

Bradford Environmental Action Trust

Financial Statements

Year Ended 31 March 2006

**Stirk Lambert & Co
Chartered Accountants
Keighley**

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Bradford Environmental Action Trust

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Year Ended 31 March 2006**

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Bradford Environmental Action Trust
Trustee's Report
Year Ended 31 March 2006

The Trustees and Directors of Bradford Environmental Action Trust present their report and the audited financial statements for the year ended 31 March 2006.

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name: Bradford Environmental Action Trust

Charity registration number: 1068903

Company registration number: 3324790

Status: Bradford Environmental Action Trust is a company limited by guarantee. The charity is governed by its memorandum and articles of association.

Registered Office: Commercial House
140-148 Manningham Lane
Bradford
West Yorkshire
BD8 7JJ

Trustees/Board Members

T J Bibby	Chairman
A Harris	Treasurer
M Galaria	(appointed 5 October 2005)
Dr M T R Hill	Vice-Chair
R Issaac	
D Palmer	
S J Bullimore	(resigned 9 August 2005)

The honorary officers will be re-elected at the AGM and Daniel Palmer, Mahjabeen Galaria and Richard Isaac will retire from office but will be eligible to seek re-election.

Company Secretary

K Hartland Westwood	(resigned 13 January 2006)
M Hudson	(appointed 1 March 2006)

Senior Management Team

P Bowen	Finance Manager
M Hudson	Office Co-ordinator

Auditors Stirk Lambert & Co
Russell Chambers
61a North Street
Keighley
West Yorkshire
BD21 3DS

Bankers CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

The Ecology Building Society
7 Belton Road
Silsden
Keighley
BD20 0EE

**Bradford Environmental Action Trust
Trustee's Report
Year Ended 31 March 2006**

STRUCTURE, GOVERNANCE AND MANAGEMENT OF THE TRUST

The Trust is governed by its memorandum and articles of association. The Board of Trustees is responsible for the governance and strategic direction of the charity. The Board meets once a month and at any other such times as necessary. The day-to-day responsibility for service delivery lay with the Project Managers.

New trustees are elected from the membership at the Annual General Meeting. The trustees are recruited and appointed on the basis of their relevant skills and experience, which it is felt, can be used for the benefit of the charity; they must also have an interest in and knowledge of the local environment.

Training and induction of new trustees is undertaken on an informal and ongoing basis via discussions with existing directors, attendance at board meetings etc. Training is offered to new board members when it is available.

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Charity and are satisfied that systems are in place to mitigate our exposure to the major risks.

CHARITY OBJECTIVES AND ACTIVITIES ~ ACHIEVEMENT AND PERFORMANCE

As laid out in the memorandum and articles of association, the simple goal of BEAT is to work towards a healthy sustainable environment, which improves the quality of life of all people in the Bradford District.

In 2005/2006 the Trust ran several projects with the aim of improving and enhancing the environment.

Bradford Real Nappy Project, funded by DEFRA, Bradford Vision and CRED is promoting the use of washable nappies. The project sells starter kits to introduce people to the different types of washable nappies available, so that they can make informed choices about which types they prefer. The project also operates a scheme for parents on low-incomes whereby they can purchase washable nappies at affordable prices. They also deliver an information service to enable people to find out as much as possible about the various types of nappies before committing to buying them. They have also been instrumental in setting up a nappy laundry service, and are offering subsidies to their clients. The nappy project has given talks to 113 groups attended by 1762 people and attended 20 events where they have talked to 1270 people. This has led to the sale of 150 starter kits and has raised awareness across the Bradford District.

The Forest of Bradford project, funded by Esmée Fairbairn and Bradford Vision, continued with its task to increase woodland in the Bradford District. The project planted around 60,000 trees this year, reaching a milestone of a quarter of a million trees to date.

The MAGIC project, funded by the Community Funding Unit, continued to raise awareness of recycling and waste issues in the Manningham and Girlington areas by working in several schools and with community groups.

The Trust supported and monitored 70 projects through the Clean, Green, Safe Neighbourhood Scheme funded by Bradford Vision, which were mainly community groups and associations, this helped to raise the profile of the Trust and has led to further partnerships being formed. These schemes, at large, were a great success.

The B-Equal project, funded by the European Social Fund, was charged with encouraging ethnic minorities to undertake environmental work, thereby reducing unemployment among this group. Although much of the work for this project was carried out in the previous financial year as the funding ended in May 2005 the project proved to be a great success.

The Pennine Waste Exchange, funded by ERDF and match-funded by Landfill Tax, diverts industrial and commercial waste away from landfill by facilitating the reuse and recycling of commercial waste materials. By making links between companies who have waste and those who could make use of it, the project has successfully diverted 450 tonnes from landfill during the lifetime of the project. The project has been unable to secure further funding and so ended in June 2005.

Almost all of the projects have had a valuable contribution from volunteers, both in the capacity of board members and in many of the operational and service delivery roles. Many of our volunteers have managed to gain paid employment in their chosen fields as a direct result of the experience gained by volunteering at Bradford Environmental Action Trust.

**Bradford Environmental Action Trust
Trustee's Report
Year Ended 31 March 2006**

FINANCIAL REVIEW

Financial Position

There have been many changes in Bradford Environmental Action Trust during the financial year to 31st March 2006. Whilst several projects have come to the end of their contracts with the relevant funding bodies, bids for new funding have been successful enabling projects to carry on the vital work needed for BEAT to uphold its goals as stated in BEAT's constitution.

Funding contracts ended: -

- *B Equal (Young, Gifted & Green).
- *Bradford Vision (Real Nappy).
- *Bradford Vision (Forest Of Bradford).
- *Bradford Vision (NAPS Support Work).
- *DEFRA (Real Nappy).
- *ERDF (Pennine Waste Exchange).
- *Esmée Fairbairn (Forest Of Bradford).
- *Landfill Tax (Real Nappy, Waste Landfill, Forestry).

If there were any monies left in any of the above projects, permission was asked of the funders if it was possible to use these monies to carry forward to the new financial year, to be used on relevant projects. In most cases this was granted. These were not large amounts but it enabled projects to continue until new funding was received and new funding was bid for.

The funding for GreenWorks! did not materialise, and as there were no other funds available to enable the project to continue, unfortunately this meant the project did not go ahead.

The Real Nappy Project has obtained funding from CRED to carry on their sterling work.

During the year Pennine Waste Exchange was audited by ERDF and received an extremely good report. They were impressed by BEAT's systems of record keeping by the Project, Office Policies and Financial systems. The Waste Exchange is to continue; funding having been found from DEFRA (this does not start until the new financial year), a new ERDF bid has been put forward, and this is looking favourable.

Also during the year, Landfill Tax was audited and again a good report was received.

We have applied to Entrust to utilise the remainder of the Landfill Tax on new projects. The consensus of opinion is that this seems very favourable.

The Forest of Bradford is still continuing, though not at their previous capacity due to lack of funding. Esmée Fairbairn gave permission to use surplus funds left at the end of the financial year, and along with donations from businesses, this has enabled the project to continue. A number of funding bids have been put forward, the outcome is due shortly.

Reserves Policy

BEAT is working towards building Reserves of between three and six months expenditure (£102,313 to £204,626) and these are held in order to protect the organisation against the uncertainties of both trading and funding. At the yearend the reserves equate to 3 months of expenditure (£102,313).

Investment Policy

BEAT maximises the returns on its investments by regular scrutiny and use of high interest accounts.

PLANS FOR THE FUTURE PERIODS

The Board of Trustees will continue to support existing projects and will work to find funding to resurrect the Pennine Waste Exchange and secure other sources of income to extend our work, which will further improve the local environment.

Anyone who works in the Voluntary Sector is aware both how hard and time consuming it is putting together funding bids. Every endeavour is made at BEAT by Project Managers, Staff and the Trustees to secure funding enabling BEAT to maintain the high standard of work throughout the district.

**Bradford Environmental Action Trust
Trustee's Report
Year Ended 31 March 2006**

Statement of Trustee's Responsibilities

The purpose of this statement is to distinguish the trustee's responsibilities for the financial statements from those of the auditors as stated in their report.

Company and charity law require the trustees to prepare financial statements for the financial year, which give a true and fair view of the state of affairs of the company and of the incoming resources for the year then ended and of the application of resources of the company for that year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue on that basis.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and to enable it to ensure that the financial statements comply with applicable accounting standards. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, as well as exercising proper financial control.

In accordance with company law, as trustees of the company we certify that:


- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the trustees of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

Stirk Lambert & Co were appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

By order of the board


T J Bibby - Chairman

10 November 2006


A Harris - Treasurer

10 November 2006

**Independent Auditor's Report to the Members of
Bradford Environmental Action Trust**

We have audited the financial statements of Bradford Environmental Action Trust for the year ended 31 March 2006, which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes set out on pages 6 to 13. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the charity's trustees, as a body, in accordance with Sections 43 and 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

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

Basis of audit opinion

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

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

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2006 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

Stirk Lambert & Co
Russell Chambers
61a North Street
Keighley
West Yorkshire
BD21 3DS

Stirk Lambert & Co

Dated 10 November 2006

Bradford Environmental Action Trust

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
Year Ended 31 March 2006**

	Notes	Unrestricted Funds £	Restricted Funds £	2006 £	2005 £
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
Grants	2	21,995		21,995	-
Donations and other income	3	67,366		67,366	22,279
<i>Activities for generating funds:</i>					
Interest receivable		5,781		5,781	3,532
Incoming resources from charitable activities:					
Grants	2		316,192	316,192	198,037
Donations and other income	3			-	3,328
Total incoming resources		<u>95,142</u>	<u>316,192</u>	<u>411,334</u>	<u>227,176</u>
Resources expended					
Charitable activities		60,308	320,904	381,212	265,324
Costs of generating funds		4,578		4,578	3,433
Governance costs		23,463		23,463	8,395
Total resources expended	4	<u>88,349</u>	<u>320,904</u>	<u>409,253</u>	<u>277,152</u>
Net movement in funds		6,793	(4,712)	2,081	(49,976)
Reconciliation of funds					
Balances brought forward at 1 st April 2005		495	105,239	105,734	155,710
Balances carried forward at 31 March 2006		<u>7,288</u>	<u>100,527</u>	<u>107,815</u>	<u>105,734</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

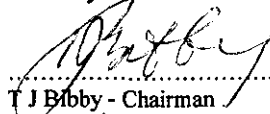
Bradford Environmental Action Trust

**Balance Sheet
At 31 March 2006**

	Notes	£	2006 £	£	2005 £
Fixed assets					
Tangible fixed assets	6		4,711		-
Current assets					
Stock		2,000		-	
Debtors	7	6,102		5,470	
Cash at bank and in hand	8	121,003		120,598	
			<u>129,105</u>	<u>126,068</u>	
Current liabilities					
Creditors – amounts falling due within one year	9	(26,001)		(20,334)	
Net current assets			<u>103,104</u>	<u>105,734</u>	
Net assets			<u><u>107,815</u></u>	<u><u>105,734</u></u>	
Reserves					
Restricted	10		100,527	105,239	
Unrestricted	10		7,288	495	
			<u><u>107,815</u></u>	<u><u>105,734</u></u>	

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to smaller entities and in the Financial Reporting Standard for smaller entities effective June 2002.

The financial statements on pages 6 to 13 were approved by the board of directors on 10 November 2006 and signed on its behalf by:


T J Bibby - Chairman


A Harris - Treasurer

Bradford Environmental Action Trust

**Notes to the financial statements
Year Ended 31 March 2006**

1. Accounting Policies

(a) Basis of accounting

The financial statements have been prepared in accordance with the provisions of the Companies Act 1985, the Statement of Recommended Practice Accounting by charities issued in March 2005 (SORP) and the Financial Reporting Standard for smaller entities (effective June 2002). These financial statements are drawn up on the historical cost accounting basis.

(b) Incoming resources

Both revenue and grants are shown in the statement of financial activities in the year in which they are receivable. Revenue relating to specific projects is credited to the respective fund. Voluntary income is received by way of donations and legacies and is included in full in the statement of financial activities when received.

(c) Interest receivable

Bank interest receivable is accounted for on an accruals basis.

(d) Pension scheme

The company operates a defined contribution scheme for specific employees. The pension cost charge represents amounts paid during the year in respect of this scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

(e) Resources expended

Expenditure is recognised on an accruals basis and is allocated to expense headings either on a direct cost basis, or apportioned according to estimated time spent. Management and administration costs of the charity relate to the central costs of management including the costs of meetings, audit and statutory compliance. All other costs are considered to be direct charitable expenditure. All costs relating to a specific project are charged to the respective restricted fund.

(f) Taxation

As a registered charity, the company benefits from rates relief and is generally exempt from income tax and capital gains tax, but not from VAT.

(g) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its estimated useful life, as follows:

Fixtures and fittings	20% reducing balance
Computer equipment	25% reducing balance

(h) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

(i) Funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure that meets these criteria is identified to the fund, together with a fair allocation of management and support costs.

Unrestricted funds are donations and other income received or generated for the charitable purposes.

(j) Operating Leases

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Bradford Environmental Action Trust

**Notes to the financial statements
Year Ended 31 March 2006**

2. Grants

	2006	2005
	£	£
Bradford Metropolitan District Council	21,217	26,416
ERDF	4,269	12,888
Bradford Vision	101,989	94,344
Esmee Fairbairn Foundation	50,315	-
Kirklees MBC	7,800	2,600
DEFRA	13,977	-
Onyx	8,601	20,427
Biffa	113,592	-
WREN	-	12,264
B-Equal	-	24,835
CRED	6,150	-
Other grants	10,277	4,263
	<hr/>	<hr/>
	338,187	198,037
	<hr/>	<hr/>

3. Earned income and donations

Miscellaneous earned income	57,564	18,526
(Including contributions towards overhead expenses, office space and services and includes charitable trusts and income generated from project activities)		
Donations	9,802	7,081
	<hr/>	<hr/>
	67,366	25,607
	<hr/>	<hr/>

Bradford Environmental Action Trust

**Notes to the Financial Statements
Year Ended 31 March 2006**

4. Total Resources Expended

	Basis of allocation	Charitable activities	Costs of generating funds	Governance costs	Total 2006	Total 2005
		£	£	£	£	£
Costs directly allocated to activities						
Salaries (see note 5)	Direct	180,806			180,806	137,064
Pensions	Direct	8,591			8,591	5,930
Volunteer costs	Direct	873			873	109
Travelling	Direct	6,209			6,209	7,246
Promotional costs	Direct		2,599		2,599	3
Recruitment costs	Direct		1,979		1,979	3,430
Project costs	Direct	156,923			156,923	100,018
Depreciation	Direct	1,358			1,358	-
Audit fee and accountancy	Direct			3,432	3,432	1,410
Subscriptions	Direct	347			347	356
Equipment	Direct				-	5,421
Bank charges	Direct	18			18	3
Bad debts	Direct	12,581			12,581	-
Support costs allocated to activities						
Rent and rates	Floor Area	7,715			7,715	5,947
Consultancy and professional fees	Usage			1,202	1,202	1,728
Telephone	Floor Area	3,455			3,455	1,500
Insurance	Floor Area	2,336			2,336	1,730
Post and stationery	Staff Time			12,657	12,657	3,524
Sundry expenses	Staff Time			900	900	184
Training courses and meetings	Staff Time			5,272	5,272	1,549
Total resources Expended		<u>381,212</u>	<u>4,578</u>	<u>23,463</u>	<u>409,253</u>	<u>277,152</u>

Bradford Environmental Action Trust

**Notes to the Financial Statements
Year Ended 31 March 2006**

5. Staff Costs

Staff costs for all employees were:

	2006	2005
	£	£
Wages and salaries	166,926	126,094
Social security costs	13,880	10,970
Pension contributions	8,591	5,930
	<hr/>	<hr/>
	189,397	142,994
	<hr/>	<hr/>

The directors of the company did not receive any remuneration.

The average number of persons employed by the company during the year was: -

Category	2006	2005
	Number	Number
Administration	2	1
Project workers	12	10
	<hr/>	<hr/>
	14	11
	<hr/>	<hr/>

No employees earned over £50,000 during the current or previous periods.

6. Tangible Fixed Assets

	Fixtures & fittings	Computer Equipment	Total
	£	£	£
Cost			
1 April 2005	-	-	-
Additions	3,180	2,889	6,069
	<hr/>	<hr/>	<hr/>
31 March 2006	3,180	2,889	6,069
	<hr/>	<hr/>	<hr/>
Depreciation			
1 April 2005	-	-	-
Charge for the year	636	722	1,358
	<hr/>	<hr/>	<hr/>
31 March 2006	636	722	1,358
	<hr/>	<hr/>	<hr/>
Net Book Value			
31 March 2006	2,544	2,167	4,711
	<hr/>	<hr/>	<hr/>
31 March 2005	-	-	-
	<hr/>	<hr/>	<hr/>

All fixed assets are held for the charity's own use on direct charitable activities.

Bradford Environmental Action Trust

Notes to the Financial Statements Year Ended 31 March 2006

7. Debtors

	2006 £	2005 £
Trade debtors	4,599	4,270
Prepayments and accrued income	1,503	1,200
	<u>6,102</u>	<u>5,470</u>

8. Cash at bank and in hand

Bank current accounts	4,635	103,865
Bank savings accounts	116,233	16,874
Bank overdraft	-	(198)
Cash in hand	135	57
	<u>121,003</u>	<u>120,598</u>

9. Creditors

	2006	2005
Amounts falling due within one year:		
Accruals	20,583	18,924
Other creditors	5,418	1,410
	<u>26,001</u>	<u>20,334</u>

10. Reserves

	01 April 2005 £	Elimination of balances £	Net incoming resources £	31 March 2006 £
Unrestricted funds				
General Fund	495	932	861	2,288
Reserve Fund	-	5,000	-	5,000
Restricted funds				
Landfill Tax Credit Scheme	35,129		9,006	44,135
Forest of Bradford	29,033		9,924	38,957
Waste Awareness	4,861	(5,932)	3,220	2,149
Young Gifted & Green	3,566		(16,815)	(13,249)
Bradford Vision Nappy Project	16,325		(12,512)	3,813
CRED	-		5,535	5,535
DEFRA	-		(1,777)	(1,777)
Bradford Vision Support Work	9,675		(3,350)	6,325
East Bowling Community Link	6,650		(6,650)	-
Bowling Park Drive	-		10,000	10,000
Braithwaite Special School	-		(50)	(50)
Oakworth Urban Village	-		1,667	1,667
Oakworth Village Society	-		2,460	2,460
Branshaw NAP	-		562	562
	<u>105,734</u>	<u>-</u>	<u>2,081</u>	<u>107,815</u>

Bradford Environmental Action Trust

**Notes to the Financial Statements
Year Ended 31 March 2006**

11. Analysis of Net Assets between Funds

	Unrestricted funds £	Restricted funds £	Total £
Funds balances at 31 March 2006 are represented by:			
Tangible fixed assets	137	4,574	4,711
Current assets	30,734	98,371	129,105
Creditors due within one year	(23,583)	(2,418)	(26,001)
	<hr/>	<hr/>	<hr/>
Total net assets	7,288	100,527	107,815
	<hr/>	<hr/>	<hr/>

12. Pension Commitments

The company operates a defined contribution pension scheme on behalf of certain employees. The total pensions cost charged to the Statement of Financial Activities for the year was £8,591 (2005 £5,930).

There were no outstanding or prepaid contributions at 31 March 2006.

13. Directors' Interests

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.

14. Operating Lease Commitments

The following payments are committed to be paid within one year in respect of lease agreements:

	2006 £	2005 £
Expiring:		
Within two to five years	7,367	7,611
	<hr/>	<hr/>
	7,367	7,611
	<hr/>	<hr/>