlife Trust	20	Water for Wild wellbeing
New Vic Theatre	20	Auditorium refurbishment
Derbyshire Wildlife Trust	20	Carsington under cover
Quorn Cricket Club	21	Grounds maintenance project
Buxton Civic Association Ltd	22	Poole's Cavern Café floor renewal
Leycett Cricket Club	22	Replacement outfield mower
67th Burslem Scout Group	24	Safe project phase 2 - wooden building
Coltech Foundation	25	Alrewas island
North Kesteven District Council	25	Accessible Whisby
Welwyn Garden City Centenary Foundation	25	Wgc1000 centenary woodland garden
Second Quorn Scouts	26	Allen house improvement project 2020
Church of the Saviour, Chell Heath	28	Gas central heating
Ashbourne Sports & Community Hub	29	Recreation ground
Eastwood Hanley Football Club	29	Electricity supply
Madeley White Star FC	30	Fencing project
Newcastle under Lyme Snr Citizens	31	Refurbishment of community centre
Buxton & High Peak Golf Club	34	Gents wash room, toilets and shower area improvements
Nottingham Hockey Club	35	Goosedale Sports Club pitch refurbishment project
West Tanfield Memorial Hall Bowling Club	40	Renewal of clubhouse
The British Horse Society	50	Bridleway no 504, Brinsted
Wirksworth St Marys Church	50	Maltings Community toilet block renovation
Port Vale Foundation Trust	50	Tommy Cheadle Social Club re-fit
East Herts Council	50	Hartham Common play space
	<u>1,118</u>	

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

4. GRANTS PAID IN FURTHERANCE OF THE CHARITY'S OBJECTS

Analysis of Charitable Awards in the year (continued)

	£'000
Grants paid over £10,000	1,118
Grants paid under £10,000	132
	<hr/>
Total grants paid	1,250
	<hr/>

5. TOTAL EXPENDITURE

	Basis of costs	Schemes £	Governance £	Total 2021 £	Total 2020 £
Costs directly attributable to activities					
Awards to applicants	Direct	1,250,244	-	1,250,244	1,215,962
Administration	Direct	65,207	16,665	81,872	72,767
Entrust fees	Direct	58,787	-	58,787	42,398
Professional fees	Direct	-	4,174	4,174	3,924
Supporting costs allocated to activities					
Insurance	Transactions	331	1,135	1,466	1,369
General expenses	Transactions	309	349	658	405
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure 2021		1,374,878	22,323	1,397,201	1,336,825
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure 2020		1,315,336	21,489	1,336,825	
		<hr/>	<hr/>	<hr/>	

Of the total expenditure, £1,250,244 (2020: £1,215,962) was attributable to the restricted fund and £138,589 (2020: £120,863) was attributable to the unrestricted fund.

Net incoming resources for the year are stated after charging:

	2021 £	2020 £
Audit fee	<hr/> 4,174	<hr/> 3,924

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

6. TRUSTEES REMUNERATION AND RELATED PARTY TRANSACTIONS

No Trustee has claimed for any remuneration during the year (2020: None).
During the year £Nil in travel expenses were paid to Trustees (2020: £20.90).

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2020: £nil) other than the transactions disclosed above.

Owing to the nature of the environmental Trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures. All project expenditure is authorised by the board as a whole including the main Trust funders Tarmac and Red Industries who approve the project related expenditure.

Transactions took place with Derbyshire County Council including grants paid for projects and recharge of staff and other services totalling £74,090 (2020: £73,104), there was also a project approved for £Nil (2020: £22,950)

During the year, £40,493 in grants were paid to Derbyshire Wildlife Trust (2020: £12,683) a Charitable Company in which Dr J Smith and Mr B Carter are involved.

7. STAFF COSTS

There were no employees during the year (2020: none). No employee received remuneration in excess of £60,000 (2020: none).

Although the Trust has no employees, 2 (2020: 2) members of staff are employed by Derbyshire County Council to work solely for the Trust. Their employment costs are recharged to the Trust and included within the recharge figure noted in note 6 above. Total amounts recharged in respect of staff costs during the year were £73,555 (2020: £72,782).

The total amount of Trustee and key management personnel benefits (including recharged amounts) was £73,555 (2020: £72,782).

8. TAXATION

As a charity, The Derbyshire Environmental Trust Limited is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

9. CASH AT BANK AND IN HAND

	2021 £	2020 £
Restricted fund	2,695,976	1,920,064
Unrestricted fund	477,897	420,614
	<u>3,173,873</u>	<u>2,340,678</u>

10. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	18,027	16,788
Grants approved not yet paid	-	-
Other creditors	-	-
	<u>18,027</u>	<u>16,788</u>

The aggregate amount of secured liabilities is £Nil (2020: £Nil).

Deferred income	2021 £	2020 £
Brought forward	13,288	12,430
Released during year	(13,288)	(12,430)
Accrued during year	14,127	13,288
	<u>14,127</u>	<u>13,288</u>
Balance Carried forward	<u>14,127</u>	<u>13,288</u>

The accrued income at 30 September 2021 relates to the deferred element of project administration fees.

THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

11. STATEMENT OF FUNDS

	At 1 October 2020 £	Income £	Expenditure £	Transfers £	At 30 September 2021 £
General reserve	403,826	243,191	146,957	(40,190)	459,870
Total unrestricted funds	403,826	243,191	146,957	(40,190)	459,870
Restricted funds:					
Schemes	1,920,064	1,985,966	1,250,244	40,190	2,695,976
Total restricted funds	1,920,064	1,985,966	1,250,244	40,190	2,695,976
Total funds	2,323,890	2,229,157	1,397,201	-	3,155,846

The restricted fund represents funding specifically for the on-going schemes of the charity of which £1,917,672 (2020: £1,307,432) has been allocated against future projects that have not yet fulfilled the condition for payment. Unrestricted general funds represent the administration fees agreed with the landfill operators for administering the environmental projects carried out by the Trust, these funds can be used for:

- a) To provide funds which can be designated to specific projects to enable these schemes to be undertaken at short notice; and
- b) To cover management administration fund-raising and support costs without which the charity could not function; and
- c) To provide an accumulation of funds for future development opportunities designed to further the objectives of the charity.

The Trustees consider it prudent that unrestricted reserves should be sufficient:

- a) To cover two year's management, administration, fund-raising and support costs;
- b) To cover the expected future winding up costs of the Trust.

Unrestricted reserves are currently above that range.

Transfers between reserves

The trustees agreed to transfer £40,190 from its unrestricted reserves to restricted reserves during the year in order to apply further funds to its charitable objectives as the trustees believe they have sufficient unrestricted reserves to continue as a going concern.

THE DERBYSHIRE ENVIRONMENTAL TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds £	General funds £	2021 Total £	2020 Total £
Funds balance at 30 September 2021 are represented by:				
Current assets	2,695,976	477,897	3,173,873	2,340,678
Current liabilities	-	(18,027)	(18,027)	(16,788)
Total net assets	2,695,976	459,870	3,155,846	2,323,890

13. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The charitable company has no capital commitments or contingent liabilities at the balance sheet date.

14. RECONCILIATION OF NET INCOME/EXPENDITURE TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net (expenditure) / income for the reporting period (as per the Statement of Financial Activities)	831,956	319,385
Interest received	(492)	(3,305)
Increase / (decrease) in creditors	1,239	(68,632)
Net cash (used) / provided by operating activities	832,703	247,448

15. CASHFLOW FROM FINANCING ACTIVITIES

	2021 £	2020 £
Interest received	492	3,305
Net cash inflow from financing activities	492	3,305

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2021

16. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 October 2020 £	Cashflows £	At 30 September 2021 £
Cash at bank	2,340,678	833,195	3,173,873
	<u>2,340,678</u>	<u>833,195</u>	<u>3,173,873</u>