

London Waste & Recycling Board
Finance Report
February 2016

Income & Expenditure

1. Grant income – The £168k represents the release of deferred revenue against overheads and grant expenditure.
2. Income from projects – The £74k balance represents project interest and fee income accrued over the month.
3. Other income – The £32k balance represents efficiencies programme expenditure repaid by boroughs in line with contract after efficiency savings have been realised.
4. Local authority support – The £115k represents direct staff costs for the Resource London Programme (£25k), agreed central overhead recharges to the programme (£13k), and £77k of programme expenditure. Programme expenditure is forecast to catch up with budget to a significant extent by the year end, however a remaining under spend is also likely. Discussions are currently ongoing around the potential reallocation of this under spend in the new financial year.
5. Circular Economy – The £18k balance represents direct staff costs for the programme (5k), and £13k of additional programme expenditure.
6. Admin expenditure is 9% below budget for the year.

Balance Sheet

7. Project loans – The increase in project loans over the month of £74k represents the accrual of interest over the month.
8. Cash – The net £88k decrease in cash over the month is reconciled to the net income figure of £109k in the Cash Flow statement. The movement reflects the payment of payroll and other overheads and £40k of programme expenditure.
9. Trade Creditors - The trade creditors balance of £76k relates to January PAYE and NIC and the posting of invoices against the Resource London programme.
10. Provision for committed expenditure – This reflects outstanding contractual funding commitments. The £3k decrease reflects the posting of utilisation drawdown requests against the borough support programme.

London Waste & Recycling Board
Income & Expenditure (£000s)
Feb-16

	Period							YTD						
	Actual	Budget	Variance	%	Prior year	Variance (Actual to Prior Year)	%	Actual	Budget	Variance	%	Prior year	Variance (Actual to Prior Year)	%
Income														
Grant income	168	151	17	11%	113	56	49%	1,640	2,243	(603)	-27%	4,332	(2,692)	-62%
Income from projects	74	92	(18)	-20%	82	(8)	-10%	1,127	1,076	51	5%	970	157	16%
Bank interest receivable								47		47		52	(4)	-8%
Other income	32		32			32		32		32		1	31	2336%
Total Income	274	243	31	13%	194	80	41%	2,846	3,319	(472)	-14%	5,355	(2,508)	-47%
Programme Expenditure														
Local Authority Support	115	76	39	52%	51	64	127%	704	1,500	(797)	-53%	2,034	(1,331)	-65%
Circular Economy	18	28	(9)	-34%				109	148	(39)	-27%		109	
Professional fees	1	6	(6)	-88%		1		50	69	(19)	-27%	15	35	230%
Total Programme Expenditure	134	110	24	22%	51	83	165%	862	1,718	(855)	-50%	2,050	(1,187)	-58%
Administrative Expenditure														
Staff costs	23	31	(8)	-25%	51	(28)	-54%	385	407	(22)	-6%	566	(181)	-32%
Professional fees	3	2	1	69%		3		10	19	(9)	-49%	33	(23)	-71%
Serviced Accommodation	5	5			7	(2)	-33%	52	55	(3)	-5%	71	(19)	-26%
Other overheads	2	4	(2)	-43%	4	(1)	-38%	30	46	(16)	-35%	41	(11)	-26%
Total Administrative Expenditure	33	42	(8)	-20%	62	(28)	-46%	477	527	(51)	-10%	709	(233)	-33%
Net Income / (Expenditure)	107	92	15	17%	82	25	31%	1,508	1,074	434	40%	2,596	(1,088)	-42%

London Waste & Recycling Board
Balance Sheet (£000s)
Feb-16

	Movement over month	Month end
Fixed Assets & Investments		
Project Loans	41	8,297
Current Assets		
Project loans	33	1,296
Debtors	32	38
Prepayments	(5)	11
Cash	(88)	27,750
Total Current Assets	(27)	29,095
Current Liabilities		
Trade creditors	76	183
Tax creditors		
Accruals		10
Deferred Income	(168)	343
Total Current Liabilities	(93)	536
Provision for Committed Project Expenditure	(3)	436
Net Assets / (Liabilities)	108	36,420
General Fund	108	36,420

London Waste & Recycling Board
Cash Flow (£000s)
Feb-16

	Period	YTD
Net Income / (Expenditure)	109	1,508
(Increase)/decrease in project loans	(74)	4,400
(increase)/decrease in debtors	(32)	(11)
(increase)/decrease in prepayments	5	14
increase/(decrease) in creditors	76	55
Increase/(decrease) in accruals		(29)
increase/(decrease) in provision for committed project expenditure	(3)	(1,791)
(release) of DEFRA deferred income	(168)	(1,639)
Net cash inflow (outflow)	(88)	2,506
Opening cash	27,838	25,244
Closing cash	27,750	27,750

London Waste & Recycling Board
Finance Report
March 2016 (including year end adjustments)

Income & Expenditure

1. Grant income – The £343k represents the release of the remaining deferred grant revenue balance against overheads, grant expenditure and loan commitments.
2. Income from projects – The negative £644k balance represents the reversal of project income accrued throughout the year on two projects as a result of the year end loan impairment review, leaving a balance for the year of £483k which represents interest accrued on unimpaired loans.
3. Other income – The £32k balance for the year represents efficiencies programme expenditure repaid by boroughs in line with contract after efficiency savings have been realised.
4. Loan impairments – The £3,572k represents impairments against two commercial loans recognised as at the year end, with one of these subsequently going into administration.
5. Year end local authority write backs of £438k represents the release of underspend on previously contractually committed expenditure under the efficiencies programme (ended March 2015). £131k relates to a project that didn't go ahead as a result of one of the project consortium partners pulling out, with the remaining £307k relating to cost savings of approximately 15% realised against original programme budgets.
6. Local authority support – The £912k YTD value represents total expenditure incurred under the Resource London programme for the year of £825k, and development expenditure of £87k related to the commercial waste project. Further commitments of £275k were made by the Resource London partnership board in the year (but not yet recognised in the accounts in advance of final documentation signing), giving total commitments of £1.1m for Resource London across the year. The £400k underspend against the £1.5m budget has been reallocated to future years in the revised business plan.
7. Circular Economy – The £132k YTD balance shows underspend of £43k on budget. This amount will be re-profiled over the remaining two years of the programme.
8. Project professional fees – These are over budget by £20k for the year as a result of expenditure incurred on infrastructure project support.
9. Admin expenditure is 9% (£51k) below budget for the year. This is primarily due to lower than anticipated staff costs as a result of staff turnover (£31k), and underspend on other overheads of £23k.
10. The corporation tax credit of £161k represents the recognition of a deferred tax asset against impairment tax losses, to be offset against prior year and future taxable profits.

Balance Sheet

11. Project loans – The decrease in project loans over the month of £3,693k represents the net effect of the reversal of interest accrued over the year on two impaired loans, further impairment of capital value as described above, the repayment of £131k from another commercial loan, and the accrual of interest on the same loan.
12. Tax debtors represents a debtor held for the reclaim of prior year corporation tax of £86k against tax losses incurred in the current year.
13. Deferred tax asset – The balance of £75k represents deferred tax to be offset against future profits.
14. Cash – The net £219k decrease in cash over the month is reconciled to the net expenditure figure of £3,591k in the Cash Flow statement. The movement reflects the net effect of the receipt of £131k of loan repayments, the drawdown of £100k against a loan agreement, payment of £180k of invoices and drawdown requests against the Resource London programme and the payment of payroll and other overheads.
15. Trade Creditors - The trade creditors balance of £76k relates to January PAYE and NIC and the posting of sundry invoices and drawdown requests.
16. Deferred income – The reduction of £313k represents the net of the release of remaining deferred grant income against programme expenditure, loan commitments and overheads. The remaining £30k balance relates to the receipt of contributions from partners to Circular Economy projects taking place in the next financial year.
17. Provision for committed expenditure – This reflects outstanding contractual funding commitments. The £272k increase reflects the net effect of the signing of a £600k of commercial loan agreement, £140k of funding agreements signed under the Resource London programme, £30k of drawdowns against the Resource London programme, and £438k of write backs against signed funding agreements as described in point 5 above.

London Waste & Recycling Board
Income & Expenditure (£000s)
Mar-16

	Period							YTD						
	Actual	Budget	Variance	%	Prior year	Variance (Actual to Prior Year)	%	Actual	Budget	Variance	%	Prior year	Variance (Actual to Prior Year)	%
Income														
Grant income	343	99	244	247%	(92)	435	-475%	1,983	2,342	(359)	-15%	4,240	(2,258)	-53%
Income from projects	(644)	89	(733)	-824%	148	(792)	-536%	483	1,165	(682)	-59%	1,118	(635)	-57%
Other income								32		32			32	
Bank interest receivable	17		17		26	(8)	-33%	65		65		77	(13)	-16%
Total Income	(284)	188	(472)	-251%	82	(366)	-447%	2,562	3,507	(944)	-27%	5,435	(2,873)	-53%
Year end adjustments														
Loan impairments	3,572		3,572		713	2,859	401%	3,572		3,572		713	2,859	401%
Local Authority write backs	(438)		(438)		(101)	(337)	334%	(438)		(438)		(101)	(337)	334%
Programme Expenditure														
Reuse funding (prior year)					(69)	69						1,082	(1,082)	
Local Authority Support	203		203		58	145	250%	912	1,500	(589)	-39%	941	(29)	-3%
Circular Economy	22	27	(5)	-17%		22		132	175	(43)	-24%		132	
Professional fees	45	6	39	614%	(13)	58	-440%	95	76	20	26%	2	93	4651%
Total Programme Expenditure	270	34	237	706%	(25)	295	-1198%	1,139	1,751	(612)	-35%	2,025	(886)	-44%
Administrative Expenditure														
Staff costs	45	54	(9)	-17%	83	(38)	-46%	425	462	(36)	-8%	649	(223)	-34%
Professional fees	9	2	7	416%	8	0	3%	17	20	(4)	-18%	41	(24)	-59%
Serviced Accommodation	5	5			14	(9)	-66%	57	60	(3)	-5%	85	(28)	-33%
Other overheads	5	4			7	(2)	-34%	35	50	(16)	-31%	48	(13)	-27%
Total Administrative Expenditure	63	65	(2)	-3%	113	(49)	-44%	533	592	(59)	-10%	822	(289)	-35%
y/e corporation tax expense/(credit)	(161)		(161)		86	(246)	-288%	(161)		(161)		86	(246)	-288%
Net Income / (Expenditure)	(3,591)	89	(3,680)	-4121%	(704)	(2,887)	410%	(2,084)	1,163	(3,247)	-279%	1,890	(3,974)	-210%

London Waste & Recycling Board
Balance Sheet (£000s)
Mar-16

	Movement over month	Month end
Fixed Assets & Investments		
Project Loans	(2,827)	5,469
Current Assets		
Project loans	(821)	475
Debtors	16	53
Tax debtors	86	86
Deferred tax asset	75	75
Prepayments	14	25
Cash	(219)	27,531
Total Current Assets	(850)	28,245
Current Liabilities		
Trade creditors	(122)	61
Tax creditors		
Accruals	76	86
Deferred Income	(313)	30
Total Current Liabilities	(359)	178
Provision for Committed Project Expenditure	272	708
Net Assets / (Liabilities)	(3,591)	32,829
General Fund	(3,591)	32,829

London Waste & Recycling Board**Cash Flow (£000s)****Mar-16**

	Period	YTD
Net Income / (Expenditure)	(3,591)	(2,084)
(Increase)/decrease in project loans	3,648	8,049
(increase)/decrease in debtors	(16)	(26)
(increase)/decrease in prepayments	(14)	0
increase/(decrease) in creditors	(282)	(228)
Increase/(decrease) in accruals	76	47
increase/(decrease) in provision for committed project expenditure	272	(1,519)
(release) of DEFRA deferred income	(313)	(1,952)
Net cash inflow (outflow)	(219)	2,287
Opening cash	27,750	25,244
Closing cash	27,531	27,531

London Waste & Recycling Board
Finance Report
April 2016

Income & Expenditure

1. Income from projects – The £15k balance comprises of interest income accrued on commercial loans.
2. Reuse funding – The £730k reflects funding awarded to the reuse project.
3. Local authority support – The £218k represents direct staff costs for the Resource London Programme (£21k), agreed central overhead recharges to the programme (£12k), and £185k of Resource London Programme expenditure.
4. Circular Economy – The £9k balance represents £5k of staff costs and £4k of programme costs.
5. Staff costs are £9k under budget for the month as a result of start dates for new employees being later than anticipated.

Balance Sheet

6. Project loans – The £15k increase over the month reflects accrued interest per point 1. Above.
7. Tax debtors represents a debtor held for the reclaim of prior year corporation tax of £86k against tax losses incurred in the current year.
8. Deferred tax asset – The balance of £75k represents deferred tax to be offset against future profits.
9. Cash – The net £585k decrease in cash over the month is reconciled to the net expenditure figure of £980k in the Cash Flow statement. The movement reflects the drawdown of £250k against a loan agreement, £200k against the reuse project, the payment of £65k of invoices and drawdown requests against the Resource London programme and the payment of payroll and other overheads.
10. Trade Creditors - The trade creditors balance of £60k relates to March PAYE and NIC and the posting of invoices and drawdown requests against previously committed expenditure
11. Deferred income –The £30k balance relates to the receipt of contributions from partners to Circular Economy projects taking place in the next financial year.
12. Provision for committed expenditure – This reflects outstanding contractual funding commitments. The £443k increase represents the net effect of the signing of the £730k commitment to the reuse project, £250k of commercial loan drawdowns, £200k of drawdowns against the reuse project, the signing of £167k of Resource London funding agreements, and the drawdown of £6k against Resource London agreements.

London Waste & Recycling Board
Income & Expenditure (£000s)
Apr-16

	Period							YTD						
	Actual	Budget	Variance	%	Prior year	Variance (Actual to Prior Year)	%	Actual	Budget	Variance	%	Prior year	Variance (Actual to Prior Year)	%
Income														
Grant income					82	(82)						82	(82)	
Income from projects	15	15			104	(89)	-86%	15	15			104	(89)	-86%
Bank interest receivable														
Other income														
Total Income	15	15			186	(171)	-92%	15	15			186	(171)	-92%
Programme Expenditure														
Reuse funding	730		730			730		730		730			730	
Local Authority Support	218	35	183	523%	39	178	453%	218	35	183	523%	39	178	453%
Circular Economy	9	6	4	64%	5	4	72%	9	6	4	64%	5	4	72%
Professional fees	5	6	(1)	-24%		5		5	6	(1)	-24%		5	
Total Programme Expenditure	962	47	915	1953%	45	917	2050%	962	47	915	1953%	45	917	2050%
Administrative Expenditure														
Staff costs	25	34	(9)	-26%	28	(3)	-11%	25	34	(9)	-26%	28	(3)	-11%
Professional fees	1	1	(0)	-22%		1		1	1				1	
Serviced Accommodation	5	5			5			5	5			5		
Other overheads	2	4	(2)		3	(1)	-39%	2	4	(2)	-52%	3	(1)	-39%
Total Administrative Expenditure	32	44	(12)	-26%	37	(4)	-11%	32	44	(12)	-26%	37	(4)	-11%
Net Income / (Expenditure)	(980)	(76)	(903)	1186%	104	(1,084)	-1039%	(980)	(76)	(903)	1186%	104	(1,084)	-1039%

London Waste & Recycling Board
Balance Sheet (£000s)
Apr-16

	Movement over month	Month end
Fixed Assets & Investments		
Project Loans	11	5,481
Current Assets		
Project loans	4	479
Debtors	(21)	32
Tax debtor		86
Deferred tax asset		75
Prepayments	(7)	17
Cash	(585)	26,946
Total Current Assets	(610)	27,635
Current Liabilities		
Trade creditors	(1)	60
Tax creditors		
Accruals	(61)	25
Deferred Income		30
Total Current Liabilities	(62)	115
Provision for Committed Project Expenditure	443	1,151
Net Assets / (Liabilities)	(980)	31,849
General Fund	(980)	31,849

London Waste & Recycling Board**Cash Flow (£000s)****Apr-16**

	Period	YTD
Net Income / (Expenditure)	(980)	(980)
(Increase)/decrease in project loans	(15)	(15)
(increase)/decrease in debtors	21	21
(increase)/decrease in prepayments	7	7
increase/(decrease) in creditors	(1)	(1)
Increase/(decrease) in accruals	(61)	(61)
increase/(decrease) in provision for committed project expenditure	443	443
(release) of DEFRA deferred income	0	0
Net cash inflow (outflow)	(585)	(585)
Opening cash	27,531	27,531
Closing cash	26,946	26,946

**London Waste & Recycling Board
Finance Report
May 2016**

Income & Expenditure

1. Income from projects – The £15k is comprised of interest income accrued on commercial loans.
2. Local authority support – The £63k represents direct staff costs for the Resource London Programme (£25k), agreed central overhead recharges to the programme (£12k), and £26k of programme expenditure.
3. Circular Economy – The £6k represents circular economy staff costs.
4. Project professional fees – The £8k balance relates to legal due diligence costs.
5. Admin expenditure is in line with budget for the month, and 13% behind budget for the year to date, primarily as a result of lower than budgeted staff costs in April.

Balance Sheet

6. Project loans – The £15k increase relates to interest income accrued on commercial loans.
7. Tax debtors represents a debtor held for the reclaim of prior year corporation tax of £86k against tax losses incurred in the current year.
8. Deferred tax asset – The balance of £75k represents deferred tax to be offset against future profits.
9. Cash – The net £441k decrease in cash over the month is reconciled to the net expenditure figure of £106k in the Cash Flow statement. The movement reflects the drawdown of £350k against commercial loan, payment of £20k of invoices and drawdown requests against the Resource London programme and the payment of payroll and other overheads.
10. Trade Creditors - The trade creditors balance of £55k relates to April PAYE and NIC and the posting of overheads invoices and drawdown requests.
11. The £14k reduction in accruals reflects the invoicing of accrued expenditure items at the year end.
12. Deferred income –The remaining £30k balance relates to the receipt of contributions from partners to Circular Economy projects taking place in the next financial year.
13. Provision for committed expenditure – This reflects outstanding contractual funding commitments. The £354k reduction reflects the net effect of £350k of drawdowns against commercial loans and £4k against Resource London agreements.

London Waste & Recycling Board
Income & Expenditure (£000s)
May-16

	Period							YTD						
	Actual	Budget	Variance	%	Prior year	Variance (Actual to Prior Year)	%	Actual	Budget	Variance	%	Prior year	Variance (Actual to Prior Year)	%
Income														
Grant income					94	(94)						176	(176)	
Income from projects	15	15			106	(90)	-85%	30	30			210	(179)	-86%
Bank interest receivable														
Other income														
Total Income	15	15			200	(184)	-92%	30	30			385	(355)	-92%
Programme Expenditure														
Reuse funding								730		730			730	
Local Authority Support	63	35	28	81%	48	16	34%	281	70	211	302%	87	194	224%
Circular Economy	6	6	0	3%	5	0	5%	15	11	4	33%	11	4	38%
Professional fees	8	6	2	25%		8		13	13	0	1%		13	
Total Programme Expenditure	77	47	30	64%	53	24	45%	1,039	94	945	1009%	98	941	963%
Administrative Expenditure														
Staff costs	36	34	2	5%	35	1	3%	61	68	(7)	-11%	63	(2)	-3%
Professional fees	2	1	1	146%		2		3	2	1	62%	0	3	3601%
Serviced Accommodation	5	5			5			9	10	(1)	-5%	10	(0)	-4%
Other overheads	2	4	(2)	-51%	1	1	80%	4	8	(4)	-52%	5	(1)	-24%
Total Administrative Expenditure	45	44	1	1%	41	4	10%	77	88	(11)	-13%	78	(1)	-1%
Net Income / (Expenditure)	(106)	(76)	(31)	41%	106	(213)	-200%	(1,086)	(152)	(934)	616%	210	(1,295)	-618%

London Waste & Recycling Board
Balance Sheet (£000s)
May-16

	Movement over month	Month end
Fixed Assets & Investments		
Project Loans	12	5,492
Current Assets		
Project loans	4	483
Debtors	(6)	26
Tax debtor		86
Deferred tax asset		75
Prepayments	14	31
Cash	(441)	26,505
Total Current Assets	(430)	27,205
Current Liabilities		
Trade creditors	55	116
Tax creditors		
Accruals	(13)	12
Deferred Income	0	30
Total Current Liabilities	42	157
Provision for Committed Project Expenditure	(354)	797
Net Assets / (Liabilities)	(106)	31,743
General Fund	(106)	31,743

London Waste & Recycling Board
Cash Flow (£000s)
May-16

	Period	YTD
Net Income / (Expenditure)	(106)	(1,086)
(Increase)/decrease in project loans	(15)	(30)
(increase)/decrease in debtors	6	28
(increase)/decrease in prepayments	(14)	(6)
increase/(decrease) in creditors	55	54
Increase/(decrease) in accruals	(13)	(75)
increase/(decrease) in provision for committed project expenditure	(354)	89
(release) of DEFRA deferred income	0	0
Net cash inflow (outflow)	(441)	(1,026)
Opening cash	26,946	27,531
Closing cash	26,505	26,505