

**CWM HARRY LAND TRUST LIMITED
EXECUTIVE COMMITTEE REPORT AND ACCOUNTS**

YEAR ENDED 30TH JUNE 2010

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Charity Number

1100899

Company Number

4892008

Cwm Harry Land Trust Limited

Report of the Executive Committee for the period ended 30th June 2010

The Executive Committee presents its report and financial statements for the year ended 30th June 2010

Reference and Administrative Information

Charity Name	Cwm Harry Land Trust Limited
Charity Registration No	1100899
Company Registration No.	4892008
Registered Office and Operational address	Unit H Vastre Industrial Estate Newtown Powys SY16 1DZ
Trustees	Dr L R Mytton R C Saunders J Shearer
Company secretary	R C Saunders
Senior Management Team	A Kennerley Chief Executive Officer R Northridge Development Officer D Clarke Collection and Processing Manager
Accountants	The Counting House, 37 Ash Parva, Whitchurch, Shropshire, SY13 4DT
Auditors	Whittingham Riddell LLP, Hafren House, 5 St Giles Business Park, Newtown, Powys, SY16 3AJ
Bankers	Triodos Bank, Brunel House, 11 The Promenade, Bristol, BS8 3NN
Solicitors	Wrigleys Solicitors, 19 Cookridge Street, Leeds, LS2 3AG

Cwm Harry Land Trust Limited

Report of the Executive Committee for the year ended 30th June 2010

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 9th September 2003 and registered as a charity on 26th November 2003. The company was established under a Memorandum of Association which established the objects and powers of the charitable company, and is governed under its Articles of Association. The directors as members of the company, and in compliance with section seven of the Memorandum of Articles of Association, undertake to contribute such amount may be required, but limited to amounts not to exceed £10 individually, if the company should be wound up.

Recruitment and Appointment of Executive Committee

The Articles of Association govern the appointment of the Trustees, who are charged with the management of the Trust in furtherance of its principal activities, fund management and financial affairs generally.

Under the requirement of the Memorandum and Articles of Association one third of the Trustees must retire at each Annual General Meeting, selected in rotation. If eligible and willing, they may offer themselves for re-election.

New members of the Executive Committee are occasionally recruited upon the recommendation of existing Committee members.

Trustee Induction and Training

Prospective new Trustees are provided with documentation produced by the Charity Commission concerning the responsibilities of Charity Trustees.

Risk Management

The Trustees have overall responsibility for ensuring that the Trust has appropriate systems and controls, financial and otherwise. The systems of financial controls are designed to provide reasonable, but not absolute, assurance against material misstatement of loss.

Cwm Harry Land Trust Limited

Report of the Executive Committee for the year ended 30th June 2010

The Trustees are aiming to implement a range of measures to address risk management

- 2 and 5 year business plans
- Annual budgets
- Monthly profit and loss and balance sheets
- Trust procedures manual
- Quarterly performance indicators

The executive committee will continue to monitor risks and set up policies to mitigate them

Organisational Structure

The Trust is managed by a Committee of the Trustees and the Senior Management Team, this Committee meets quarterly. The Trustees are responsible for the strategic direction and policy of the charity. At the present there are three Trustees from a variety of professional backgrounds relevant to the work of the charity.

Related parties

The Trust's main activity remains its Food Waste Recycling Project. This project was funded until 30th June 2008 by Powys Zero waste, after which, a Service Level Agreement was entered into with Powys County Council. From March 2010 this was replaced by a 6 month rolling contract.

Objects and Activities

The principal activity of the Trust, as determined by its Memorandum of Association, continues to be to protect and preserve the environment for the public benefit in general and by encouraging sustainable waste management in particular.

In carrying out their duties, the Management Committee have had due regard to the Charity Commission's guidance on public benefit.

Cwm Harry Land Trust Limited

Report of the Executive Committee for the year ended 30th June 2010

Achievements and Performance

Cwm Harry Land Trust Limited

Accounts to year end 30th June 2010

Section 1: Brief update since last accounts were published

The Trust has largely focused on service delivery and the necessary planning for its future success

Food Waste Recycling

Resource Collection activities – This primarily involves the collection of food waste for recycling. It originally served the Newtown area, later extending services to Welshpool and outlying areas of Powys. This project was originally funded by Powys Zero Waste until June 2009 after which the Trust then entered into a collection contract with Powys County Council. The contract continues at present on a rolling basis, and is subject to PCC's future plans regarding waste collection services in the county. The Trust is making every effort to put its case forward and pursue dialogue with Council with an aim to being involved in the Council's future plans.

CHLT recently commenced work on its project Zero Waste Presteigne, having Welsh Assembly funding through Clych, Wales' Community Recycling Network. The Trust is working in tandem with the community to significantly increase participation and recycling rates, reducing the amount of waste taken to landfill sites. It aims to do this by providing a localised and people focused service, informing and involving the householders and businesses of the community. For the duration of the project the council have withdrawn their refuse services from the area. This is a pioneering service being piloted in Powys but designed for replication with communities elsewhere in Wales and the UK.

Processing activities – The processing of both food and green wastes has increased its capacity as collections have increased. As with collections it operates principally under a rolling contract from Powys County Council. The Mid Wales Local Authorities are commissioning a long term anaerobic digestion solution to the processing of food wastes and the Trust is actively involved in one tender for this work.

Cwm Harry Land Trust Limited

Report of the Executive Committee for the year ended 30th June 2010

The processing plant has remained compliant and certified throughout, but the Trust has recently added PAS100 (Publicly Available Standard) certification for its compost and is beginning sales of this to the public as a soil improver. This certification is a recent

development, therefore the 2010 year does not reflect any significant income in respect of this saleable product.

Based on its processing experience the Trust has been undertaking both feasibility and contract work elsewhere in the UK on the potential for community owned anaerobic digestion.

Community Supported Agriculture activities

Growing – The plot behind the Trust headquarters has been developed as a market gardening area, with veggie beds and poly tunnels being used for training and production, (for example micro allotments and crops for sale in to the Veggie Bag scheme)

Veggie Bag Scheme In July the Trust's veggie bag sales were placed in to a joint venture with the private sector, and is currently undertaking a feasibility study regarding the development of a wider Montgomeryshire Food Cooperative involving producers and retailers.

Plans for the future

The Trust remains committed to its charitable objectives and to its founding operational area of Montgomeryshire. However it has also recognised that the market place for its goods and services that deliver these charitable objects is shifting. As a result of this the Trust has been investing in both our existing contractual relationships and in the development of new activities more suited to future needs. Both efforts are designed to continue to build the Trusts resilience and to expand our impact.

Other projects

The Trust has an ongoing interest in promoting its core beliefs and raising the profile of the work it carries out within the community. It also continues to develop its training and consultancy function.

Cwm Harry Land Trust Limited

Report of the Executive Committee for the year ended 30th June 2010

Reserves Policy

The Management Committee are aiming to ensure the free reserves of the charity provide sufficient resource to cover the immediate expenditure required should funding sources diminish. This is currently not the position reflected in these financial statements but the Management Committee review regularly the position, putting long term policies in place in an attempt to resolve this position.

Investments policy

The Executive Committee make investments in tangible fixed assets at the appropriate times when either existing assets reach the end of their useful economic lives or the charitable activities require such investment. They are conscious of the investment required and make these decisions with the current economic climate and financial position of the charity in mind.

Responsibilities of the Management Committee

Company law requires the management committee members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements the management committee members should follow best practice and

Select suitable accounting policies and then apply them consistently

Make judgements and estimates that are reasonable and prudent

Prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the company will continue in business

The management committee members 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. The management committee is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Management Committee

The Management Committee is made up of both Trustees and of the Senior Management Team. Those members of the Management Committee who are Trustees for the purpose of Charity Law, who served during the year and up to the date of this report are set out on page 1.

Cwm Harry Land Trust Limited

Report of the Executive Committee for the year ended 30th June 2010

Provision of Information to Auditors

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

so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and

that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the Trustees on 30th March 2011 and signed on their behalf, by

Trustee
Dr L R Mytton

A handwritten signature in black ink, reading 'L. R. Mytton'. The signature is fluid and cursive, with a long horizontal stroke extending to the right from the end of the name.

Cwm Harry Land Trust Limited
a company limited by guarantee

Independent Auditors' Report to the Members of Cwm Harry Land Trust Ltd

We have audited the financial statements of Cwm Harry Land Trust Ltd for the year ended 30 June 2010 set out on pages 10 to 18. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The Trustees' (who are also the directors of the charitable company for the purposes of company law) responsibilities for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and for being satisfied that the financial statements give a true and fair view, are set out in the Statement of Trustees' responsibilities.

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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with these accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

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 judgments made by the Trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

Cwm Harry Land Trust Limited
a company limited by guarantee

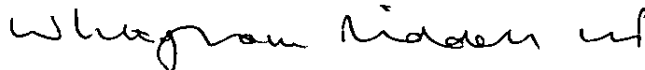
Independent Auditors' Report to the Members of Cwm Harry Land Trust Ltd

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

OPINION

In our opinion

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 30 June 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' report is consistent with the financial statements



David Morris BSc FCA (Senior statutory auditor)

for and on behalf of

Whittingham Riddell LLP

Chartered Accountants

Statutory Auditors

Newtown

Date 30 March 2011

Cwm Harry Land Trust Limited
Statement of Financial Activities for the period ended 30th June 2010

	Restricted Fund 2010 £	Community Supported Agriculture (unrestricted) 2010 £	Collections and processing (unrestricted) 2010 £	Total Funds 2010 £	Total Funds 2009 £
Incoming Resources					
Incoming resources from generated funds:					
<i>Voluntary income</i>					
Donations		40	50	90	-
<i>Investment income</i>					
Bank interest received			197	197	650
Incoming resources from charitable activities	89,564	15,170	442,501	547,235	492,611
Other Incoming resources					
Rent received			325	325	4,416
Total incoming resources	<u>89,564</u>	<u>15,210</u>	<u>443,073</u>	<u>547,847</u>	<u>497,677</u>
Resources expended					
Charitable activities	73,524	47,235	426,367	547,127	423,190
Governance costs		1,347	5,390	6,737	4,331
Total resources expended	<u>73,524</u>	<u>48,582</u>	<u>431,757</u>	<u>553,864</u>	<u>427,521</u>
Net (outgoing)/incoming resources before transfers	<u>16,040</u>	<u>(33,372)</u>	<u>11,315</u>	<u>(6,016)</u>	<u>70,156</u>
Apportionment re management costs					
Project subsidy from unrestricted funds					
Net movement in funds	<u>16,040</u>	<u>(33,372)</u>	<u>11,315</u>	<u>(6,016)</u>	<u>70,156</u>
Reconciliation of funds					
Total funds brought forward	172,101	(5,474)	84,562	251,189	181,032
Reallocation of funds 14	(172,101)		172,101	-	-
Total funds carried forward	<u>16,040</u>	<u>(38,846)</u>	<u>267,978</u>	<u>245,173</u>	<u>251,188</u>

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

Cwm Harry Land Trust Limited

Balance Sheet as at 30th June 2010

	Note	£	2010 £	£	2009 £
Fixed assets	9		257,979		239,012
Current assets					
Debtors	10	40,222		29,539	
Cash at bank and in hand		71,828		40,144	
		<u>112,050</u>		<u>69,683</u>	
Creditors amounts falling due within one year	11	(124,856)		(57,507)	
Net current assets	12		(12,806)		12,176
			<u>245,173</u>		<u>251,188</u>
Capital and reserves					
Unrestricted funds					
Revenue reserve	12	229,133		84,561	
Restricted funds					
Food recycling	12	16,040		172,101	
Community supported agriculture	12			(5,474)	
		<u>245,173</u>		<u>251,188</u>	

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The accounts were approved by the Trustees and signed on its behalf on the 30th March 2011

Trustee
Dr L R Mytton



Cwm Harry Land Trust Limited

Notes to the Accounts for the year ended 30th June 2010

Accounting Policies

The principal accounting policies are summarised below

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 2006.

(b) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor through the terms of an appeal.

(c) Accounting Policies – Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services by volunteers has not been included in these accounts.

Cwm Harry Land Trust Limited

Notes to the Accounts for the year ended 30th June 2010 (Cont'd)

(d) Investment income is included when receivable.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance

(e) Resources expended

Expenditure is recognised on an accrual basis as a liability incurred. Expenditure includes VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates

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 to the Statement of Financial Activities on a basis designed to reflect the use of the resource

(f) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or whose costing below £300 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Building Modifications	10% per annum, reducing balance
Plant and Machinery	15% per annum, reducing balance
Office Equipment	25% per annum, reducing balance
Motor Vehicles	25% per annum reducing balance

Cwm Harry Land Trust Limited
Note to the Accounts for the period ended 30th June 2010

2 Income received from charitable activities

	Restricted Income 2010 £	Unrestricted Food Recycling Project 2010 £	Unrestricted Funds 2010 £	Total Funds 2010 £	Total Funds 2009 £
Grants	89,564		325	89,889	54,802
	89,564		325	89,889	54,802
Other income from charitable activities					
Composting payments			625	625	
Shareholder Food Payments		12,326		12,326	15,041
Bin Hire, Processing and Collection			409,666	409,666	421,691
Consultation and Education		2,844	31,884	34,729	1,076
	89,564	15,170	442,501	547,235	492,611

Cwm Harry Land Trust Limited
Notes to the Accounts for the year ended 30th June 2010 (continued)

3 Resources expended on charitable activities

	Restricted Funds £ 2010	Unrestricted Community Supported Agriculture £ 2010	Unrestricted Funds £ 2010	Total Funds £ 2010	Total Funds £ 2009
Brought in vegetables and other goods		6,888	140	8,586	8,919
Direct fuel and consumables	1,558	1,924	49,538	53,020	67,780
Staff training, health and safety	682	28	4,783	5,493	3,255
Subcontractors	12,054	949	9,800	22,803	11,966
Wages and salaries	29,488	18,149	183,172	230,809	182,240
Travel and accommodation	1,902	118	3,284	5,304	3,029
Rent & premises expenses		7,388	29,550	36,938	48,595
Light, heat and water		2,007	8,030	10,037	11,417
Legal, professional, and consultancy fees	6,936	1,595	19,464	27,994	3,334
Subscriptions		176	1,048	1,224	737
Licenses and compliance			5,356	5,356	1,505
Insurance		2,591	10,364	12,955	7,372
Motor Expense	3,315	416		3,731	1,797
Postage, printing and stationary	1,645	144	3,417	5,206	2,763
Marketing	717	376	895	1,989	10,772
Repairs and renewals	7,573	2,832	58,441	68,846	12,393
Hire of vehicles and equipment	1,758		56	1,813	4,525
Telephone	59		1,264	1,324	926
Volunteer expenses	555	16	171	742	44
Bank charges	107		459	566	499
Loan interest		44	1,490	1,534	2,719
Depreciation	5,175	1,594	33,911	40,680	36,604
Loss/profit on sale of asset			1,734	1,734	-
	<u>73,524</u>	<u>47,235</u>	<u>426,367</u>	<u>547,127</u>	<u>423,190</u>

4. Governance costs

	Restricted Funds £ 2010	Unrestricted Community Supported Agriculture £ 2010	Unrestricted Funds £ 2010	Total Funds £ 2010	Total Funds £ 2009
Trustees' expenses					
Audit and accountancy	-	1,170	4,680	5,850	3,508
Trustees' indemnity insurance	-	177	710	887	823
	<u>-</u>	<u>1,347</u>	<u>5,390</u>	<u>6,737</u>	<u>4,331</u>

Cwm Harry Land Trust Limited
Notes to the accounts for the year ended 30th June 2010 (continued)

5 Net incoming Resources for the year	2010	2009
	£	£
This is stated after charging		
Auditors' remuneration	4,200	
Depreciation	<u>40,680</u>	<u>36,604</u>

6 Staff costs and numbers

	2010	2009
Staff costs are as follows	£	£
Salaries and wages	212,525	167,046
Social security costs	18,284	15,194
	<u>230,809</u>	<u>182,240</u>

No employee received emoluments of more than £60,000

The average number of employees during the year, calculated on the basis of the full time equivalents, was as follows

	2010	2009
	No	No
Chief Executive Officer	1	1
Development Officer	1	1
Administration Officer	1	1
Food recycling project	8	5
Community supported agriculture project	1	1
	<u>12</u>	<u>9</u>

7 Trustees remuneration and Related party transactions

No member of the management committee received any remuneration during the year
No expenses were reimbursed to members of the management committee
(2009 nil)

No trustees or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2009 nil)

8 Taxation

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

Cwm Harry Land Trust Limited
Notes to the Accounts for the year ended 30th June 2010 (continued)

9 Tangible Fixed Assets

	Building Modifications £	Plant & Machinery £	Office Equipment £	Motor Vehicles £	Total £
Cost					
Balance as at 1st July 09	184,121	95,939	13,151	52,424	345,635
Additions in year		52,009	926	9,447	62,382
Disposals in year		(4,000)			(4,000)
Balance as at 30th June 2010	184,121	143,948	14,077	61,871	404,017
Depreciation					
Balance as at 1st July 09	37,470	29,145	7,793	32,216	106,623
Charges for year	14,665	17,030	1,571	7,414	40,680
Disposals		(1,266)			(1,266)
Balance as at 30th June 2010	52,135	44,909	9,364	39,630	146,037
Net book value					
As at 30th June 2010	131,986	99,039	4,713	20,208	257,979
As at 1st July 2009	146,651	66,794	5,358	20,209	239,012

10 Debtors

	2010 £	2009 £
Trade debtors	36,176	26,031
Other debtors and prepayments	4,046	3,508
	<u>40,222</u>	<u>29,539</u>

11 Creditors Amounts falling due within one year

	2010 £	2009 £
Loan - Charities Aid Foundation	7,500	31,500
Deferred grant	76,500	-
Trade Creditors	25,690	14,010
Accruals	5,800	1,548
Taxes and NI	9,366	10,449
	<u>124,856</u>	<u>57,507</u>

Cwm Harry Land Trust Limited
Notes to the Accounts for the year ended 30th June 2010

12 Analysis of net assets between funds

	Restricted Food Recycling Project £	Unrestricted General Funds £	Total Funds £
Tangible Fixed Assets	28,400	229,579	257,979
Current Assets		112,050	112,050
Current Liabilities	(12,360)	(112,496)	(124,856)
	<u>16,040</u>	<u>229,133</u>	<u>245,173</u>

13 Purposes of Restricted Funds

A grant of £153,000 was provided in respect of the Zero Waste Presteigne project. This involves providing education and advice within the community regarding recyclable waste. The Trust also takes responsibility for the collection of household waste in the area. 50% of the grant has been deferred until the 2011 financial year.

Also within 'Restricted Funds' is a grant of £13,064, which assists in the funding of one member of staff in the Community Supported Food Project.

14 Movement between funds

The amount of £172,101 has been transferred from the Restricted Fund to 'Unrestricted,' as this area of business is now no longer funded by any grants, but by a service level agreement with Powys County Council.