

THE CENTRE FOR ENVIRONMENTAL INITIATIVES
(A company Limited by Guarantee and Not Having a Share Capital)
Registered Charity Number 1087782, Company Number 4137305 (England and Wales)
EcoLocal is the working name of the charity
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

The Board of Trustees presents its report and audited financial statements for the year ended 31 March 2017.

Reference and administrative information

Charity Name: The Centre for Environmental Initiatives
Charity Number: 1087782
Company Number: 4137305
Registered and operational address: The Old School House, Mill Lane, Carshalton, Surrey, SM5 2JY.

Contact details:
Telephone: 020 8404 1522
E-mail: trevor@ecolocal.org.uk
Main Website: www.ecolocal.org.uk

Board of Trustees:

Tom Brake MP
Jim Bush (Treasurer)
Helen Jennings-Petz
Alistair Cruickshank (Chair)
Hazel Gurr
Tony Pattison
Maureen Peglar
Liz Udall (Deputy Chair)

Company Secretary / Chief Executive:

Trevor Lancefield

Auditors:

Myrus Smith Chartered Accountants, Norman House, 8 Burnell Road, Sutton, Surrey SM1 4BW

Bankers:

Unity Trust Bank Plc, Nine Brindleyplace, Birmingham, B1 2HB

Volunteers:

We are pleased to acknowledge the huge contribution made to the charity's work by 200+ volunteers involved in both project work and in directly supporting the organisation itself.

Structure, Governance and Management

Governing Document

The Centre for Environmental Initiatives (CEI), now known as EcoLocal, is a company limited by guarantee (incorporated January 2001), and registered as a charity (registered July 2001). Following a strategic review, which included a detailed communications exercise with current beneficiaries of the Charity and the wider local community, the Charity modernised its governance arrangements by adopting new Articles of Association and expanded its charitable activities in June 2015. The new Memorandum and Articles of Association reflect more modernised law since the inception of the Charities Act 2006 - now consolidated into the Charities Act 2011. The charity took legal advice and obtained the agreement of the Charity Commission in making these changes.

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In the event of the CEI charitable company being wound up members are required to contribute an amount not exceeding £1.

Note: The CEI's charitable company took over all activities from the old CEI Charitable Trust (originally established in 1987) as from 1 October 2001. The charitable Trust ceased trading on 30 September 2001.

Ensuring Work Delivers the Charity's Aim

EcoLocal's 'Project Suitability Evaluation Process Regarding Charitable Status Policy' provides guidance on assessment of potential projects and on review of existing projects to ensure that activities fall within the remit of our broader charitable objectives and that these are of benefit to the community. We have also referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning future activities. In this way, the trustees consider how planned activities will contribute to the aims and objectives they set.

Recruitment and Appointment of The Board of Trustees

The business of the Charity is managed by the Board of Trustees. The Board consists of not fewer than three and no more than 10 Trustees who are appointed by the Board. All Trustees automatically become members of the Charity and their names are entered into the Charity's register of members.

Trustees are eligible for re-appointment at the third AGM (or Appointment Board Meeting) after their last appointment. A member stops being a member of the Charity if he or she ceases to be a Trustee.

All appointments, retirements or removals of Trustees and the Company Secretary must also be notified to the Registrar of Companies at Companies House.

In the event of particular skills being lost from the Board of Trustees due to retirements, replacement Trustees are sought from the charity's local networks. The Board maintains a broad mix of skills and experience in relation to the diversity of work carried out by the charity as well as to reflect the demography of the communities and organisations served.

Traditional business skills such as finance, staff management and strategic management are represented on the Board of Trustees as well as environmental sustainability knowledge, teaching, social work, journalistic, scientific, youth work, and community representation skills. Currently the Board of Trustees has 8 members: 4 are male and 4 female; 3 describe themselves as having a disability. Trustees receive additional training where a need is identified.

Trustee Induction and Training

Prospective trustees are usually selected from the membership of EcoLocal networks or those involved in EcoLocal services. As such, candidates will normally be acquainted with one or more of the activities of EcoLocal. New Trustees are recruited for a specific set of duties or because they have skills which will complement those of existing Board of Trustees members. An initial interview is held with the EcoLocal Chief Executive and Chair of Trustees to discuss the candidate's potential role within the organisation. This is followed up with a further meeting with the Chief Executive to define precisely how their induction and training will proceed. New Trustees receive:

- a summary of the main duties and responsibilities of Board of Trustees members
- a copy of the Memorandum and Articles of Association (and related rules)
- copies of the last two years' audited Annual Report and Accounts
- additional publications from the Charity Commission
- copies of recent Board of Trustees minutes
- key operational documents including agreed policies and procedures

New Trustees are required to attend three introductory training sessions, so as to familiarise themselves with staff, volunteers, current projects, objectives and future plans generally. These meetings are usually held with the EcoLocal Chief Executive, but also involve the Chair of Trustees and other personnel as required. A training plan is agreed with the new trustee and incorporated into the overall training plan.

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An initial 'work plan' is agreed to establish main duties and routines. After three months, new trustees are invited to give feedback on their induction.

Risk Management

The Board of Trustees have considered the major risks facing the charity:

- Covering the cost of Core / Management Funding: a primary risk to the organisation is considered to be loss of funding for management capacity and premises costs. Trustees consider that this risk can be offset by:
 - a) Diversifying and broadening the charity's funding base and ensuring that adequate levels of management capacity and accommodation costs are included in grant applications
 - b) Developing a 'social enterprise' culture within the organisation so that relevant projects work toward self funding / income generation in the medium term. An unconnected social enterprise, EcoLocal Services Ltd (ESL), which gift aids profits to the EcoLocal charity, has previously been established by a Trustee and two members of staff and this makes annual contributions
 - c) Tendering for contracts issued by public authorities and ensuring that these tenders are written on a full cost recovery basis
 - d) Ensuring that funding bodies are aware of the organisation's success in delivering required outcomes at good value for money.
- Accommodation: we are seeking to invest in improved premises with a long term lease that will provide the scope to implement a business plan to enable the charity to be financially sustainable. Work on this project has included the establishment of a wholly owned subsidiary called EcoLocal Lodge Development Ltd (ELD). More information on the premises project is summarised in section 7 below.
- Recognition of our work: our 'working name' (EcoLocal) and branding is regularly used alongside a deliverable marketing plan. We use our main website and 6 mini-websites, the mail-chimp email system, plus social network sites such as twitter and face book to help communicate the charity's activities efficiently - see section 6 below.

Organisational Structure

EcoLocal's Board of Trustees comprises between 3 and 10 members who meet quarterly and are responsible for the strategic direction and policy of the charity. Currently the Board of Trustees has eight members from a variety of professional backgrounds relevant to the work of the charity. The Company Secretary/Chief Executive attends Board meetings but has no voting rights. Three sub-committees have been established: Business Planning Sub-Committee; Finance Sub-Committee; Personnel Sub-Committee. Maintenance and development of these committees is ongoing. The Company Secretary/Chief Executive is responsible for maintaining and developing the charity's strategic planning, in conjunction with the Board of Trustees and the Business Planning Sub-Committee.

Day to day operational responsibility for the provision of services rests with the Company Secretary/Chief Executive whose duties include:

- ensuring the charity delivers the services specified and that key performance indicators are met
- day to day operational management of the EcoLocal building, ICT and resources
- individual supervision and development of staff in line with good practice
- ensuring financial and budgetary control is maintained, both in the overall running of the charity and within individual projects, in conjunction with the Finance Sub-Committee
- fundraising activities, in conjunction with the Business Planning Sub-Committee
- overseeing PR work
- acting as Company Secretary/Chief Executive.

The Deputy Chief Executive has day to day operational responsibility for individual projects, fundraising activities and business development and contributes to strategic planning and PR work.

Objectives, Activities, Achievements and Plans

The objects of the Charity (the "Objects") are for the public benefit:-

- i. To promote sustainable development for the benefit of the public by:
 - a. the preservation, conservation and the protection of the environment and the prudent use of resources; and
 - b. the promotion of sustainable means of achieving economic growth and regeneration.

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- ii. To advance the education of the public particularly but not exclusively in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large. Sustainable development means "development which meets the needs of the present without compromising the ability of future generations to meet their own needs."
- iii. To promote for the benefit of the public, the conservation, protection and improvement of the physical and natural environment, particularly but not exclusively by promoting biological diversity.
- iv. To promote health, particularly but not exclusively by providing environmental and conservation orientated activities in the outdoors and natural environments.
- v. To promote for the benefit of the public urban or rural regeneration in areas of social and economic deprivation (and in particular the London Borough of Sutton) by all or any of the following means:
 - a. the advancement of education, training or retraining, particularly among unemployed, underemployed and underskilled people, and providing such people with work experience;
 - b. the provision of financial (whether direct or indirect) assistance, technical assistance or business advice or consultancy in order to provide training and employment opportunities for unemployed, underemployed or underskilled people in cases of financial or other charitable need through help: (i) in setting up their own social enterprise or sustainability related business, or (ii) to existing social enterprises or sustainability related businesses;
 - c. the creation of training and employment opportunities by the provision of workspace, buildings, and/or land for use on favourable terms; and
 - d. the preservation of buildings or sites of historic or architectural importance or of significance for the heritage of the area.
- vi. To develop the capacity and skills of the members of the socially and economically disadvantaged community of the London Borough of Sutton in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society.
- vii. To further or benefit the residents of the London Borough of Sutton, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for the residents.
- viii. In furtherance of these objects but not otherwise, the trustees shall have power to establish or secure the establishment of a community centre and to maintain or manage or co-operate with any statutory authority in the maintenance and management of such a centre for activities promoted by the charity in furtherance of the above objects.

EcoLocal is a Carshalton based charity which has a strong track record on building community and individual assets since its original establishment in 1987. Our vision is to 'Achieve and sustain strong vibrant communities within a healthy environment'.

The remit of our organisation is very broad, encompassing all aspects of sustainability; environment, community and economy. We work with very diverse sectors of the community; e.g. voluntary groups, small businesses, people with mental or physical health problems, older people, children, young people, offenders, people with disabilities as well as families and people not defined by any health issue or disability and reflecting local ethnic diversity.

We are a part of the community and we believe that the combined resources of local people are potentially huge. In a typical year we work with over 350 groups/organisations and engage with approximately 20,000 individuals. We currently enable over 200 people to volunteer in a year and contribute over 14,000 hours towards a sustainable community. Participation ranges from one off volunteering of for example 2 hours as a steward at the Carshalton Environmental Fair to several days per week. We provide an environment where people can instigate their own projects, get involved in planning and delivering activities and use their experience, knowledge, skills capacity and passion.

The charity has carried out work to evaluate the social benefit the organisation brings annually to the community using a Triple Bottom Line Balanced Scorecard approach. The figures in the table below provide a summary of this work and were calculated using recognised proxy values. They exclude cash figures which are covered in detail elsewhere in this report:

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| Strategic Objectives: | Economic Value to community | Social Value to community | Environmental Value to community | Total proxy value |
|--|-----------------------------|---------------------------|----------------------------------|-------------------|
| Total proxy Triple Bottom Line value per annum (current) | £327,602 | £840,361 | £668,271 | £1,836,234 |

In accordance with our 'Project Suitability Evaluation Process Regarding Charitable Status Policy' and the Charity Commission's general guidance on public benefit, this Trustees' review provides a summary of achievements and the key outcomes of our work over the last 12 months. EcoLocal delivers its objects through a range of activities, subdivided under the following 7 main headings:

1. Transport and Travel

1.1 Inclusive Cycling:

These activities are designed to:

- engage the whole community and help make cycling accessible to new audiences
- encourage people of all abilities to take cycling up both for fun and fitness
- promote cycling as an alternative means of transport
- provide healthy outdoor activities that enable people to socialise, contribute to community life and avoid isolation
- encourage the involvement of volunteers and trackside supporters (peer supporters) at sessions in a variety of roles, providing work experience for unemployed people, and enabling people from economically disadvantaged backgrounds to gain skills.

During the year these activities were funded as follows:

- Gear-Up: donations from users
- Healthy Sutton Outdoors (Bike): London Borough of Sutton Adult Social Service 'Outcome Prospectus for Prevention' (£5,727) This funding is part of our 'Outcome Prospectus for Prevention' contract to provide healthy social outdoor activities – see also section 2.1 below
- Delivery of cycle roadshows via ESL

This funding enabled us to:

- maintain our established and inclusive cycling hub at the David Weir Leisure Centre (formerly called Sutton Arena) in the London Borough of Sutton
- deliver 132 inclusive cycling sessions at David Weir Leisure Centre, with 841 unique attendees. These are mostly people with disabilities and older people and their relatives/friends who were able to cycle in a safe, supportive environment, generating 6294 individual attendances. Some of these sessions were inclusive family cycling sessions in the school holidays.
- maintain our fleet of over 60 accessible cycles and support our Projects & Maintenance group which comprises of technical / mechanically experienced volunteers working with unemployed and economically disadvantaged people
- conduct a feedback survey of our Healthy Sutton Outdoors participants over the summer of 2016 (this was part of the same survey conducted in 2.1 below). 87% of service users rated the opportunity to meet other people at sessions as 'good' or 'very good'. 93% said they benefited from getting more exercise at the sessions. 80% said they valued the happiness and enjoyment they got from the sessions. 98% thought the staff were 'good' or 'very good'. 100% thought the activity overall was good or very good

In the next year we will:

- Seek to work with other audiences not yet reached
- Look out for additional funding opportunities to help develop this work
- Develop social enterprise opportunities including the delivery of road shows building on contacts made through the Cycling for All project
- Maintain our fleet of accessible cycles
- Promote our website at www.ecolocalcycling.org.uk

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1.2 BikeStreet Project

The funds are set aside from previous funded activity working with young people on cycle renovation and maintenance. We will look for opportunities to use these funds to improve engagement of younger people in our Projects and Maintenance group activities, where those activities relate to cycle maintenance.

1.3 Interactive School Travel Experience

These interactive exhibits are suited for use in a more permanent location. We hope to be able to renovate the equipment and offer educational sessions from new more suitable premises in future. No activity has taken place with this equipment during the year.

2. Local Food / wildlife and nature conservation

2.1 Community Food Growing

These activities are designed to:

- make organic food growing accessible and easy to understand and encourage people of all abilities to take part
- explain why producing food locally promotes environmental sustainability
- promote food growing as a means of leading a more healthy lifestyle
- provide healthy outdoor activities that enable people to socialise, contribute to community life, avoid isolation
- enable participants to take home free, fresh produce that they have helped grow
- encourage the involvement of volunteers and participants at sessions in a variety of roles, providing work experience for unemployed people, and enabling people from economically disadvantaged backgrounds to gain skills

During the year these activities were funded as follows:

- Local Food: various small donations
- Healthy Sutton Outdoors (Food): funding from London Borough of Sutton Adult Social Service 'Outcome Prospectus for Prevention' (£5,726) This funding is part of our 'Outcome Prospectus for Prevention' contract to provide healthy social outdoor activities – see also section 1.1 above
- A grant from the Postcode Lottery of £4,041 for activities encouraging wildlife friendly gardening
- a donation from EcoLocal Services Ltd and donations from sale of plants at markets/events
- Additional activities were funded as part of work for the London Borough of Sutton - see OPF at para 5.4 and ESL at para 5.5, below

This funding enabled us to:

- maintain our established Community Allotment in Carshalton. The site is approximately 1400m² and is fully cultivated. The site includes raised beds accessible for both standing and wheelchair users, demonstration crop rotation, herb gardens – herb spirals and herb wheels, a fruit cage, square foot garden, English and Kenyan key hole gardens, container garden, children's activity food growing beds, adult training beds, polytunnels and a greenhouse manufactured largely from recycled plastic bottles, a tea hut, a classroom, and a composting toilet
- provide weekly maintenance sessions for the Community Payback Team
- deliver 95 therapeutic gardening sessions engaging 93 unique attendees, generating 896 individual attendances
- run 8 Beanstalk Project family food growing sessions with 323 attendees
- provide food growing training courses for adults as a social enterprise activity through ESL. See section 5.3 below for details of AQA training units delivered.
- conduct a feedback survey of our Healthy Sutton Outdoors participants over the summer of 2016 (this was part of the same survey conducted in 1.1 below). 87% of service users rated the opportunity to meet other people at sessions as 'good' or 'very good'. 93% said they benefited from getting more exercise at the sessions. 80% said they valued the happiness and enjoyment they got from the sessions. 98% thought the staff were 'good' or 'very good'. 100% thought the activity overall was good or very good
- attend meetings of the Sutton Food Forum
- promote local food and self sufficiency

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- engage 64 adults and 210 children in wildlife gardening activity at the community allotment through 46 activity sessions and 7 school class visits. We created new habitats for wildlife on the allotment and enabled participants to gain knowledge and skills.

Next year we will

- continue to deliver food growing training as a social enterprise
- seek opportunities to apply for further funding to develop this work
- support volunteers to raise funds through sale of excess plants and produce from the allotment
- promote our activities at www.localfoodnetwork.org.uk

2.2 Greener Schools Network

This project provides free support to schools in the London Borough of Sutton and the Borough of Epsom and Ewell. The focus is on helping with school grounds development projects by providing design and advice on rejuvenating wildlife and / or sensory gardens, forest areas and quiet 'natural' areas. Advice is also provided on 'how to set up staff and pupil environmental groups' encouraging a team effort to sustain nature areas once they have been set up. Many leaflets are produced by us to give schools information on suitable plants for their gardens, Useful Contacts Lists and ideas to attract wildlife.

The project is volunteer led by trustee Hazel Gurr with assistance from Hermione Lovell. Staff, pupils (often via School Councils) and parents are all encouraged to get involved. Over 124 schools (including Special Schools, Children's Centres and Nurseries) and 4 community groups have now been supported by this project across the 2 Boroughs.

Schools increasingly take a more holistic approach to sustainability issues and this project helps provide a focus where the school participates in the national Eco-schools Project. This all links well with other EcoLocal projects especially those on food growing and, home and school energy conservation, etc. Many schools are now integrating maintenance of wildlife areas, energy saving and food production into the curriculum.

Year summary:

- We have visited 4 new schools and returned to 3 schools that we have been to before. Schools have been given help to develop new wildlife areas as well as advice with the maintenance and sympathetic development of existing ones.
- The 'Greener Schools' leaflet continues to be successful in promoting the Project. Our main website and our schools environmental sessional activities website www.ecolocalschools.org.uk, as well as the charity's e-news email system, continue to help raise awareness of the project.

Next year GSN will continue to provide support for local schools and other selected community organisations as needs arise. We aim to look at further ways to promote the project by email and face book / social media as this is the way that many schools communicate now.

3. Energy

3.1 Warm Rooms

Sutton Council did not request any Warm Rooms home surveys this year. We continue to hold funds for this project which will be reviewed next year.

3.2 Other

See para 5.4 on One Planet Sutton for a summary of School Energy Work, Energy Roadshow activity and 5.5.6 for a summary of Mobile Solar Power station activity.

4. Recycling and Waste

In all our activities we encourage reuse, repair and recycling and we promote this message wherever possible. The Environmental Fair was themed 'Love Food Hate Waste' and was used as an opportunity to raise awareness around food waste.

5. Cross-cutting Environmental Sustainability

5.1 Environmental Fair

EcoLocal organises this event annually with help from over 60 volunteers who assist with planning and delivery. Held in the picturesque surrounds of Carshalton Park, the event is one of the borough's largest public events. In 2016 it featured 151 organisations of which 54 were community and voluntary sector organisations attending to communicate a variety of messages and engage people in:

- environmental education and awareness raising
- social enterprise and skills development
- community wellbeing activities
- opportunities to take part in shaping their local communities throughout the year.

A significant number of small local craft and environmentally sustainable businesses attended, local bands and entertainers performed on three stages and we provided a free bus service to and from the event. Our social value analysis concludes that the event provides a significant outlet for many of the organisations and groups attending, both in terms of advertising activities and local opportunities and also in terms of fundraising.

Weather conditions were much better after two poor years and large crowds were estimated to have attended over the course of the day. Visitors were from a cross section of the local population ranging from people with high levels of knowledge of environmental sustainability to those who have lower levels of understanding. Our survey work indicates that the most typical visitors are people who are not averse to taking an interest in the environment and who, when information is made available to them, respond positively to it. 87% of those surveyed at the fair said that they would take, or would consider taking, further actions to do their bit for the environment as a result of attending the fair.

5.2 Frost Fair

This annual event is run in partnership with Friends of Honeywood Museum who are responsible for activities inside the museum and EcoLocal Services Ltd (ESL). EcoLocal organises the outdoor elements of the event with help from over 30 volunteers. Held in the picturesque setting surrounding Carshalton Ponds the 2016 event was a great success and was well attended by the local public. It featured entertainers, choirs and musicians and 35 organisations of which 5 were community and voluntary sector and the rest were comprised of local farmers and crafts people. The event helped promote:

- energy conservation
- social enterprise and skills development
- opportunities to take part in local groups and promoted the local environment and related activities
- our latest plans and progress with the Lodge project (see section 6.2 below)

We plan that the 2017 event will run along the same lines as in 2016, subject to developments under 6.2 below and building works and change of use to other buildings in the vicinity of the event that may affect the layout.

5.3 AQA (Assessment and Qualifications Alliance) Accredited Training

During the year we delivered 39 AQA units in:

- Preparing the land for growing
- Crop rotation
- Basic gardening skills

We will continue to act as an AQA Accredited Training Centre next year and develop the range of training offered, as needs are identified

5.4 One Planet Sutton

Sutton Council asked us to deliver activities contributing to their One Planet Sutton objectives. During the year we educated 1,511 people in sustainability issues through delivery of:

- 35 Home Energy Saving sessions engaging 764 children
- 4 Home Energy Road Shows engaging 424 people
- 9 family food growing training sessions engaging 323 attendances.

Through the food/energy training sessions 100% of attendees learnt something new, 76% of families said they are likely to use what they learnt.

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5.5 EcoLocal Services Ltd (ESL)

EcoLocal Services Ltd is a social enterprise which works closely in conjunction with the EcoLocal charity to deliver activities which require a more commercial approach. Staff PAYE for ESL is handled by the charity (staff working for ESL are sometimes also employed by the charity).

The work done by ESL has a symbiotic relationship to the charity in that it builds on work in conjunction with the charity and provides additional income to the charity by way of gift aid. A summary of ESL activity is included here for information purposes:

5.5.1 Markets

Wallington Farmers' Market:

- ran 12 markets and continued to develop the market offer by recruiting new stalls
- ensured publicity for the market to include social media and poster campaigns
- supported local community groups by offering free stalls
- provided opportunities for the EcoLocal charity to promote its activities and raise funds

Enjoy Sutton Farmers' and Artisan Market:

ESL has a contract with Successful Sutton for the delivery of this market under the branding Enjoy Sutton. Successful Sutton are responsible for the publicity, pay the license fee (£600 per market weekend), and provide and cover the cost of storing the gazebos. We manage the market; recruit stalls, take stall bookings and fees, and pay staff to set up/take down the gazebos each market day and take too and from storage.

These activities complement the charity's interest in local food and an environmentally sustainable local economy.

5.5.2 Food growing related training

ESL delivered two 6 week courses and two 1 day workshops in Carshalton.

5.5.3 EcoLocal Cycling Services

ESL delivered 8 information and Family Fun cycling days / Inclusive cycling road shows.

5.5.4 EcoLocal Deliveries

ESL carried out cycle deliveries for a range of organisations including Sutton Council, printers & voluntary sector organisations.

5.5.5 Environmental Fair and Frost Fair

Stall-holder fees for these events are charged by ESL. See www.envfair.org.uk and www.carshaltonfrostfair.org.uk

5.5.6 Home Energy Road Show and Mobile Solar Power

ESL provided the Home Energy Road Show and the Mobile Solar Power Station at a variety of events and locations in the London Borough of Sutton. See www.mobilesolarpower.org.uk

5.5.7 Consultancy

In early 2017 ESL successfully tendered for work to carry out a consultation and communication exercise for the Public Health Team at London Borough of Merton related to healthy weight and healthy eating for children.

Profits from all ESL activity held as at the end of March 2017 will be gift aided to the charity toward various activities – see details below.

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6. EcoLocal - Unrestricted funds

6.1 Unrestricted funds are held by the charity at the disposal of Trustees and for the purposes of executing the objects of the charity.

Unrestricted fund income was £27.2k of which £25.6k was from donations, including £9.6k from EcoLocal Services Ltd.

£39.4k of funds were used toward management, administrative and premises costs in delivering the organisation's charitable activities. A further £75.6k (£22.8k for staff time and £52.8k for professional advice and services) of unrestricted funds was spent on developing our project to acquire new premises at The Lodge, Carshalton. Section 7 below gives further information about the Lodge project.

6.2 A budget has been agreed for the coming 2017/18 financial year. This budget anticipates significant additional expenditure on the Lodge project as well as the cost of covering existing staff and other overhead costs. We have included provision for higher initial premises costs associated with the move to the new site and for the duration of planned building works. As such we have budgeted £146.6k for total unrestricted fund expenditure during the year. This figure includes a further £91.3k of funds to be designated toward Lodge expenditure. Budgeted income includes confirmed donations totaling £79.3k toward unrestricted funds, of which £35.9k will come via gift aid from EcoLocal Services Ltd.

The ESL gift aid payment to the charity will additionally include a donation to restricted funds as follows: £1,756 to Local Food, £5.5k to the Environmental Fair and £0.9k to the Frost Fair fund.

6.3. During the year we developed our social media profile and encourage people to join our free e-mail listing. By the end of the year our aggregated contacts across all social media platforms including email had reached over 12,000 people with a further 1000 further afield. This focus has significantly improved our ability to communicate with the public.

7. The Lodge Project

7.1 Background

7.1.1 In 2011 Sutton Council publicly raised the possibility that the Lodge might become surplus to their needs and that they would not have funds to keep and maintain it. They put out a public appeal for ideas on how the building could be used in future. EcoLocal responded to the Council's public appeal for ideas with a proposal to carry out a mixed use development of the site. This was very well received by local residents.

7.1.2 In September 2013 Sutton Council's Policy and Resources Committee agreed to "transfer The Lodge to EcoLocal subject to agreement of terms and viable proposals and business plan being developed by EcoLocal and approved by the Council". We carried out a Feasibility Study between January and July 2014 which concluded that The Lodge, which is set in the grounds of Sutton Council's Ecology Centre, offers a unique opportunity for the charity to become financially sustainable and to increase the community benefit of our activities. The development would be primarily funded from the sale of residential units created. The study was well received by Sutton Council and we were invited to continue to develop a detailed business plan, carry out a detailed social benefits analysis and to fully consult the local community, which we did. The results of this work were extremely encouraging; we engaged architects, surveyors and various legal and financial experts in developing a business plan and we concluded that the project is viable both in terms of development costs as well as long term financial sustainability; our detailed social benefits analysis indicated that we would be able to almost double our value to the community; 97% of the 699 people who completed our detailed consultation supported our proposals.

7.2 Progress during 2015/16

7.2.1 We finalised negotiations with London Borough of Sutton officers over the 'heads of terms' for a transfer of the building to the charity under a 125 year lease. We submitted a more detailed business plan for the Council to consider. A full Council meeting held 2nd November 2015 agreed to the terms negotiated by officers and for the project to continue (with 34 votes for and 9 against).

THE CENTRE FOR ENVIRONMENTAL INITIATIVES

(A company Limited by Guarantee and Not Having a Share Capital)

Registered Charity Number 1087782, Company Number 4137305 (England and Wales)

EcoLocal is the working name of the charity

TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

7.3 Progress during 2016/17

7.3.1 Our lawyers worked to finalise legal documentation with LBS. The legal side of the project took much longer to progress than anticipated. However this work has now progressed and we plan to be in a position to move on site in the 2017-18 financial year

7.3.2 We formed a new wholly owned subsidiary of the charity called EcoLocal Lodge Development Ltd.

7.3.3 Funders agreed in principle to provide full project finance for the project

7.3.4 Our architects RKG started detailed design work.

7.4 Next Steps

7.4.1 The risks associated in going ahead with the project have been carefully weighed against the benefits. The Trustees agreed that on balance, the Lodge project affords far greater opportunity to raise funds to cover the charity's overhead costs on a sustainable basis and to deliver our charitable objects and benefits to the local community than is possible from our current accommodation. Our current accommodation is held on a temporary license from the local authority and offers no security. It was agreed that we should continue to develop the project, taking further professional advice as necessary, to the point where final terms are offered by the bank. These will need to be considered and if agreed formally approved by the Trustees.

7.4.2 Once the tendering exercise is complete, and finance and legal agreements with contractors and the bank are satisfactorily finalised, the 125 year leases will be signed and the works will start.

Further details of the background to the project can be found on our website at www.ecolocal.org.uk

Finance Review

Summary

The charity has successfully managed all funded projects in accord with agreements made with funders. Overhead costs have been met via a mix of grant contributions, contracts, general and gift aid donations. The soundness of the charity's financial management is ensured by the diligence of its Trustees, staff and volunteers. EcoLocal's principal funding sources were:

1. EcoLocal Services Ltd social enterprise donations by way of gift aid generated from a variety of local services including the Environmental Fair, Frost Fair, Markets and other activities.
2. Postcode Lottery for Wildlife Gardening project
3. Sutton Council contract funding for our Healthy Sutton Outdoors project
4. Other smaller grants
5. Donations

Pensions

Pensions were provided in accord with our pensions policy (which is based on government policy). Four members of staff continued to take up this option with no new additions. Provision has been made in next year's budget to cover pension costs, as required.

Investment Policy

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are set aside to underwrite shortfalls in core costs and to invest in new premises. Having considered the options available the Board of Trustees have previously decided not to take out any long term investments, other than costs toward the Lodge project, and to operate a deposit account with the Ecology Building Society, as well as a treasurers reserve account with Triodos Bank plc.

Reserves Policy

EcoLocal holds general fund reserves for the following:

- To provide for fluctuations in income.
- To provide for ongoing commitments. The charity has commitments in the form of a lease/license on premises occupied at The Old School House, Mill Lane, Carshalton and also by way of salary and associated payments for staff. Notice would need to be given and costs incurred if we were obliged to cancel these.

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TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

- To fund projects. The charity, from time to time, uses reserves (a) to start projects or pilot schemes whilst awaiting the outcome of funding applications, which may not always be successful, and (b) to provide cash-flow in the case of projects and contracts which are funded in arrears. Additionally restricted fund reserves are held, being the unexpended balances of trust fund and other grants received for specific purposes.

The Board of Trustees has examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be 3 - 6 months of the overall unrestricted revenue expenditure. Budgeted unrestricted expenditure for 2017/18 is around £55.2k (excluding professional & staff costs for the Lodge project) and therefore the reserves target is £13.8k - £27.6k in unrestricted funds. Assuming that the Lodge project goes ahead the budget for the year ahead will leave approximately £145k of unrestricted funds available at the end of March 2018. The Board of Trustees is therefore confident that at this level they would be able to continue current activities. Unrestricted funds at 31 March 2017 amounted to £287,568.

In the unlikely scenario where the Lodge project did not go ahead, it would not be possible to charge relevant costs already incurred to the project as intended, and therefore these additional costs would need to be covered by the charity's unrestricted fund. The result of this is that we would anticipate unrestricted funds dropping to approximately £26k by the end of March 2018. However Trustees may need to apply staff redundancy costs, and have calculated that the end year figure might drop to £14k by March 2018 in this scenario. This sits right at the lower end of our reserves target and whilst not ideal, has been considered as a part of the risk-v-benefit analysis of going ahead with the Lodge project. It should be noted that regardless of whether the Lodge project goes ahead or not, we anticipate that we will hold a further £29k of restricted funds at the end of the financial year and that we would be in a position to continue with these activities.

Trustees' responsibilities statement

The trustees (who are also directors of The Centre for Environmental Initiatives 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, which 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 2015 (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 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.

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TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

AUDITORS

A resolution to reappoint the auditors, Myrus Smith, and authorise the Trustees to fix their remuneration will be proposed at the annual general meeting.

EXEMPTION STATEMENT

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

Approved and signed on behalf of the trustees.



A. Cruickshank
(Chair of Trustees)

Date: 29/12/17



J. Bush
(Trustee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:

THE CENTRE FOR ENVIRONMENTAL INITIATIVES

(A company Limited by Guarantee and Not Having a Share Capital)

Registered Charity Number 1087782, Company Number 4137305 (England and Wales)

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We have audited the financial statements of The Centre for Environmental Initiatives for the year ended 31 March 2017 which comprise the statement of financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'the Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 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.

Opinion on other matter 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' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

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**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

| | Notes | Total Unrestricted funds £ | Total Restricted funds £ | Total Funds 2017 £ | Total Funds 2016 £ |
|---------------------------------|-------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Income | | | | | |
| Donations and legacies | 2 | 25,647 | 69,111 | 94,758 | 66,603 |
| Charitable activities | 3 | - | 28,203 | 28,203 | 63,018 |
| Investments | 4 | 1,577 | - | 1,577 | 2,655 |
| Total | | <u>27,224</u> | <u>97,314</u> | <u>124,538</u> | <u>132,276</u> |
| Expenditure | | | | | |
| Raising funds | 5 | 1,173 | - | 1,173 | 1,535 |
| Charitable activities | 6 | 38,324 | 83,485 | 121,809 | 178,834 |
| Total | | <u>39,497</u> | <u>83,485</u> | <u>122,982</u> | <u>180,369</u> |
| Net income/(expenditure) | 10 | (12,273) | 13,829 | 1,556 | (48,093) |
| Transfers between funds | 17 | (4,800) | 4,800 | - | - |
| Net movement in funds | | <u>(17,073)</u> | <u>18,629</u> | <u>1,556</u> | <u>(48,093)</u> |
| Reconciliation of funds | | | | | |
| Fund balances brought forward | | 304,641 | 43,177 | 347,818 | 395,911 |
| Fund balances carried forward | | <u>£287,568</u> | <u>£61,806</u> | <u>£349,374</u> | <u>£347,818</u> |

All income and expenditure is derived from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes form part of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF:

THE CENTRE FOR ENVIRONMENTAL INITIATIVES


(A company Limited by Guarantee and Not Having a Share Capital)
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Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.


S.A. Jones (Senior Statutory Auditor)

For and on behalf of Myrus Smith
Chartered Accountants and
Statutory Auditor

Norman House
8 Burnell Road
Sutton, Surrey
SM1 4BW

19.12.2017

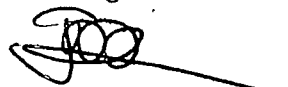
THE CENTRE FOR ENVIRONMENTAL INITIATIVES
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BALANCE SHEET AS AT 31 MARCH 2017

| | Notes | 2017 | 2016 |
|---|-------|-----------------|-----------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 13 | 1,378 | 3,097 |
| CURRENT ASSETS | | | |
| Debtors | 14 | 92,312 | 5,125 |
| Cash at bank and in hand | | 273,978 | 341,228 |
| | | <u>366,290</u> | <u>346,353</u> |
| CREDITORS: Amounts falling due within one year | 15 | <u>18,294</u> | <u>1,632</u> |
| NET CURRENT ASSETS | | <u>347,996</u> | <u>344,721</u> |
| NET ASSETS | 18 | <u>£349,374</u> | <u>£347,818</u> |
| FUNDS | | | |
| Unrestricted funds - General funds. | 17 | 26,300 | 42,000 |
| - Fixed Asset Designated funds | 17 | 687 | 2,060 |
| - Building Acquisition fund | 17 | <u>260,581</u> | <u>260,581</u> |
| | | 287,568 | 304,641 |
| Restricted funds | 17 | <u>61,806</u> | <u>43,177</u> |
| TOTAL FUNDS | | <u>£349,374</u> | <u>£347,818</u> |

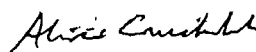
These financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on
and signed on their behalf by



J Bush
(Trustee)

19/12/2017



A Cruickshank
(Trustee)

The notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES

General information and basis of preparation

The Centre for Environmental Initiatives is a registered charity (no. 1087782) and private company limited by guarantee (no. 4137305) registered in England and Wales. The registered office is given in the reference and administrative information on page 1.

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 (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015. The financial statements have been prepared on the going concern basis and under the historical cost convention.

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.

Income recognition

Items of income are recognised in the financial statements when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Contract income is recognised as the charity earns the right to consideration through the performance of its services.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds which comprise those costs associated with attracting general donations
- Expenditure on charitable activities which comprises the costs of running the various activities and services for the charity's beneficiaries.

Expenditure includes those costs of a direct nature which can be allocated to a specific activity. It also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support them. Support costs are apportioned to each activity on the basis of staff time.

Fund accounting

Unrestricted general funds are those funds which are freely available for use in furtherance of the objects of the charity and which have not been designated for specific purposes.

Designated funds are unrestricted funds set aside by the trustees for particular purposes.

Restricted funds are funds which can only be used in accordance with specific restrictions imposed by the donor or which have been raised for a particular purpose.

Fixed assets and depreciation

Depreciation is provided so as to write off the cost of each asset over its estimated useful life. Depreciation is provided on assets on a straight line basis at 20% per annum.

Assets costing less than £350 are not capitalised.

Leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pensions

The Charity contributes to a defined contribution pension scheme. The charge incurred in the year is restricted to the amount stated in the notes to the accounts. There are no outstanding contributions at the year end.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. DONATIONS AND LEGACIES

| | Unrestricted Funds | Restricted Funds | Total 2017 | Total 2016 |
|----------------------|-----------------------|---------------------|----------------|----------------|
| | £ | £ | £ | £ |
| Grants and donations | 25,647 | 69,111 | 94,758 | 53,388 |
| Legacies | - | - | - | 13,215 |
| | <u>£25,647</u> | <u>£69,111</u> | <u>£94,758</u> | <u>£66,603</u> |

Of the £66,603 received in 2016, £30,532 was unrestricted funds and £36,071 was restricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted Funds | Restricted Funds | Total 2017 | Total 2016 |
|----------------------|-----------------------|---------------------|----------------|----------------|
| Grants and contracts | <u>£Nil</u> | <u>£28,203</u> | <u>£28,203</u> | <u>£63,018</u> |

Of the £63,018 received in 2016, £200 was unrestricted funds and £62,818 was restricted funds.

4. INVESTMENT INCOME

| | Unrestricted Funds | Restricted Funds | Total 2017 | Total 2016 |
|---------------|-----------------------|---------------------|---------------|---------------|
| Bank interest | <u>£1,577</u> | <u>£Nil</u> | <u>£1,577</u> | <u>£2,655</u> |

All of the £2,655 received in 2016 related to unrestricted funds.

5. COST OF RAISING FUNDS

| | Direct Costs | Support Costs | Total 2017 | Total 2016 |
|------------------------|-----------------|------------------|---------------|---------------|
| Fundraising activities | <u>£Nil</u> | <u>£1,173</u> | <u>£1,173</u> | <u>£1,535</u> |

All of the £1,535 expenditure in 2016 was charged to unrestricted funds.

6. EXPENDITURE ON CHARITABLE ACTIVITIES

| | Direct Costs £ | Support Costs £ | Total 2017 £ | Total 2016 £ |
|--|----------------------|-----------------------|--------------------|--------------------|
| Transport and Travel | 27,812 | 11,364 | 39,511 | 81,069 |
| Growing and Greening | 17,049 | 11,212 | 28,596 | 28,917 |
| Cross-cutting Environmental Sustainability | 36,504 | 17,868 | 54,818 | 68,848 |
| | <u>£81,365</u> | <u>£40,444</u> | <u>£121,809</u> | <u>£178,834</u> |

Of the £178,834 expenditure in 2016, £63,736 was charged to unrestricted funds and £115,098 was charged to restricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

7. ANALYSIS OF DIRECT COSTS

| | Raising Funds £ | Charitable Activities £ | Total 2017 £ | Total 2016 £ |
|--|-----------------------|-------------------------------|--------------------|--------------------|
| Wages, social security and other staff related costs | - | 52,859 | 52,859 | 79,878 |
| Project costs | - | 22,273 | 22,273 | 22,522 |
| Volunteer expenses | - | 762 | 762 | 887 |
| Printing, design and exhibitions | - | 3,056 | 3,056 | 4,933 |
| Training | - | 350 | 350 | (10) |
| Equipment and material purchases | - | 1,719 | 1,719 | 2,193 |
| Depreciation | - | 346 | 346 | 637 |
| | <u>£Nil</u> | <u>£81,365</u> | <u>£81,365</u> | <u>£111,040</u> |

8. ANALYSIS OF SUPPORT COSTS

| | Raising Funds £ | Charitable Activities (inc.Governance) £ | Total 2017 £ | Total 2016 £ |
|--|-----------------------|---|--------------------|--------------------|
| Wages and salaries | 1,164 | 10,478 | 11,642 | 14,837 |
| Volunteer expenses | - | 188 | 188 | 167 |
| Depreciation | - | 1,373 | 1,373 | 1,373 |
| Provision of premises | - | 14,908 | 14,908 | 15,059 |
| Office administration | 9 | 4,403 | 4,412 | 5,980 |
| The Lodge project costs | - | - | - | 19,211 |
| Other project costs | - | 223 | 223 | 2,174 |
| Insurance, professional and bank costs | - | 4,525 | 4,525 | 6,602 |
| Governance (Note 9) | - | 4,346 | 4,346 | 3,926 |
| | <u>£1,173</u> | <u>£40,444</u> | <u>£41,617</u> | <u>£69,329</u> |

9. GOVERNANCE COSTS

| | Total 2017 £ | Total 2016 £ |
|-----------------------|--------------------|--------------------|
| Wages and Salaries | 1,164 | 1,484 |
| Audit fees | 2,142 | 1,668 |
| Provision of premises | 1,031 | 723 |
| Office administration | 9 | 51 |
| | <u>£4,346</u> | <u>£3,926</u> |

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year is stated after charging:

| | | |
|---|---------|---------|
| Auditor's remuneration – Audit Services | £2,142 | £1,668 |
| Depreciation | £1,719 | £2,010 |
| Operating lease rentals | £12,000 | £12,000 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

11. TRUSTEES REMUNERATION AND EXPENSES

The trustees neither received nor waived any emoluments during the year (2016: £Nil). No expenses were reimbursed to any trustees during the year (2016 : £Nil).

12. STAFF COSTS

| | 2017 | 2016 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 62,641 | 93,050 |
| Social security costs | 2,447 | 2,904 |
| Pension costs | 577 | 246 |
| | <u>£65,665</u> | <u>£96,200</u> |

There was no employee who received total employee benefits (excluding employer pension costs) of more than £60,000 in either year.

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

| | 2017 | 2016 |
|-------------------------------|----------|----------|
| | Number | Number |
| Direct charitable activities | 4 | 5 |
| Management and administration | 2 | 2 |
| | <u>6</u> | <u>7</u> |

The total amount of employee benefits received by key management personnel was £49,831 (2016 : £48,681).

13. TANGIBLE FIXED ASSETS

| | Plant and Machinery £ |
|-----------------------|-----------------------------|
| Cost | |
| At 1 April 2016 | |
| and at 31 March 2017 | 80,597 |
| Depreciation | |
| At 1 April 2016 | 77,500 |
| Charge for the year | 1,719 |
| At 31 March 2017 | 79,219 |
| Net book value | |
| At 31 March 2017 | £1,378 |
| At 31 March 2016 | £3,097 |

14. DEBTORS

| | 2017 | 2016 |
|-------------------------------------|----------------|---------------|
| Other debtors | 16,614 | £5,125 |
| Amounts owed from Group Undertaking | 75,698 | - |
| | <u>£92,312</u> | <u>£5,125</u> |

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15. CREDITORS – amounts falling due within one year

| | 2017 £ | 2016 £ |
|------------------------------|-----------|-----------|
| Other creditors and accruals | £18,294 | £1,632 |

16. OPERATING LEASE COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2017 £ | 2016 £ |
|--------------------|----------------|----------------|
| Due within: | | |
| One year | 12,000 | 12,000 |
| One and five years | - | 12,000 |
| | <u>£12,000</u> | <u>£24,000</u> |

| | At 1 April 2016 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2017 £ |
|---|-------------------------|----------------|------------------|----------------|--------------------------|
| 17. MOVEMENT IN FUNDS | | | | | |
| Restricted Funds: | | | | | |
| Travel: | | | | | |
| Interactive School Travel Experience (TfL via LBS) | 1,604 | - | - | - | 1,604 |
| Bikestreet Project | 839 | - | - | - | 839 |
| Inclusive Cycling / Gear-Up (Donations, Pro-Active South London) | 14,638 | 18,025 | 20,963 | 2,746 | 14,446 |
| Inclusive Cycling/Healthy Sutton Outdoors (LBS Outcomes) | 988 | 5,727 | 6,715 | - | - |
| Local Food/Wildlife and Nature | | | | | |
| Conservation: | | | | | |
| Local Food (EcoLocal Services, Capital Growth) | 11,633 | 2,985 | 5,833 | 2,400 | 11,185 |
| Greener Schools Network | 223 | - | 100 | - | 123 |
| Healthy Sutton Outdoors/Community Food Growing (LBS Outcomes) | 705 | 5,726 | 6,431 | - | - |
| Postcode Lottery | - | 4,401 | 4,401 | - | - |
| Energy: | | | | | |
| Warm Rooms/ LBS | 1,611 | - | - | - | 1,611 |
| Cross-cutting Environmental: | | | | | |
| OPS AMB | - | 8,200 | 8,200 | - | - |
| Schools | 940 | - | - | - | 940 |
| Environmental Fair | 9,267 | 46,353 | 26,881 | - | 28,739 |
| Frost Fair | (308) | 5,897 | 3,961 | - | 1,628 |
| Tangible fixed assets transferred | 1,037 | - | - | (346) | 691 |
| Total Restricted Funds | <u>£43,177</u> | <u>£97,314</u> | <u>£83,485</u> | <u>£4,800</u> | <u>£61,806</u> |

Fixed Assets are treated as a separate Restricted Fund and transfers represent a depreciation adjustment for each project

Details of each fund can be found within the Trustees Report.

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17. MOVEMENT IN FUNDS (continued)

| | At 1 April 2016 £ | Income £ | Expenditure £ | Transfers £ | At 31 March 2017 £ |
|---------------------------------|----------------------------|-----------------|------------------|----------------|-----------------------------|
| Unrestricted Funds: | | | | | |
| <i>General Fund</i> | 42,000 | 27,224 | 39,497 | (3,427) | 26,300 |
| Designated Funds: | | | | | |
| Assets and Maintenance | 2,060 | - | - | (1,373) | 687 |
| Building Acquisition Fund | 260,581 | - | - | - | 260,581 |
| Total Unrestricted Funds | 304,641 | 27,224 | 39,497 | (4,800) | 287,568 |
| Total Funds | £347,818 | £124,538 | £122,982 | £Nil | £349,374 |

The Assets and Maintenance designated fund relates to the Net Book Value of the unrestricted fixed assets.

The Building Acquisition Fund relates to a legacy left to the charity. The majority of these funds are designated toward the cost of an investment in more secure premises for the longer term.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted Funds £ | Restricted Funds £ | Total 2017 £ | Total 2016 £ |
|-----------------------|----------------------------|--------------------------|--------------------|--------------------|
| Tangible Fixed Assets | 687 | 691 | 1,378 | 3,097 |
| Current assets | 305,175 | 61,115 | 366,290 | 346,353 |
| Current liabilities | (18,294) | - | (18,294) | (1,632) |
| | £287,568 | £61,806 | £349,374 | £347,818 |

19. RELATED PARTY TRANSACTION

| Related Party | Relationship | Details | Amount | Balance |
|--------------------------------|------------------------------|--|---------|---------|
| 2017 | | | | |
| Ecolocal Lodge Development Ltd | Subsidiary undertaking | Interest free loan repayable on demand | £75,698 | £75,698 |
| Ecolocal Services Ltd | Directors/Trustees in common | Gift aid donations | £44,221 | £44,221 |
| 2016 | | | | |
| Ecolocal Services Ltd | Directors/Trustees in common | Gift aid donations | £32,342 | £29,394 |

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**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

| | General Funds £ | Assets and Maintenance Funds £ | Building Acquisition Funds £ | Total Unrestricted 2017 £ |
|--------------------------------|-----------------------|---|---------------------------------------|------------------------------------|
| Income | | | | |
| Donations and Legacies | 25,647 | - | - | 25,647 |
| Charitable activities | - | - | - | - |
| Investments | 1,577 | - | - | 1,577 |
| Total | <u>27,224</u> | <u>-</u> | <u>-</u> | <u>27,224</u> |
| Expenditure | | | | |
| Raising funds | 1,173 | - | - | 1,173 |
| Charitable activities | 38,324 | - | - | 38,324 |
| Total | <u>39,497</u> | <u>-</u> | <u>-</u> | <u>39,497</u> |
| Net expenditure | (12,273) | - | - | (12,273) |
| Transfers between funds | (3,427) | (1,373) | - | (4,800) |
| Net movement in funds | <u>(15,700)</u> | <u>(1,373)</u> | <u>-</u> | <u>(17,073)</u> |
| Reconciliation of funds | | | | |
| Fund balances brought forward | 42,000 | 2,060 | 260,581 | 304,641 |
| Fund balances carried forward | <u>£26,300</u> | <u>£687</u> | <u>£260,581</u> | <u>£287,568</u> |