



ANSA Environmental Services Limited

Draft Summary Financial Statements 2019-20

Summary

Ansa Environmental Services Limited (Ansa) has been trading for six years, following the transfer of Environmental Services functions from Cheshire East Borough Council (CEBC).

Ansa has yet again performed strongly in its sixth year of trading, recording a profit of £216,000 during a period of significant change from its operations (2018/19: £256,000 profit) .

Over the course of the last operating period, Ansa has faced a considerable number of challenges, some of which have been greater than anything we have experienced before and will have profound implications on how we operate for many years to come as the impacts of the global pandemic become truly known.

We commenced the year with great excitement, knowing that in the autumn of 2019 we would reach the pinnacle of our extensive transformation programme; this commenced several years earlier, when we first began to consider how our future operations would work from one central facility. The concept has been crucial to our business development strategies ever since.

In early November 2019, we went live with the final phase of the transformation programme which culminated in the re-routing of all of our domestic waste collection services, the withdrawal from all external transfer facilities whilst maximising the use of our internal transfer capacity. This was quickly followed in January 2020 when the final strand of the programme was completed with the roll-out of food caddies to around 160,000 properties throughout Cheshire East. This now meant that food and green waste could be combined and processed through the new composting facility commissioned by Cheshire East Council on the outskirts of Crewe and will be a major contribution to our ambitious recycling goals.

Although this had proved to be our greatest challenge to date and was implemented successfully, during those early stages – late 2019/early 2020, it did prove challenging for all concerned due to the complexities of re-routing combined with new, improved employee working patterns and bad weather. If the timeline had slipped, it would have proved catastrophic as the implementation would have coincided with the emergence of the global pandemic in February 2020.

This was unlike anything any business has ever experienced. The speed at which we had to adapt to the ever changing conditions during the latter part of our final quarter in 2019/20 presented us with some enormous challenges, which we met. However, it is probable that the pandemic will have serious repercussions for the 2020/21 trading period. The actions taken by Ansa during those early stages enabled the Company to sustain its operations whilst at the same time conclude its preparations for the final part of its Joint Venture arrangement with High Peak Borough Council and Staffordshire Moorlands District Council that went live on 1st April 2020.

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Statement of Comprehensive Income (Unaudited)

For the year ended 31 March 2020

	2020 £'000	2019 £'000
Turnover	36,732	35,221
Cost of sales	(31,741)	(30,719)
Gross profit	4,991	4,502
Administrative Expenses	(4,705)	(4,169)
Other Income	1,487	408
Extraordinary Expenditure	(1,487)	(408)
Operating profit	286	333
Total operating profit	286	333
Interest Receivable and similar income	2	-
Interest payable and similar charges	(57)	(77)
Profit on ordinary activities before taxation	231	256
Taxation	(15)	-
Profit for the financial year/period	216	256
Other comprehensive income for the year/period		
Opening pension scheme deficit	-	-
Movement on pension scheme in year	-	-
Other comprehensive period for the year/period	-	-
Total comprehensive income for the year/period	216	256

Statement of Financial Position (Unaudited)

Registered Number: 08714767

At 31 March 2020

	2020 £'000	2019 £'000
Intangible assets		
Intangible assets	140	72
Fixed assets		
Tangible assets	3,967	1,793
Total Fixed Assets	4,107	1,865
Current assets		
Stocks	252	150
Debtors	4,470	2,993
Cash at bank and in hand	376	1,598
Total Current Assets	5,098	4,740
Creditors: amounts falling due within one year		
Trade creditors	(4,280)	(4,172)
Obligations under finance leases and hire purchase contracts	(1,295)	(933)
Total Creditors: amounts falling due within one year	(5,575)	(5,105)
Net current assets	(477)	(365)
Total Assets less current liabilities	3,630	1,500
Creditors: amounts falling due after more than one year		
Obligations under finance leases and hire purchase contracts	(2,814)	(844)
Provisions	(38)	-
Total Creditors: amounts falling due after more than one year	(2,852)	(844)
Net Assets	778	656
Capital and Reserves		
Share capital	-	-
Retained Earnings	778	656
Total Equity	778	656

Note: Ansa has adopted IFRS16 'Leases' with effect from 1.1.2019 in its 2019-20 Financial Statements, the effects impacting 2018-19 have been adjusted through Retained Earnings (Equity) in the 2019-20 statements, therefore in summary retained earnings at 31.03.2020 comprise:

	£'000
Balance b/fwd 31.03.2019	656
Adj re IFRS16 Adoption	(94)
Profit in year 2019-20	<u>216</u>
Retained Profit 31.03.2020	778

The financial statements of ANSA Environmental Services Limited (the "Company") for the year ended 31 March 2020 will be issued to the Board for authorisation in September 2020 following the external audit of the company accounts in June/July.

As a Company within the Cheshire East Borough Council Group, ANSA Environmental Services Limited's results are included in the consolidated financial statements of CEBC which are available from:

http://www.cheshireeast.gov.uk/council_and_democracy/your_council/council_finance_and_governance/statement_of_accounts/statement_of_accounts.aspx

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