

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021  
FOR  
STREETWISE ENVIRONMENTAL LIMITED**

Draft V4.0 - For Review

**STREETWISE ENVIRONMENTAL LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2021**

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Draft V4.0 - For Review

**STREETWISE ENVIRONMENTAL LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2021**

**DIRECTORS:** N Carter  
K T F Daniell

**REGISTERED OFFICE:** Unit 10, Moorbridge Industrial Estate  
Moorbridge Road East  
Bingham  
Nottingham  
Nottinghamshire  
NG13 8GG

**REGISTERED NUMBER:** 09042551 (England and Wales)

**INDEPENDENT AUDITORS:** Mazars LLP  
Chartered Accountants and Statutory Auditor  
Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW

**STREETWISE ENVIRONMENTAL LIMITED (REGISTERED NUMBER: 09042551)**

**STATEMENT OF FINANCIAL POSITION  
31 MARCH 2021**

	Notes	31/3/21 £	£	31/3/20 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		313,247		398,730
<b>CURRENT ASSETS</b>					
Stocks		87,025		32,214	
Debtors: amounts falling due within one year	5	645,737		612,639	
Debtors: amounts falling due after more than one year	5	955,000		583,000	
Cash at bank and in hand		498,324		370,468	
		<u>2,186,086</u>		<u>1,598,321</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	6	690,712		570,212	
<b>NET CURRENT ASSETS</b>			<u>1,495,374</u>		<u>1,028,109</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,808,621		1,426,839
<b>CREDITORS</b>					
Amounts falling due after more than one year	7		(300,984)		(286,913)
<b>PENSION LIABILITY</b>	12		<u>(1,817,000)</u>		<u>(1,116,000)</u>
<b>NET (LIABILITIES)/ASSETS</b>			<u><u>(309,363)</u></u>		<u><u>23,926</u></u>
<b>RESERVES</b>					
Retained earnings	10		<u>(309,363)</u>		<u>23,926</u>
<b>MEMBERS' FUNDS</b>			<u><u>(309,363)</u></u>		<u><u>23,926</u></u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on ..... and were signed on its behalf by:

.....  
N Carter - Director

.....  
K T F Daniell - Director

The notes on pages 3 to 11 form part of these financial statements

## STREETWISE ENVIRONMENTAL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 1. STATUTORY INFORMATION

Streetwise Environmental Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Going concern**

The financial statements have been prepared on a going concern basis. The directors have considered the impact of the COVID-19 pandemic on the company from both a financial and economic perspective. As part of this review the directors have considered cash flow forecasts for a period of at least 12 months from the date of signing of these financial statements and are confident that the company can meet its liabilities as they fall due. As such, the directors do not believe that COVID-19 will have any material or adverse impact on the company's ability to continue as a going concern.

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes in accordance with the company's principal activity.

In respect of service contracts turnover represents the value of work done and services performed in the period.

##### **Tangible fixed assets**

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

Plant and machinery	- 33% on reducing balance, 25% on reducing balance and 20% on reducing balance
Motor vehicles	- 33% on reducing balance and 25% on reducing balance
Computer equipment	- 33% on cost

##### **Stocks and work in progress**

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

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

##### **Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

##### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**STREETWISE ENVIRONMENTAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**2. ACCOUNTING POLICIES - continued**

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

The company participates in the Local Government Pension Scheme (LGPS). The scheme is a defined benefit scheme based on career average re-valued salary and length of service on retirement.

The company also operates a defined contribution pension scheme. Contributions payable to the company's defined contribution pension scheme are charged to the profit and loss account in the period to which they relate. The pension scheme is operated by People's Pension and it is available for employees that do not qualify for the LGPS.

**Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model.

Grants relating to revenue are recognised in profit and loss on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are received in respect of expenses or losses already incurred by the company are recognised in profit and loss in the period when the grant becomes receivable.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 64 (2020 - 63).

**4. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2020	283,147	452,310	13,698	749,155
Additions	67,157	8,915	199	76,271
Disposals	(28,770)	(173,565)	-	(202,335)
At 31 March 2021	<u>321,534</u>	<u>287,660</u>	<u>13,897</u>	<u>623,091</u>
<b>DEPRECIATION</b>				
At 1 April 2020	89,520	247,471	13,434	350,425
Charge for year	51,942	37,842	138	89,922
Eliminated on disposal	(17,074)	(113,429)	-	(130,503)
At 31 March 2021	<u>124,388</u>	<u>171,884</u>	<u>13,572</u>	<u>309,844</u>
<b>NET BOOK VALUE</b>				
At 31 March 2021	<u>197,146</u>	<u>115,776</u>	<u>325</u>	<u>313,247</u>
At 31 March 2020	<u>193,627</u>	<u>204,839</u>	<u>264</u>	<u>398,730</u>

**5. DEBTORS**

	31/3/21 £	31/3/20 £
Amounts falling due within one year:		
Trade debtors	243,288	234,794
Amounts owed by group undertakings	162,110	310,819
Other debtors	11,287	9,264
Tax	22,986	4,435
Deferred tax asset	174,942	22,311
Prepayments	31,124	31,016
	<u>645,737</u>	<u>612,639</u>

**STREETWISE ENVIRONMENTAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

5.	<b>DEBTORS - continued</b>		
		31/3/21	31/3/20
		£	£
	Amounts falling due after more than one year:		
	Amount due from Rushcliffe		
	Borough Council in respect		
	of Pension Deficit	955,000	583,000
		<u>955,000</u>	<u>583,000</u>
	Aggregate amounts	<u>1,600,737</u>	<u>1,195,639</u>
6.	<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
		31/3/21	31/3/20
		£	£
	Other loans (see note 8)	127,179	85,948
	Trade creditors	185,571	161,975
	Social security and other taxes	175,404	100,048
	Other creditors	10,108	9,908
	Amount due to Rushcliffe		
	Borough Council	173,929	176,026
	Accruals	18,521	36,307
		<u>690,712</u>	<u>570,212</u>
7.	<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		
		31/3/21	31/3/20
		£	£
	Other loans (see note 8)	<u>300,984</u>	<u>286,913</u>
8.	<b>LOANS</b>		
	An analysis of the maturity of loans is given below:		
		31/3/21	31/3/20
		£	£
	Amounts falling due within one year or on demand:		
	RBC Loan	<u>127,179</u>	<u>85,948</u>
	Amounts falling due between one and two years:		
	RBC Loan - Amount falling due		
	between one and two years	<u>123,396</u>	<u>84,679</u>
		<u>123,396</u>	<u>84,679</u>
	Amounts falling due between two and five years:		
	RBC Loan - Amount falling due		
	between two and five years	<u>177,588</u>	<u>202,234</u>
		<u>177,588</u>	<u>202,234</u>

Interest is charged on the RBC loan at a rate of 4.25% per annum.

**STREETWISE ENVIRONMENTAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

9.	<b>DEFERRED TAX</b>	£
	Balance at 1 April 2020	(22,311)
	Provided during year	(8,781)
	Tax credit on pension liability movements	(143,850)
	Balance at 31 March 2021	<u>(174,942)</u>
10.	<b>RESERVES</b>	Retained earnings £
	At 1 April 2020	23,926
	Deficit for the year	(185,529)
	Actuarial Gains and Losses arising on changes in assumptions	(1,043,000)
	Return on Pension Plan Assets	401,000
	Deferred tax on Pension Liability	122,240
	Net liability assumed on settlements	372,000
	At 31 March 2021	<u>(309,363)</u>
11.	<b>DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006</b>	
	The Auditors' Report was unqualified.	
	David Hoose (Senior Statutory Auditor) for and on behalf of Mazars LLP	



**STREETWISE ENVIRONMENTAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

12. **EMPLOYEE BENEFIT OBLIGATIONS**

**Participation in Pension Schemes**

As part of the terms and conditions of employment of its officers and other employees, the Company offers retirement benefits. Although these benefits will not be payable until employees retire, the Company has the commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

On 31 August 2014, the pension deficit in relation to the employees that were transferred from Rushcliffe Borough Council to the Company was £583,000 and this amount is reflected as both an opening pension deficit liability (see below) and as an amount due after more than one year (see note 8). During the year ended 31 March 2021 a further pension deficit liability of £372,000 was transferred from RBC to the Company relating to employees transferred to the Company from RBC in the previous financial year. These amounts are underwritten by Rushcliffe Borough Council.

The Company participates in two post employment schemes:

The Local Government Pension Scheme, administered locally by Nottinghamshire County Council is a funded defined benefit scheme and until 31 March 2014 was a final salary scheme. Changes came into effect on 1 April 2014 and any benefits accrued from this date are based on career average revalued salary and length of service on retirement, meaning that the Company and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

Arrangements for the award of discretionary post retirement benefits upon early retirement, is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pensions liabilities, and cash has to be generated to meet actual pensions payments as they fall due.

**The principal risks to the Company of the scheme are:**

\* Investment risk. The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges

\* Interest rate risk. The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cash flows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way.

\* Inflation risk. All of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation.

\* Longevity risk. In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

\* Statutory changes to the scheme.

\* Structural changes to the scheme (ie large-scale withdrawals from the scheme)

\* In addition, as many unrelated employers participate in the Nottinghamshire County Council Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

**Transactions relating to retirement benefits.**

The liabilities of the fund are valued using a discount rate based on corporate bond yields that match the duration of the employer's liabilities and the Merrill Lynch AA-rated corporate bond yield curve. As a result of this approach, the company reports an actuarial loss of £1,043k reported in the 2020/21 accounts (2019/20: gain of £442k).

The return on assets reported in the accounts is a gain of £401k (2019/20: loss of £198k).

**STREETWISE ENVIRONMENTAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**Value of scheme assets and liabilities**

	31/3/21	31/03/20
	£	£
<b>Market value of assets comprise:</b>		
Equities	1,659,000	1,195,000
Gilts	86,000	86,000
Other Bonds	175,000	190,000
Property	261,000	309,000
Cash	116,000	84,000
Inflation-linked pooled fund	124,000	77,000
Infrastructure	138,000	129,000
	<hr/>	<hr/>
Market value of assets	2,559,000	2,070,000
	<hr/>	<hr/>

	31/3/21	31/03/20
	£	£
Market value of assets	2,559,000	2,070,000
Present value of scheme liabilities	(4,376,000)	(3,186,000)
	<hr/>	<hr/>
Net pension liability	(1,817,000)	(1,116,000)
	<hr/>	<hr/>

**Movement in deficit during the year**

	31/3/21	31/03/20
	£	£
Deficit in scheme at start of year	(1,116,000)	(823,000)
Current service cost	(83,000)	(98,000)
Past service cost	-	(45,000)
Contributions	51,000	43,000
Net interest expense	(26,000)	(64,000)
Administration expense	(1,000)	(1,000)
Return on plan assets	401,000	(198,000)
Actuarial (loss)/gain	(1,077,000)	389,000
Change in demographic assumptions	34,000	53,000
Net liability assumed on settlements	-	(372,000)
	<hr/>	<hr/>
Deficit in scheme at end of year	(1,817,000)	(1,116,000)
	<hr/>	<hr/>

**Other finance costs as reported in the Income Statement comprise:**

	31/3/21	31/03/20
	£	£
Current service cost	82,956	98,402
Past service cost	-	45,000
Net interest expense	26,000	64,000
Administration expense	1,000	1,000
	<hr/>	<hr/>
Other finance costs	109,956	208,402
	<hr/>	<hr/>

**STREETWISE ENVIRONMENTAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

From the information we have received from the administering authority, we understand that;

Of the Equities allocation, 40.5% are UK investments, 59.5% are overseas investments  
100.0% of the above are listed in a market..

Of the Gilts allocation above, 100% are UK fixed interest Gilts

Of the Other Bonds allocation above, 24.6% are UK corporates, 75.4% are overseas corporates

Of the Property and Cash allocations 100% are unquoted

Of the Inflation linked pooled fund 100% were listed in an active market This was included in equities.

**Basis for Estimating Assets & Liabilities**

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years that is dependent on assumptions about mortality rates, salary levels, etc. Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Barnett Waddingham, an independent firm of actuaries, estimates for the fund being based on the latest full valuation of the scheme as at 31 March 2021.

The principal assumptions used by the actuary have been:

	<b>LGPS &amp; Disc. Benefits</b>	
	<b>31/3/21</b>	<b>31/3/20</b>
<b>Mortality Assumptions</b>		
Longevity at 65 for current pensioners		
Men	21.6	21.8
Women	24.3	24.4
Longevity at 65 for future pensioners		
Men	22.9	23.2
Women	25.7	25.8
Rates of Inflation		
CPI (Real)	-0.35%	-0.80%
CPI (Per Annum)	2.85%	1.85%
RPI (Per Annum)	3.20%	2.65%
Rate of Increase in Salaries		
(Per Annum)	3.85%	2.85%
(Real)	0.65%	0.20%
Rate of Increase in Pensions		
(Per Annum)	2.85%	1.85%
(Real)	-0.35%	-0.80%
Rate for Discounting Scheme Liabilities		
(Per Annum)	2.00%	2.35%
(Real)	-1.20%	-0.30%

**STREETWISE ENVIRONMENTAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**Additional Assumptions**

- \* Members will exchange half of their commutable pension for cash at retirement.
- \* Members will retire at one retirement age for all tranches of benefit, which will be the pension weighted average tranche retirement age.
- \* 10% of active members will take up the option under the new LGPS to pay 50% of contributions for 50% of benefits.

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice, this is unlikely to occur, and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit credit method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

**Impact on the Defined Benefit Obligation in the Scheme**

	<b>Increase in Assumption £'000</b>	<b>Decrease in Assumption £'000</b>
Longevity (increase or decrease in 1 year)	182	(175)
Rate of increase in salaries (increase or decrease by 0.1%)	16	(16)
Rate of increase in pensions (increase or decrease by 0.1%)	82	(80)
Rate for discounting scheme liabilities (increase or decrease by 0.1%)	(96)	99

**Impact on the Cash Flows**

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions. The employer contribution rate for 2020/21 is 20.6% (2019/20 20.6%) and the Company anticipates paying £51,000 in expected contributions to the scheme in 2021/22. Funding levels are monitored on an annual basis. The next triennial valuation is due to be completed on 31 March 2022. The scheme will need to take account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and the other main existing public service schemes may not provide benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits to certain public servants.

The estimated duration of the defined benefit obligation for scheme members is 23 years (2020 - 23 years).

**Projected Pension Expense for the Year to 31 March 2022**

	<b>£'000</b>
Service cost	115
Net Interest on the defined liability (asset)	35
Administration Expenses	1
<b>Total</b>	<b>151</b>
Employer contributions	51

Note: These figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2021.

These projections are based on the assumptions as at 31 March 2021, as described in the Barnett Waddington actuary report.

**13. RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**STREETWISE ENVIRONMENTAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**14. ULTIMATE CONTROLLING PARTY**

The Members of the Rushcliffe Borough Council are the ultimate controlling party. The Company is a subsidiary undertaking of Rushcliffe Enterprises Limited which is in turn a subsidiary undertaking of Rushcliffe Borough Council which operates from the Rushcliffe Arena, Rugby Road, West Bridgford, Nottingham, NG2 7YG. The accounts for Rushcliffe Borough Council can be viewed on their website at [www.rushcliffe.gov.uk](http://www.rushcliffe.gov.uk).

**15. LIMITED BY GUARANTEE**

The company is limited by guarantee. The amount guaranteed is £1.

Draft V4.0 - For Review