



**KEEP
BRITAIN
TIDY.**



A Company Limited
by Guarantee
Company Registration
Number: 3496361
Charity Number 1071737

Annual Report &
Financial Statements
for the year ended
31 March 2018

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TRUSTEES' REPORT

Objects, objectives and principal activities of the charity

In accordance with the Articles of Association the objects for which the Charity is established are:

- To educate the public concerning the preservation, protection and enhancement of the environment, the use of sustainable waste management practices and the impact of individuals' own actions on the environment.
- To protect, preserve and enhance the environments of town and country in the United Kingdom for the general benefit of the nation at large.
- To preserve and protect the physical and natural environment for the public benefit through the promotion of waste reduction, re-use, reclamation and recycling of waste materials and the benefits of sustainable consumption and production.

Our intent

- To inspire the people of Britain to eliminate litter and end waste for now and future generations. We will fight for people's right to live and work in places they can be proud of and prosper in, acting as a catalyst for change.

Our beliefs

- What's good for the planet is good for the people – a cleaner country makes stronger communities.
- What is good for the planet will also save money and benefits people. Redirecting spend to more deserving issues that we can self help.
- We believe in changing minds, touching hearts and moving mountains.
- But we know Rome wasn't built in a day and Britain won't be tidy overnight. We're realists.

Our insight

- A tidy Britain tomorrow starts today.
- A tidy Britain for all starts with one.
- A tidy Britain is a prouder, safer, wealthier, happier Britain.
- And a tidy Britain is a Britain without us. The day we live for!

OUR ACHIEVEMENTS

Litter and Place Services

29

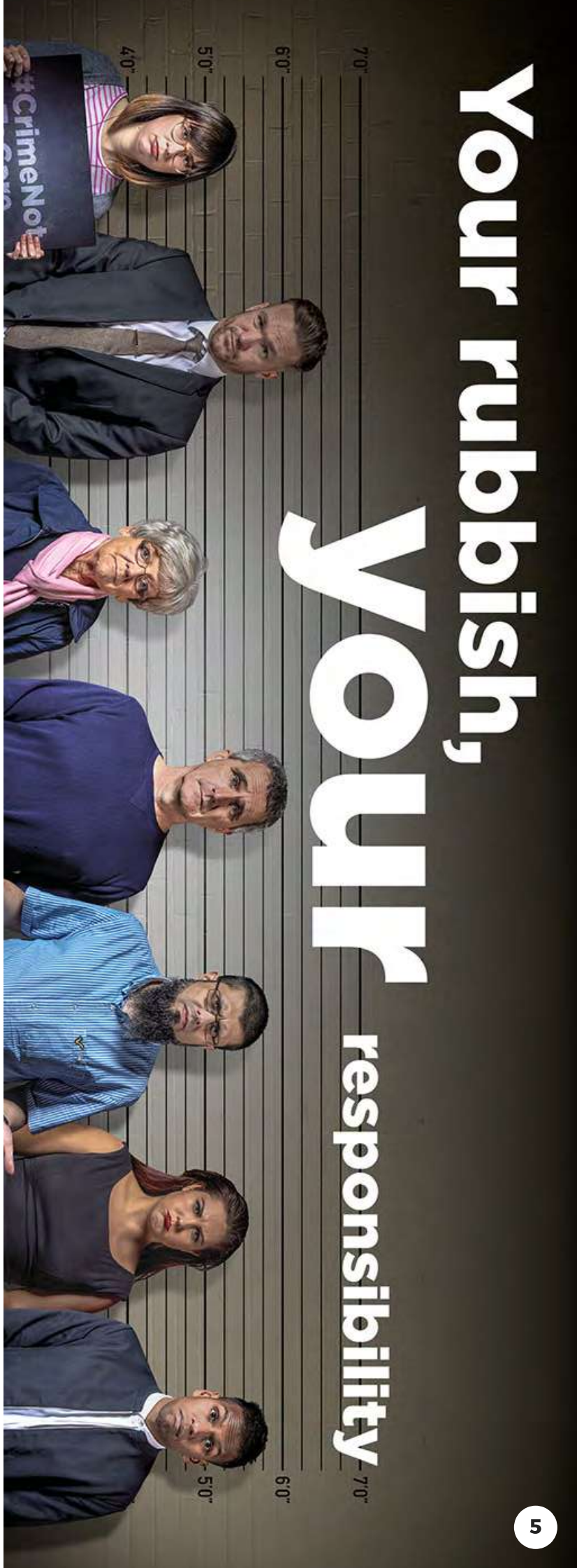
Local authorities and partners have adopted our new #CrimeNotToCare campaign

We ran our annual conference and awards for the Keep Britain Tidy Network in February, highlighting and celebrating best practice in street cleansing and land management and bringing together industry and professional experts. We had 157 delegates attending this key event and a high level of satisfaction from members with what was a very successful event.

We continued to deliver the award-winning 'We're Watching You' dog fouling campaign and the number of partners now totals 193. We also delivered the fly-tipping campaign #CrimeNotToCare to a further 29 local authorities. Both these campaigns are successful in their respective fields and proven to tackle these important issues by educating the public and changing behaviour.

We delivered 38 training courses, including nine enforcement academies, and training 484 individuals. Our enforcement academies aim to ensure a common and consistent enforcement approach across England to target and reduce environmental crime. We also carried out a number of local environmental quality (LEQ) monitoring surveys on behalf of clients, including local authorities and cleansing contractors. This provides an independent baseline of how clean their respective neighbourhoods really are.

We launched a pilot project in partnership with Manchester City Council for them to become the first 'Tidy City'. This exciting partnership commenced in March 2018 and we look forward to reporting on this in the coming year.





Education

1,103

new schools
registered with
us this year

Today's young people are the key to eliminating litter and ending waste now and for future generations and that is why Keep Britain Tidy runs the world's biggest schools' environmental education programme, Eco-Schools.

The past year for Eco-Schools has been one of growth, seeing a 172% increase in the number of schools joining the programme and record numbers of newly registered and re-engaged schools every month.

The team has continued to focus on making the programme more 'teacher-friendly' and has now trained more than 100 teachers through our 'How to become a successful Eco-School' professional development session.

This year also saw some major changes as to how we communicated with schools, sending monthly newsletters and award-specific emails focusing on topic calls to action such as the 'Great Big School Clean'.

Social media reach has almost doubled on Twitter and there are plans for a new Eco-Schools Instagram account for the new academic year, to make it more appealing to secondary students.

We have maintained our longest-standing partnerships with EDF and David Luke. We have also created some new and exciting partnerships with the Vegetarian Society, water authorities and Water Aid and are working much more closely with other charity partners such as the RPSB and Modeshift Stars.

This year also saw the introduction of the Wrigley Litter Less Campaign in England, uniting 15 Eco-Schools in Leicester - this will continue into 2019 with a total of 30 schools taking part.

More developments are planned for the coming year to further reinvigorate the programme. The launch of the new Marine topic on 4th June and the creation of new e-toolkit pathways, funded thanks to the support of players of People's Postcode Lottery, that will be bespoke for the Early Years, Primary and Secondary sectors. These will become available to schools from September 2018 and should shorten the time taken to achieve Green Flag to 12 months.

Volunteer Programmes

4,320

volunteers worked
with us on our
water care projects

With the support of our partners, our care projects teams work to support and develop volunteers to look after and care for the beaches, rivers and canals across England as well as helping to increase recycling and reusing items that might otherwise be sent to landfill.

With continued funding from a variety of partners, the team has continued to perform strongly. There are now project officers in Devon and Cornwall, East Anglia, the Midlands, Cheshire and the North West engaging with 4,320 volunteers in 2017/18.

Keep Britain Tidy also launched corporate volunteering, allowing businesses to take part in activity to make a real, visible difference to their environment in a couple of hours.

Awards and Accreditation

2,027

public spaces were
accredited - an increase
of 147 year-on-year

Our high-profile programmes, designed to improve local places, continue to go from strength to strength. In May 2017 we announced 68 Blue Flag and 117 Seaside Award winners in England. We also continue our partnership with Sharps Brewery, which made a donation from every pint sold to help Cornish beaches achieve the Blue Flag.

The number of Green Flag Awards achieved in the UK in 2017 was 1,797, an increase of 6% on 2016. This included 273 Community Award winners and 75 Green Heritage Site accreditations. The scheme continues to be piloted overseas in the United Arab Emirates, Germany, The Netherlands, Republic of Ireland, Australia, New Zealand, Finland, Sweden and Spain. Internationally, 80 sites were granted the award.

We continue to work with Green Flag Award sponsor DS Smith to engage staff in local green space projects and launched the Green Space Business Award for companies who actively support improvements to local parks and green spaces.





Campaigns and Marketing

630,000

bags were cleared
on the Great British
Spring Clean

The Great British Spring Clean grew significantly in 2018 and, despite the 'Beast from the East' covering the country in a thick layer of snow on the campaign weekend, throughout March more than 370,000 volunteers took to the streets, parks and beaches of Britain to clean up litter at 13,500 events, clearing a total of 630,000 bags of rubbish.

The campaign reached more than 14 million people on social media and acted as a launch pad for our new #LitterHeroes Ambassador programme. Unfortunately, the weather conditions meant we fell short of the ambitious target we set ourselves of mobilising 400,000 volunteers; the adverse weather conditions made it difficult to mobilise events on the planned weekend and a number of events had to be cancelled or rearranged as a result.

We were delighted that the campaign was supported by a range of corporate partners as well as other charities and NGOs. We were helped by more than 300 local authorities and a number of parish and town councils, who provided an invaluable link by acting as a distribution network for the campaign bags and collecting all the litter collected by volunteers.

This year, we also made the first Friday of the campaign the Great Big School Clean and engaged our Eco-Schools network, which resulted in 126,000 children taking action to clean up around their schools. We were supported in this by retailer Wilko, who donated a £500 prize of equipment to help a school on its Eco-Schools journey.

A post-campaign survey of 5,200 participants in the Great British Spring Clean revealed that:

- 92% enjoyed volunteering their time to the Great British Spring Clean
- 88% felt that they had made a difference to their local area
- 88% said they would encourage other people that they know or meet not to drop litter
- 86% felt more pride for their area
- 83% felt more part of their community
- 82% felt more aware of the impact that litter has on the environment
- 82% felt they now have the knowledge and skills they need to carry on litter picking in their local area

Centre for Social Innovation

38%

reduction in dog
fouling as a result of
our latest innovation

The Centre for Social Innovation works with public, private and third-sector stakeholders to develop, pilot and scale new ways to prevent waste and litter and improve public spaces based on behavioural insight.

This year, we have delivered a range of different projects. Our work has included research to better understand bottled water consumption and children and young people's attitudes towards single-use plastics, funded by BRITA UK; research into littering on beaches funded by the Coca-Cola Foundation and research to understand fly-tipping behaviour funded by a variety of local authorities.

Our innovation work has included new interventions to tackle gum littering and roadside littering as well as a new intervention to tackle dog fouling in parks in partnership with the Dogs Trust, which saw average reductions of 38% in our pilots.

General and sector media interest in our work has continued to grow and our work has been featured by The Times, The Independent, Sky News and The Guardian. This year we won an AIM Nudging for Good Award for our Bin it for Good intervention with The Wrigley Company and first prize in an academic poster competition at the Health Psychology in Public Health Annual Conference for our work in partnership with the Dogs Trust.

In June 2017 we launched the Journal of Litter and Environmental Quality, with our first edition featuring articles from academics and practitioners from across the UK. The Journal addresses an important gap in the sector, creating a focal point for publication and discussion of the latest research and thinking on litter and local environmental quality. Since launching, interest in the Journal has come not only from across the UK but as far afield as The Netherlands, Israel and Australia.





Waste Services

120,000

households visited,
helping people waste
less and recycle more

The Waste Services team works with local authorities and other organisations to help improve their waste management and ensure as many recyclables are recovered as possible. Much of our work focuses on public engagement – encouraging people to use their local services as effectively as possible and reducing the waste they produce. We also undertake other, more strategic projects such as surveying communal bin areas, monitoring what waste people put out on collection day and analysing the different materials found in waste.

As part of our continuing relationship with the East London Waste Authority and its partners, the Recycle for Your Community project delivered education sessions to 6,000 school children. Our Trafford door-knocking team spoke to 30,000 residents, helping and advising them about how to manage waste and recycling at home. In Croydon, we monitored 16,000 individual recycling collections and made more than 13,000 visits to homes during our engagement project with residents. This helped the authority gain healthy increases in resident participation: 9% increase in recycling and 8% in food waste participation.

Keep Britain Tidy was again the preferred event organiser for North London Waste Authority's Swish & Style clothes swapping events. The seven events attracted nearly 350 people who swapped 2,500 items of clothing. And in north London, we researched why people put used nappies in recycling and came across some interesting and surprising results that we will be expanding on in the near future.

Our partnership with Stockport Council has so far seen the launch of a local environmental quality campaign. Our creative team helped develop branding as a vehicle for all the campaign work in Stockport, with materials featuring residents tackling issues such as dog fouling and litter. Next year, we will run a series of door-knocking campaigns to drive up Stockport's recycling rate by 3%.

The Waste Team remains vocal within the sector. Our senior project manager had an article published by CIWM analysing a specific effect of the charge for single-use plastic bags and, for the fourth year running, our Waste Services Manager, Dr Anna Scott, featured in the top 30 of industry experts in Resource Media's Hot 100.

WE WOULD LIKE TO THANK...

Our volunteers

382,000

volunteer days given
to support our
charitable work

Our huge thank you goes out to the many volunteers who give up their time freely to help deliver our charitable objectives. During 2017/18 we received active support from our volunteers as follows:

- Almost 3,409 Blue Flag and Green Flag Award judging and assessing days
- More than 212 Eco-Schools assessor days
- 13,500 clean up events were held across the country for our Great British Spring Clean involving 374,710 people.
- 3,952 volunteer days across our RiverCare, WatersideCare and BeachCare programmes
- Waste reduction volunteers donated 78 days engaging with local residents in Cheshire.
- If this was all calculated at Living Wage it would be worth £21.5m, however this is not all able to be recognised in our accounts in accordance with the Statement of Recommended Practice (SORP) for charities.

Celebration events were held in each area to say a big 'thank you' to the volunteers who do so much to keep Britain tidy.

Our partners and funders

The Board of Trustees gratefully acknowledges the valuable support we receive from many organisations for our campaigns and activities at both a national and local level during the year. We would specifically mention:

- Thorntons and Travis Perkins for donating money from carrier bag charges to support our work.
- DS Smith Charitable Foundation for support to develop the Green Flag Award, and Sharps for their support of our coastal awards.
- LIDL, EDF, Next and Diversy for support for Eco-Schools, and East London for funding other education programmes.
- The Environment Agency, United Utilities, South West Water, Severn Trent Water, Anglian Water and Canal & River Trust for support to the 'Care' projects.
- Manchester City Council for becoming our first 'Tidy City'.
- McDonald's, The Wrigley Company, Coca-Cola, Brita and United Utilities for supporting campaigning and research projects.
- The Great British Spring Clean received funding from Garfield Weston Foundation, Wilko, LIDL, McDonald's, Greggs, KFC, Costa, The Wrigley Company, Coca-Cola, Mountain Warehouse, Karcher, Harrogate Spring Water, Helping Hand and Iceland.
- People's Postcode Lottery for their support in developing our charitable campaigns and support for Eco-Schools.





LOOKING AHEAD

A charity that makes a difference to the environment on people's doorstep

2017/18 was a pivotal year in advancing many aspects of our agenda and, despite Brexit's continued domination of media headlines and government policy, environmental issues have had, arguably, a higher profile than at any time in the past decade.

Single-use plastic taxes, deposit refund schemes, coffee cup levies, flat-lining recycling rates, fly-tipping and the crisis facing our parks are among the many issues profiled regularly in the media and receiving increasing attention from ministers. Keep Britain Tidy has been central to this surge in media interest and published world-leading research to inform the debate as well as authoritative commentary in media.

This interest is unlikely to abate and the coming years may well see significant changes implemented affecting the quality of our local environment.

In addition, the landscape around us is in constant flux. Our local authority partners continue to struggle to maintain frontline cleansing, waste and park services while dealing with continued budget cuts. The schools' landscape continues to fragment, with increasing numbers of academy chains and free schools and little reference to sustainability in the curriculum.

It is therefore vital that Keep Britain Tidy is increasingly seen as a key 'go-to' organisation on these issues, building evidence, developing key insights, actively leading change and communicating our views widely.

Over the course of 2017/18, Keep Britain Tidy continued to develop its capability and resilience with a new brand and voice, new website, extensive media coverage, new funding partnerships and a growing voice in national policy debate,

We will build on these firm foundations by increasing our investment in marketing and communications and ensuring that we are delivering the right messages – ones that resonate with our customers and audiences – as well as helping them deliver their messages through our channels.

Litter remains a serious issue. Local authorities are still spending around £800m clearing our streets, deprived areas are nine times more littered than affluent areas and the BBC's Blue Planet II has highlighted the serious environmental damage caused by marine plastics.

Our work in the coming year will ensure that:

- More people than ever are aware of the serious impacts associated with littering and the changes in behaviour required.
- More people than ever before will be engaged in direct action on litter, taking action to clean their local areas as part of the Great British Spring Clean, providing a channel through which we can articulate the voice of a mass movement of people who want to see an end to littering.
- More young people will be inspired to take action on litter through our development of new and engaging school resources, providing the education that will stimulate a new generation of young people for whom 'not' littering becomes an overriding social norm. Over the next academic year we will be asking our Green Flag Eco-Schools to register for the international Eco-Schools twinning project enabling these schools to work together on environmental themes with other school from across 66 countries.
- More partners and land managers are delivering litter prevention work across the country, through our ongoing programme of research and innovation, creating impactful and scalable litter prevention projects and toolkits.
- More initiatives aimed at creating national systems change are given serious consideration by government. On the back of the successful charge on single-use carrier bags, we will continue to lobby for implementation of a Deposit Refund Scheme and other fiscal and policy measures that have potential to create rapid and positive change at scale.

Household demand for resources across the UK has remained fairly static since 2009 at around 390m tonnes per annum, with little effort to reduce this consumption and increase resource productivity.

Alongside this, waste produced across the UK has risen by 8% since 2012 with 209m tonnes of waste now produced per annum. The majority of this waste arises from the construction and demolition sector, however, 27m tonnes of waste was produced by UK households. Of this only 44% was recycled, a rate which has flat-lined over the past five years.

In terms of waste crime, incidents of fly-tipping continue to increase with over one million incidents now recorded annually. A transformational change in the way we view and value primary and secondary resources is required if we are to develop a more sustainable and truly circular economy.

Over the coming year we will work to ensure that:

- More people and organisations are aware of the need to apply the waste hierarchy in decision making, in particular developing Keep Britain Tidy as a charity that emphasises prevention as a key requirement (in addition to recycling).
- More young people will be inspired to take action on waste through development of new and engaging school resources,





providing the education that will stimulate a new generation of young people who consume less, waste less and recycle more.

- More insight on waste and recycling behaviours is delivered through the Centre for Social Innovation with a new piece of research and a new, scalable waste intervention project.
- More of our work aims at influencing both policy and systems change with commissioned research into new measures to stimulate and fast-track behaviour change at a national level, plus reform to funding mechanisms to ensure finance supports better infrastructure for collection and recycling.
- More support is available for local authorities and land managers by scaling innovative projects developed through the Centre for Social Innovation that support authorities in their efforts to reduce waste, reduce fly-tipping and improve recycling.

As local authority spending continues to be squeezed, the management and quality of our public spaces inevitably suffers. In the case of parks, over the past 12 months it has become apparent that standards of maintenance are beginning to slip and a crisis appears to be looming.

However, it is a mixed picture across the country, with some authorities still managing to maintain high-quality parks, while others are directing resources towards higher-profile sites and allowing standards to decline elsewhere.

At the coast, while budgets for management of local authority-controlled beaches are under similar pressure, there are no obvious signs of crisis, with increasing numbers of beaches entering the Blue Flag and Seaside Award programmes. However, some authorities have withdrawn, citing the costs of providing lifeguarding and facilities and it remains to be seen if other authorities follow suit.

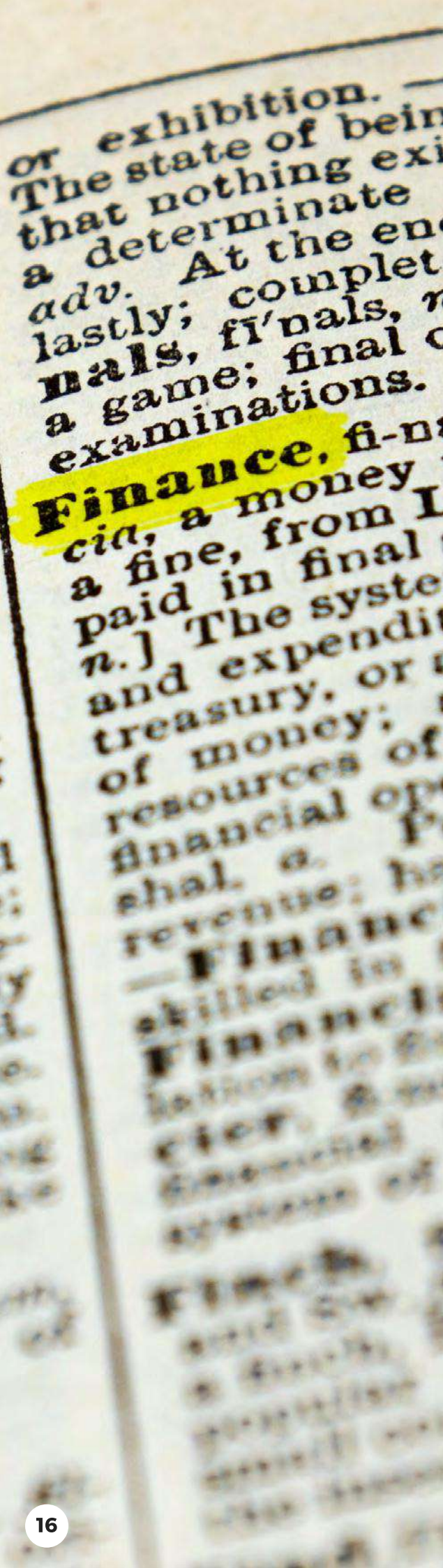
Within town centres and other public retail spaces, there is little information on the cleanliness and management of these sites. However, those falling within major town and city centres, particularly within Business Improvement Districts, are more likely to have resource available for capital improvement works and maintenance, than out-of-town sites, where anecdotal reports suggest areas are in decline.

Over the next 12 months we will work to ensure that:

- More people and organisations are aware of the crisis facing parks and their role in preventative healthcare, which in turn stimulates government action and investment.

- More local authorities are engaged with our Love Parks campaign, and can engage residents in the importance of their local parks and encourage more people to make use of them.
- More insight on good management practice for parks, in particular why some parks continue to be well-managed despite spending pressures with research undertaken through our Centre for Social Innovation.
- More young people will be inspired to take action in protecting our beaches and marine environment through the launch of a brand new Eco-Schools marine topic, with new and engaging school resources, providing the education that will stimulate a new generation of young people who understand the impacts their lifestyles can have on this fragile environment.
- More of our work aimed at influencing EU and UK policy on land and water quality, in particular ensuring the current EU Bathing Water Directive provisions are carried through into UK legislation post-Brexit.
- More countries participate in Green Flag Award through expansion of our international licensing programme and more support is available for local authorities and land managers by twinning UK and international parks opening up opportunities for good practice sharing.

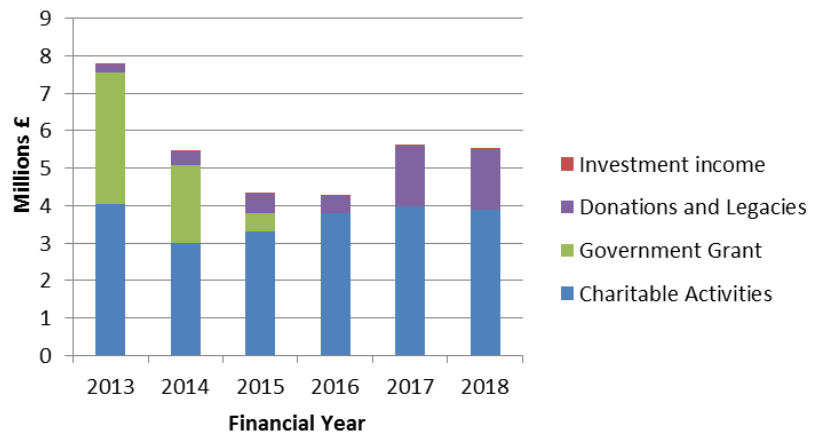




FINANCIAL REVIEW

We are delighted to report total income of £5.51m in 2018 (2017: £5.61m). This includes donated services valued at £1.50m (2017: £1.62m). Our income excluding donations and legacies has been consistent at £4m in line with the previous two years, bucking the historical decline seen following the cessation of government grant funding in 2015. This is due to our continued success in developing new relationships and securing alternative income streams.

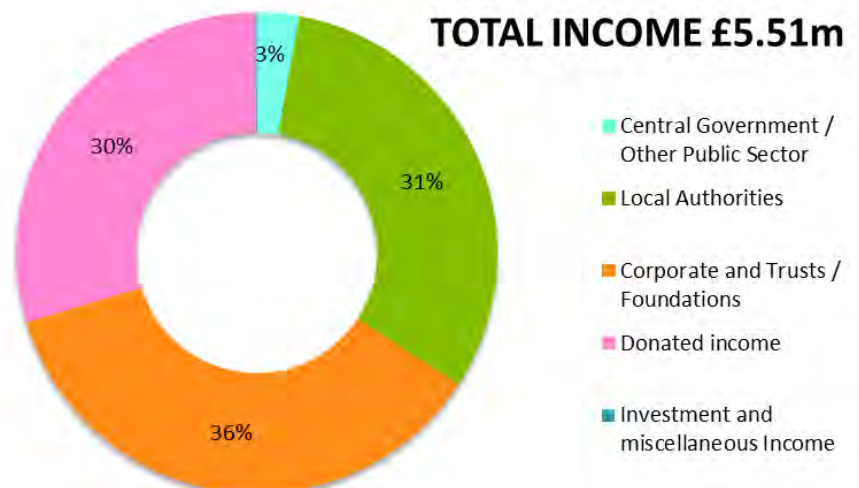
Incoming resources



Where our income came from

It would not be possible to continue to carry out our work without the generosity of all our local authority clients, partners, volunteers and supporters. Although we do not pro-actively engage with the general public to raise funds, we do work with commercial organisations to generate income. Where there are commercial arrangements in effect there is a formal commercial participator agreement in place.

TOTAL INCOME £5.51m



Corporates/Trusts & Foundations

£1.99M

To provide support to deliver our work across the board, including funding research into behaviour change programmes, waste reduction schemes and delivery of campaigns such as the Great British Spring Clean

Local authorities

£1.73M

To provide various anti-litter advice and campaign materials and waste reduction programmes

Donated income

£1.63M

This is a valuation of the time given freely by our specialist volunteer judges, project co-ordinators, pro bono professional services, without which we would be unable to continue to run our services

Central Govt/Other Public sector

£0.16M

These are specific grants to deliver our Care projects

Where the money is spent

Direct programme delivery

£4.15M

To directly deliver our valued work across all our programme areas

Support costs

£0.88M

These stand at 16% of total income (2016: 15%) and are essential to ensuring that the charity is well run

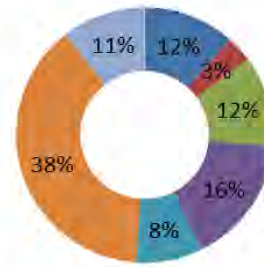
Defined Benefit Pension

£0.17M

To service our historic underlying defined benefit pension scheme, closed to new members in 2008



Breakdown of our charitable activities expenditure



Litter and Place Services £0.582m	Education £0.167m
Water Care Programmes £0.581m	Awards and Accreditation £0.816m
Centre for Social Innovation £0.422m	Campaigns and marketing £1.930m
Waste Services £0.532m	

Total fund balances, before recognising the FRS102 pension liability, amounted to £2.47m (2017: £2.13m) including the balance of the unrestricted general fund at the end of the year of £2.03m (2017: £2.06m)

Reserves Policy

The Trustees believe that the Charity should hold financial reserves because:

- It has no endowment funding.
- It requires protection against and the ability to continue operating despite unforeseen setbacks.
- It requires the ability to take advantage of change and opportunities to further its objectives.

The Trustees have reviewed the reserves policy and reassessed the amount needed to ensure the Charity can run efficiently and has a sufficient amount to mitigate risks of events outside their control.

Each year the trustees consider the appropriate level of free cash reserves. They review Keep Britain Tidy's requirements and consider a sustained fall in income of 10-15% to be a reasonable basis for setting a minimum level. It is the intention of the trustees to hold sufficient reserves to enable expenditure to be reduced in a managed fashion, should the need arise, avoiding the need to halt work abruptly. The trustees have agreed that free reserves should normally be within a range of eight-12 weeks' of expenditure. At 31 March 2018 the expected operating costs of Keep Britain Tidy for a ten-week period are forecast to be circa £1m.

The level of Free Unrestricted Reserves stands at £2.03m, excluding the deficit on the Pension Scheme which is classed as a longer term liability. Details of the Charity's funds are shown in Notes 15 and 16. An analysis of the

Charity's net assets between the funds is given in Note 17. The cash balances of the Charity at 31 March 2018 were £2.35m. The Trustees consider that sufficient resources are held in an appropriate form.

Employees

There is a continued commitment to forging an organisation where staff feel supported and included. Employees are kept informed via the 'Weekly News' as well as through meetings and emails and communications from the Chief Executive.

The Charity supports equality of opportunity and is committed to the training and development of its employees. There is a strong desire to retain a degree of flexible working and a selection of employee benefits.

An individual's development is assessed by means of annual appraisals and training and development programmes are provided to develop employees for both their current and future roles and to meet the Charity's present and future needs.

Pensions

In addition to the current money purchase scheme, the Charity operated a defined benefit pension scheme until 2008. The actuarial surplus or deficit on the funding of the scheme is recalculated annually and the deficit at 31 March 2018 is shown in Note 21 to the accounts.

The current accumulated deficit in the scheme is deducted from Unrestricted Reserves under FRS 102 principles. The Trustees are aware of the very volatile nature of the deficit calculated according to FRS 102 and that this deficit will vary greatly depending on the assumptions made at valuation dates.

The most recent recalculation resulted in a recognised actuarial net gain of £0.705m (2017: actuarial net loss of £1.965m) being recorded in the Charity's Statement of Financial Activities as a result of these changing assumptions. The deficit under FRS 102 reduced by a net £0.668m (2016: net increase of £1.992m) at March 2018 when calculated net of contributions made to the scheme and interest charges during the year.

Going concern

The Trustees, in meeting their obligation to consider the going concern status of the organisation, have reviewed the revised plans and forecasts prepared by management for the period to March 2020.

Particular regard was placed on the organisation's ability to meet its obligations in respect of the deficit on the defined benefit pension scheme. They have considered the organisation's ability to fund its activities and recognise the need for the Charity to find





new sources of income and funding. The Trustees have concluded that the forecasts that have been prepared are appropriate and that the organisation can reasonably expect to continue to fund its programmes and activities.

They also believe that the charity can meet its financial obligations in respect of contributions towards the deficit on the defined benefit pension scheme as agreed with the pension scheme trustees. The organisation's progress with meeting its forecasts will be monitored and mitigating actions taken if necessary. The Trustees have concluded that it is appropriate to consider the organisation a going concern.

GOVERNANCE

Governing Document

Keep Britain Tidy ("the Company") is incorporated in the United Kingdom as a Private Company Limited by Guarantee (Registration Number: 3496361) and is a Registered Charity (Charity Number: 1071737). The present Trustees, and any past Trustees who served during the year together with the Chief Executive and the names of the senior executive staff are given on pages 25 and the external advisors are set out on page 27.

The Company is governed by Articles of Association which were last adopted at the Annual General Meeting on 6th December 2012.

Registered office

Elizabeth House
The Pier
Wigan
WN3 4EX

The Board of Trustees

The Board of Trustees is responsible for the overall governance of Keep Britain Tidy.

The Board of Trustees had nine members at 31st March 2018; the Articles of Association require there to be not less than four or more than 14 and the Board may increase or reduce the number within that limit as they consider appropriate.

Trustees are normally appointed by the Board for three years through a transparent and open recruitment process. They may then be appointed for a further two terms of up to three years and they retire in rotation to ensure that the Board has the full range of skills and experience needed to determine and monitor the charity's strategic direction.

The current Chair was appointed in April 2016. During the year there were no new trustees appointed, and one trustee resigned.

The Board of Trustees met five times this year. At these meetings they set the organisation's business strategy, approved business plans and budgets and reviewed its operational, health & safety and financial performance. They work closely with the key management staff and need to have an understanding of all aspects of the Charity's work.





Trustee Recruitment, Induction and Training

There is a comprehensive induction programme for new Trustees and all Trustees are encouraged to attend appropriate training events where these will help them with their role and responsibilities. In addition, Trustees are kept fully up to date with the organisation's operations through presentations at Board meetings, regular reports and invitations to participate in external events.

All Trustees give their time freely but are entitled to reimbursement of expenses incurred in attending Board and other meetings or performing other duties as a Trustee of the charity. Trustees are required to disclose all relevant interests and formally register them at Board meetings. Details of Trustee expenses and related party transactions are disclosed in note 22 and note 26 respectively.

There are three sub committees to the board, each of which has established terms of reference and report back directly to the Board.

Audit and Finance Committee

The Committee comprises a number of Trustees who in the opinion of the Board are most appropriately qualified to exercise independent judgement on the matters relevant to the Committee.

The Committee's role is to oversee risk management, the scope and findings of any audit work commissioned and the Charity's policies and practices in respect of accounting, anti-fraud and whistleblowing.

In addition, it reviews the external audit arrangements and the Charity's financial reports including financial forecasts and budgets. The Committee reviews the Reserves Policy and the Charity's position in respect of its liability to meet any deficit on the defined benefit pension scheme.

The Committee operates in an advisory capacity to the main Board on all these matters. It met five times this financial year.

Remuneration and HR Committee

The Committee comprises a number of Trustees who in the opinion of the Board are most appropriately qualified to exercise independent judgement on the matters relevant to the Committee.

The Committee's role is to review HR policies and procedures, and consider matters relating to the awarding of general pay increases and the remuneration of key management staff.

The Committee operates in an advisory capacity to the main Board on all these matters. The Committee met twice formally during this financial year.

Nomination Committee

This Committee is established as and when needed to make recommendations to the Board of Trustees about the appointment of Trustees, Chair and the Chief Executive. The committee formally met once during this financial year.

Members of the Board of Trustees

The following Directors (who are also Trustees of the Charity) held office between 1 April 2017 and the date of this report (18 September 2018).

Suzy Brain England OBE	Chair - Appointed 1 April 2016
Angela Smith-Morgan +	Vice-Chair to 1 Feb 2018, reappointed as Trustee for second term on 1 April 2016
Philippa Anderson * + ^	Deputy Chair (Appointed 1 Feb 2018) Appointed as Trustee 1 May 2016
Amanda Rendle +	Deputy Chair (Appointed 1 Feb 2018) Appointed as Trustee 1 August 2016
Stephen Gee	Resigned on 1 Feb 2018
James Millar	Reappointed for second term 1 Apr 2016
Alfred Hill *	Chair Audit and Finance Committee. Reappointed second term 1st January 2017
David Membrey *	Appointed 10 Jan 2017
Sarah Lund * ^	Appointed 1 Apr 2016
Hillary Bauer OBE ^	Appointed 1 Aug 2016 (Chair of Remuneration and HR Committee)

* Member of Audit and Finance Committee
^ Member of Remuneration and HR Committee
+ Member of Nomination Committee

The Directors have cover for third party indemnity insurance. Directors who had any material interest in any contract or arrangements with the Charity are disclosed in note 28.





Statement of Trustees' Responsibilities and Corporate Governance

The Trustees, who are also directors of Keep Britain Tidy for the purposes of company law, are responsible for preparing the Trustees' Annual Report, Strategic 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 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 (FRS102).
- Make judgements and accounting 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 charity will continue in operation.

The Trustees are responsible for ensuring that adequate accounting records are kept, which disclose with reasonable accuracy at any time the financial position of the charitable 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.

The Trustees are responsible for ensuring the maintenance and integrity of the corporate and financial information on the Keep Britain Tidy website.

Management and Staffing

The Chief Executive Officer is appointed by the Trustees to manage the day-to-day operations of the Charity.

To facilitate effective operations, the Trustees have approved a detailed scheme of financial delegation for the Chief Executive Officer and other key management staff.

The Chief Executive Officer is responsible for ensuring that the Charity delivers the business plan and services specified and that key performance indicators are met.

Key Management Staff - the Executive Team

Allison Ogden-Newton	Chief Executive Officer
Richard McIlwain	Deputy Chief Executive Officer
David Smith	Finance Director/Company Secretary
Danielle Charman	Operations Director
Helen Bingham	Director of Communications
Elizabeth Kenyon	Director of the Centre for Social Innovation

Pay Policy for Senior Staff

The Trustees are responsible for setting the framework and broad policy for the remuneration of the Charity’s Chief Executive Officer and Executive Directors.

Advised by the Remuneration and HR Committee they ensure that all appropriate factors are taken into account in setting executive pay policy including the affordability, encouraging optimal performance and consistency with individual contributions to the success of the organisation.

Salaries are set to be both appropriate and competitive according to market rates.

Corporate Governance

Internal controls over all forms of commitment and expenditure continue to be reviewed to improve their effectiveness. Processes are in place to ensure that performance is monitored and the appropriate management information is prepared and reviewed monthly by executive management and regularly by the Audit and Finance Committee and the Board of Trustees.

The systems of internal control are designed to provide reasonable but not absolute assurances against material misstatement or loss. They include:





- A strategic plan and annual budget approved by the Trustees
- Regular consideration by the Trustees of financial results, variances from budget and non-financial performance indicators
- Delegation of day-to-day management authority and segregation of duties
- Identification and management of risks

The Charity is subject to a full external audit each year and the findings of this process are presented independently to the Board.

In addition, the Board take specialist advice on matters of specific interest or concern as and when considered necessary. In the year to March 2018 the Board did not commission any pieces of work of this nature.

Risk Management

The Charity maintains a corporate risk register covering a wide range of organisational risks. The Executive Team review the risk register on a regular basis to ensure that mitigating actions and activities are appropriate and timely.

Risks are categorised by their likelihood and the impact of the Charity and each risk is assigned to a member of the Executive Team for overall management.

Due regard is also taken of the effectiveness of existing controls. The principal risk areas identified on the register and how they have been categorised are as follows:

		IMPACT				
		1	2	3	4	5
LIKELIHOOD	1			1 Risk		
	2		3 Risks	5 Risks		
	3		2 Risks	5 Risks		F003 - Unable to meet pension commitments
	4					
	5					

The Trustees, both through the Audit and Finance Committee and at board meetings, have examined the risk management system and the risk register with particular attention to the major risks identified. They are satisfied that a proper system is in place, and that appropriate measures are being taken where necessary to mitigate the potential impact.

Defined benefit pension scheme - The Trustees are aware of the additional financial risk to the organisation posed by the current projected deficit in the defined benefit pension scheme.

The Trustees maintain a close dialogue with the Pension Scheme Trustees and an agreed deficit reduction plan is in place which is both affordable to Keep Britain Tidy and considered sufficient to meet the scheme liabilities.

During 2017/18 Keep Britain Tidy has worked closely with the Pension Trustees to change the investment advisors, refresh the investment strategy to a Liability Driven Investment (LDI) model, and has recruited an independent professional pension trustee.

GDPR – The Trustees of Keep Britain Tidy are aware of their responsibilities under the GDPR (General Data Protection Regulation), which came into effect on 25 May 2018. The legislation is designed to ensure that organisations demonstrate transparency and accountability with regard to individuals' personal data.

Keep Britain Tidy has recognised the importance of having transparent GDPR processes and has worked closely with professional advisors.

We have assessed and documented where we hold, use and transfer personal data. Staff handling personal data have also been made aware of their responsibilities under GDPR. We have produced a privacy policy that can be accessed from a link at the footer of all pages of our website and which gives a detailed explanation of how we manage personal data.

Professional Advisors

Auditor:	MHA MacIntyre Hudson
Solicitors:	Dechart LLP, Forbes
Bankers:	HSBC Bank Plc

Statement of Disclosure of Information to Auditor

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.

The Trustees' Annual Report and Strategic Report was approved by the Trustees on 18 September 2018 and authorised to be signed on its behalf by:

Suzy Brain England OBE
CHAIR AND TRUSTEE



REPORT OF THE AUDITOR TO THE MEMBERS OF KEEP BRITAIN TIDY

We have audited the financial statements of Keep Britain Tidy for the year ended 31 March 2018 on pages 20 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

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 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company’s ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a

material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters 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' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 23, 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sudhir Singh

For and on behalf of MHA MacIntyre Hudson, Statutory Auditor

New Bridge Street House

30-34 New Bridge Street

London EC4V 6BJ

Date_____

STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
INCOMING RESOURCES					
Donations and Legacies	2	1,631,436	-	1,631,436	1,622,583
Charitable Activities	3	2,774,785	1,099,147	3,873,932	3,982,137
Investment Income		2,175	-	2,175	3,091
Total Incoming Resources		4,408,396	1,099,147	5,507,543	5,607,812
RESOURCES EXPENDED					
Raising Funds	5	-	-	-	9,183
Charitable Activities	6,7	4,256,181	775,621	5,031,802	5,413,559
Sub Total - Operational Expenditure		4,256,181	775,621	5,031,802	5,422,741
Other expenditure	21	174,000	-	174,000	182,633
Total Resources Expended		4,430,181	775,621	5,205,802	5,605,374
NET INCOME/(EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(21,785)	323,526	301,741	2,438
TRANSFERS BETWEEN FUNDS					
Transfers from unrestricted to restricted	15	(44,461)	44,461	-	-
OTHER RECOGNISED GAINS & LOSSES					
Actuarial gains/(losses) on the defined benefit pension scheme	21	705,000	-	705,000	(1,965,000)
NET MOVEMENT IN FUNDS		638,754	367,987	1,006,741	(1,962,562)
RECONCILIATION OF FUNDS					
Total Funds brought forward	15,16	(4,443,632)	72,283	(4,371,349)	(2,408,787)
TOTAL FUNDS CARRIED FORWARD		(3,804,878)	440,270	(3,364,608)	(4,371,349)

All activities are continuing.

The notes on pages 34 to 51 form part of these Financial Statements.

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Intangible Fixed Assets	11		87,264		2,859
Tangible Fixed Assets	11		8,729		-
			95,993		2,859
CURRENT ASSETS					
Debtors and Prepayments	12	1,355,346		1,530,511	
Cash at Bank and In Hand		2,346,075		1,913,573	
		3,701,421		3,444,084	
CURRENT LIABILITIES					
Creditors amounts falling due within one year	13	(1,279,210)		(1,267,642)	
NET CURRENT ASSETS			2,422,211		2,176,442
TOTAL ASSETS LESS CURRENT LIABILITIES			2,518,203		2,179,301
Provisions for liabilities and charges	14		(47,330)		(47,330)
NET ASSETS EXCLUDING PENSION LIABILITY			2,470,873		2,131,971
Pension Scheme Liability	21		(5,835,481)		(6,503,320)
NET LIABILITIES			(3,364,608)		(4,371,349)
FUNDS					
Restricted Funds	15	440,270		72,283	
Unrestricted Funds	16	2,030,603		2,059,688	
Pension Reserve	16	(5,835,481)		(6,503,320)	
			(3,364,608)		(4,371,349)

The notes on pages 34 to 51 form part of these Financial Statements.

These financial statements were approved by the directors and authorised for issue on the 18 September 2018 and signed on their behalf by:

Suzy Brain England OBE - DIRECTOR

Alfred Hill - DIRECTOR

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
CASH USED IN OPERATING ACTIVITIES	24	549,613	(412,791)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		2,175	3,091
Purchase of Intangible Fixed Assets	11	(106,221)	(2,859)
Purchase of Tangible Fixed Assets	11	(13,065)	-
Cash provided by investing activities		(117,111)	232
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		432,502	(412,560)
Total cash and cash equivalents at 1st April 2017		1,913,573	2,326,132
Total cash and cash equivalents at 31st March 2018		2,346,075	1,913,573

The notes on pages 34 to 51 form part of these Financial Statements.

1. ACCOUNTING POLICIES

The following is a summary of the significant accounting policies which have been adopted in the preparation of these financial statements.

(a) Accounting Convention:

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and the Accounting and Reporting by Charities: Statement of Recommended practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2015. The Statement of Financial Activities has been prepared on an activity basis.

(b) Fund Accounting :

Unrestricted Funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity; the fund comprises the accumulated surpluses and deficits of unrestricted income and expenditure. Restricted Funds are those where the donor has imposed restrictions on the use of the funds which are binding. Income arising on restricted funds and expenditure incurred in respect of these funds are reflected through the Statement of Financial Activities.

(c) Fixed Assets, Depreciation and Impairment:

Fixed Assets are stated at cost less accumulated depreciation/amortisation. Individual items costing in excess of £1,000 are capitalised as fixed assets. Depreciation/amortisation is provided to write-off the cost of Fixed Assets over their anticipated useful lives. A full year's depreciation is applied to tangible fixed assets in the first year of acquisition and is provided at the following rates:

Office and Computer Equipment	- 33 1/3% per annum
Office Furniture, Fixtures and Fittings	- 20% per annum
Motor Vehicles	- 20% per annum

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

The amortisation/depreciation of intangible fixed assets is calculated on an individual basis on the useful life of the asset and, where appropriate, the revenue streams directly associated with the asset.

Amortisation of intangible fixed assets is provided at the following rates:

Computer Systems	- 20% per annum
Computer Software	- 33 1/3% per annum
Intellectual Property Rights	- amortised in line with the associated revenue over 20 months.

(d) Income and Donations

Income received for specific or general charitable purposes is reflected in its entirety in the Statement of Financial Activities unless specific conditions exist which have not been fulfilled at the accounting reference date. Income receivable is reviewed on an entitlement, certainty and measurement basis. Income not meeting this criterion is treated as deferred income. Income earned from providing services is recognised to the extent that those services have been provided by the end of the financial year. Revenue from the Keep Britain Tidy Network relates to network membership. The membership entitles the subscriber to services, training and access to events available throughout the year. Income is therefore recognised evenly over the period of membership.

(e) Donated Services

The value of donated services and facilities provided to the Charity are based on reasonable estimates of volunteer time, and on information provided by suppliers. The charity benefits from unpaid time given by both general and specialist volunteers. General volunteer time is not recognised in the accounts but is discussed and disclosed within the trustees report. If the volunteers had not given their time then the charity would have had to pay, and there is a reasonable ability to place a sufficiently reliable monetary value on their contributions. The time is valued on the basis of the value to the charity, using the salary costs of an employee at an appropriate grade and undertaking duties suitable for the role undertaken, taking into account that the charity is committed to paying a living wage. This measure is also used as a useful proxy. This adheres to the principles set out in SORP module 6.

(f) Expenditure:

Expenditure is accounted for on an accruals basis. Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds. Charitable activities include expenditure associated with campaigns, projects and programmes and include both the direct costs and support costs relating to those activities. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. Support costs include central functions and have been allocated to activity cost categories mainly on the basis of their direct costs. The Charity is registered for VAT. Under the partial exemption rules, where applicable, costs and expenditure incurred are inclusive of VAT.

(g) Liabilities:

Liabilities are reflected in the Statement of Financial Activities as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure. Expenditure includes legal or constructive obligations arising in relation to provisions or grants given.

(h) Operating Leases

The charity classifies the leases for office accommodation, printing and other office equipment as operating leases as title to the building or equipment remains with the lessor. Rentals are charged against surpluses on a straight line basis over the period of the lease.

(i) Consolidation

Encams Enterprises Ltd was a subsidiary of Keep Britain Tidy during the period. The accounts present information about the charity as an individual undertaking and not about its group as the charity has taken advantage of the exemption provided by section 19.1(a) of the Charities (Accounts and Reports) Regulations 2008 and section 405 of the Companies Act 2006 not to prepare consolidated financial statements. The directors consider that all the charity's subsidiaries should be excluded from consolidation as they are immaterial for the purpose of the accounts showing a true and fair view.

(j) Pension Costs

The Charity operates a defined benefit pension scheme and a defined contribution scheme.

Defined benefit scheme

The scheme was closed to further accrual from 31st July 2008. The pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond. The Charity contribution towards the scheme deficit made in the financial period and the costs of administering the scheme are included in the operating costs of the charity. Actuarial gains and losses and other net movements on scheme assets and liabilities are recognised as Other Recognised Gains and Losses on the Statement of Financial Activities. See Note 22 for further disclosures.

Defined contribution scheme

This was operated from 1st August 2008. The assets of the scheme are held separately from those of the Charity. The annual contributions payable are charged as expenditure to the Statement of Financial Activities.

(k) Provisions

The provision covers remedial works for the Head Office and provides what is considered to be a best estimate for potential work for the re-instatement of internal fixtures and fittings.

(l) Going Concern

The Trustees have considered the expected availability of funding, grants and contributions and the expected level of resources to be expended for at least 12 months following the approval of these financial statements. Based on this assessment, they have concluded that the preparation of these financial statements on the going concern basis is appropriate (see the Going Concern section of the report of the Trustees on pages 9 and 10 of these accounts). The Trustees do not believe that there are any material uncertainties about the Charity's ability to continue as a going concern.

(m) Financial Instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument, and are offset only when the Charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at the transaction price less any amounts settled and any impairment losses.

A provision for the impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Subsequent reversals of an impairment loss that relate to an event occurring after the impairment loss was recognised, are recognised immediately in SOFA.

Financial liabilities

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are measured at the transaction price less any amounts settled.

De-recognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(n) Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The key estimates and judgments in these financial statements relate to the value of donated services which is based on the salary of an employed officer performing similar duties and the valuation of the defined benefit pension liability which is dependent on a number of actuarial assumptions.

2 DONATIONS AND LEGACIES

	Total 2018 £	Total 2017 £
Education - Eco Schools Awards	16,931	16,293
Coastal Awards	11,980	12,459
Green Flag Awards	272,261	257,646
Water Care programmes	133,961	137,658
Waste reduction programmes	6,136	15,339
Campaigns - Big Tidy Up	-	103,833
Campaigns - Great British Spring Clean	1,061,931	1,050,525
Donations from Subsidiaries	3,125	2,331
Corporate donations	125,112	-
Professional Services donated	-	26,500
	1,631,436	1,622,583

Volunteers provide support for judging our Green Flag, Coastal and Eco Schools accreditation programmes. They receive no remuneration for this but are reimbursed for direct expenses incurred visiting applicant sites. The value of their donated time is calculated on the basis outlined in accounting policies note 1E Donated Services

Our Water Care programme managers work with local volunteer groups to improve the standards of waterways, beaches and water quality. The volunteers receive no remuneration for the time donated. The value of the donated time for volunteer group leaders is calculated on the basis outlined in accounting policies note 1E Donated Services

The Great British Spring Clean campaign benefitted from 13,500 volunteer days (2017: 13,359). Volunteers coordinate and organise members of the public in removing litter from their local area. The volunteers receive no remuneration for the time they donate. The value of the donated time for volunteer group leaders is calculated on the basis outlined in accounting policies note 1E Donated Services.

A total of 19,052 days (2017: 20,206) of volunteer time relating to volunteer coordinators and 'professional judges' time has been allocated for the purposes of calculating note 2 in line with the SORP.

Corporate donations include unrestricted donations made through the 5p carrier bag charge.

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
LITTER AND PLACE SERVICES				
Government/ Other Public Sector	6,776	-	6,776	-
Local Authorities	691,664	-	691,664	582,483
Other	80,568	-	80,568	47,724
	779,008	-	779,008	630,207
EDUCATION				
Government/ Other Public Sector	-	-	-	750
Local Authorities	104,993	-	104,993	90,295
Other	110,972	121,400	232,372	227,535
	215,965	121,400	337,365	318,580
WATER CARE PROGRAMMES				
Government/ Other Public Sector	-	70,832	70,832	100,981
Local Authorities	28,648	-	28,648	71,752
Other	47,209	411,995	459,203	309,373
	75,857	482,827	558,683	482,106
AWARDS AND ACCREDITATION				
Government/ Other Public Sector	8,911	-	8,911	50,344
Local Authorities	534,541	-	534,541	564,304
Other	15,404	66,000	81,404	242,532
	558,856	66,000	624,856	857,180
CENTRE FOR SOCIAL INNOVATION				
Government/ Other Public Sector	13,579	-	13,579	1,344
Local Authorities	96,019	-	96,019	39,853
Other	256,200	143,784	399,984	358,664
	365,798	143,784	509,582	399,861
CAMPAIGNS AND MARKETING				
Government/ Other Public Sector	-	25,000	25,000	10,000
Local Authorities	7,913	-	7,913	1,238
Other	270,013	260,137	530,150	398,986
	277,925	285,137	563,062	410,224

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES CONTINUED

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
WASTE SERVICES				
Local Authorities	263,649	-	263,649	299,741
Other	224,640	-	224,640	483,480
	488,289	-	488,289	783,222
OTHER				
Other	13,087	-	13,087	100,758
	13,087	-	13,087	100,758
TOTAL	2,774,785	1,099,147	3,873,932	3,982,137
Restricted Funds				3,348,334
Unrestricted Funds				633,804
				3,982,138

4 DEFERRED INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Income in advance brought forward	712,294	140,875	853,169	634,498
Income in advance carried forward	(793,448)	(51,185)	(844,633)	(853,169)
MOVEMENT IN DEFERRED INCOME	(81,155)	89,690	8,536	(218,671)

Income receivable is reviewed on an entitlement, certainty and measurement basis. Income not meeting this criterion is treated as deferred income. This relates primarily to significant projects that are often paid for in advance of the work being completed, and our accreditation income which is paid in advance of being assessed.

5 COSTS OF RAISING FUNDS

	Direct Costs £	Support Costs £	Total 2018 £	Total 2017 £
Fundraising Costs	-	-	-	9,183

6 COSTS OF ACTIVITIES IN FURTHERANCE OF THE CHARITIES ACTIVITIES

	Direct Costs £	Support Costs £	Total 2018 £	Total 2017 £
Litter and Place Services	479,777	102,241	582,018	478,369
Education	137,414	29,285	166,699	280,558
Water Care Programmes	479,214	102,109	581,323	821,250
Awards and Accreditation	673,017	143,425	816,442	896,221
Centre for Social Innovation	348,272	74,219	422,491	317,418
Campaigns and marketing	1,591,117	339,078	1,930,195	1,826,826
Waste Services	439,066	93,568	532,634	792,918
	4,147,877	883,925	5,031,802	5,413,559
Restricted Funds			775,621	642,128
Unrestricted Funds			4,256,181	4,771,431
			5,031,802	5,413,559

7 ANALYSIS OF COSTS

ANALYSIS OF SUPPORT COSTS

	Executive £	Establish- ment £	Finance & Admin £	ICT £	HR £	Govern- ance £	2018 Total £
Fundraising	-	-	-	-	-	-	-
CHARITABLE ACTIVITIES							
Litter and Place Services	13,332	19,551	29,049	15,023	6,494	18,792	102,241
Education	3,818	5,600	8,320	4,303	1,861	5,383	29,285
Water Care Programmes	13,302	19,529	29,015	15,005	6,487	18,771	102,109
Awards and Accreditation	18,701	27,426	40,751	21,073	9,111	26,363	143,425
Centre For Social Innovation	9,678	14,192	21,088	10,905	4,714	13,642	74,219
Campaigns and marketing	44,214	64,839	96,341	49,820	21,539	62,325	339,078
Waste Services	12,201	17,892	26,585	13,748	5,944	17,198	93,568
	115,246	169,029	251,149	129,877	56,150	162,474	883,925
2017 Total	82,514	171,685	232,379	143,808	61,420	152,680	844,486

Support costs have been apportioned to costs of activities on the basis of total direct costs wherever possible.

8 NET MOVEMENT IN FUNDS

	2018 £	2017 £
The net movement in funds for the year is stated after charging:		
Depreciation of tangible fixed assets owned by the charity	4,336	-
Amortisation of computer software and systems owned by the charity	21,816	1,417
Amortisation of intellectual property rights owned by the charity	-	1,875
Auditor's Remuneration: audit fee	18,500	19,610
Operating lease rentals: Land & Buildings	92,710	86,764
Operating lease rentals: Other	4,669	5,595

9 TAXATION

As a charity the company is exempt from tax on income and gains falling within chapter 3 part II Corporation Tax Act 2010 in S256 of the Taxation and Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

10 STAFF COSTS

Total Emoluments, including National Insurance contributions, pension contributions and benefits in kind amounted to:

	2018 £	2017 £
Staff Costs	1,622,501	1,882,203
National Insurance Contributions	154,862	172,640
Pension Contributions (Group Personal Plan)	75,940	89,875
Agency	-	14,612
	1,853,303	2,159,330
Benefits	23,313	17,959
	1,876,616	2,177,289

The above includes redundancy costs of £13,802 (2017 £22,633)

The average number of employees for the year allocated across the activities:

	2018	2017
Litter and Place	6	7
Education	3	6
Water Care Programmes	12	11
Awards and Accreditation	4	6
Campaigns and Marketing	5	5
Centre for Social Innovation	5	4
Waste Services	19	30
Administration & Management	10	11
	64	80

50 (2017 - 47) employees were accruing benefits under the Group Personal Pension Plan

Key Management Personnel

The key management personnel of the charity comprise the trustees and an executive team of six people (2017: 6 FTE) including the Chief Executive Officer and the Finance Director. The charity trustees are not paid nor receive other benefits but can claim expenses. Details of the expenses paid to the trustees is provided in note 23. The total employee benefits paid to the executive team of the charity were £410,257 (2017: £386,512) including pension contributions of £22,903 (2017 - £20,386). No executive team members are accruing benefits under the Defined Benefit Scheme.

The employees' emoluments for the executive team fell into the following bands:

	2018	2017
£1 - £30,000	0	2
£40,001 - £50,000	3	3
£50,001 - £60,000	1	1
£60,001 - £70,000	1	0
£80,001 - £90,000	1	1

There are no other higher paid employees of the charity.

11 FIXED ASSETS

	Computer Systems £	Computer Software £	IPR £	Total £
INTANGIBLE FIXED ASSETS				
Cost at 1st April 2017	2,859	7,601	37,500	47,960
Additions during the year	106,221	-	-	106,221
Disposals during year	-	-	37,500	37,500
Cost at 31st March 2018	109,080	7,601	-	116,681
Accumulated amortisation at 1st April 2017	-	7,601	37,500	45,101
Charge for the year	21,816	-	-	21,816
Disposals during the year	-	-	37,500	37,500
Amortisation at 31st March 2018	21,816	7,601	-	29,417
Net Book Value at 31st March 2018	87,264	-	-	87,264
Net Book Value at 31st March 2017	2,859	-	-	2,859

	Computer Hardware £	Office Equipment £	Office Fixtures and Fittings £	Total £
TANGIBLE FIXED ASSETS				
Cost at 1st April 2017	174,029	37,737	51,936	263,704
Additions during the year	13,065	-	-	13,065
Disposals during the year	-	-	-	-
Cost at 31st March 2018	187,094	37,737	51,936	276,769
Accumulated depreciation at 1st April 2017	174,029	37,737	51,936	263,704
Charge for the year	4,336	-	-	4,336
Disposals during the year	-	-	-	-
Depreciation at 31st March 2018	178,365	37,737	51,936	268,040
Net Book Value at 31st March 2018	8,729	-	-	8,729
Net Book Value at 31st March 2017	-	-	-	-

12 DEBTORS

	2018 £	2017 £
Trade Debtors	787,843	1,090,453
Accrued Income	496,339	348,065
Subsidiary Company	2,709	5,854
Prepayments	68,455	86,139
	1,355,346	1,530,511

13 CREDITORS

	2018 £	2017 £
Trade Creditors	147,645	117,157
Social Security and Other Taxes	195,025	217,343
Accruals and other creditors	91,908	79,973
Deferred Income (Note 5)	844,632	853,169
	1,279,210	1,267,642

14 PROVISIONS FOR LIABILITIES AND CHARGES

	Dilapidations £	Total £
Balance Brought forward at 1st April 2017	(47,330)	(47,330)
Amount released in the year	-	-
Utilised during the year	-	-
Balance carried forward at 31st March 2018	(47,330)	(47,330)

This provision relates to expected dilapidations connected to Elizabeth House

15 RESTRICTED FUNDS

	1 April			Transfer to / from	31 March
	2017	Income	Expenditure	Unrestricted	2018
	£	£	£	£	£
PROJECT FUNDS BY ACTIVITY:					
WATER CARE PROGRAMMES					
Waterside Care	-	91,214	106,706	(15,492)	-
Rivercare	9,949	149,500	161,344	(13,753)	11,858
BeachCare Southwest	4,415	68,342	72,845	(88)	-
Beachcare Northwest	1,473	43,771	46,027	(783)	-
	15,837	352,827	386,922	(30,116)	11,858
GREEN FLAG AWARDS					
Green Flag Awards Development	-	66,000	66,142	(142)	-
	-	66,000	66,142	(142)	-
EDUCATION					
Vegetarian Society	-	10,000	7,000	-	3,000
Litter Less Campaign	-	11,400	11,429	(29)	-
	-	21,400	18,429	(29)	3,000
CENTRE FOR SOCIAL INNOVATION					
Coke Foundation - Beach Littering	-	43,784	48,027	(4,243)	-
	-	43,784	48,027	(4,243)	-
CAMPAIGNS					
Turning Tides	55,001	56,042	67,257	-	43,786
Great British Spring Clean	1,445	129,094	138,624	(9,931)	1,846
	56,446	185,136	205,881	(9,931)	45,632
OTHER PROJECT FUNDS					
Peoples Postcode Lottery	-	400,000	50,220	-	349,780
Litterforce	-	30,000	-	-	30,000
	-	430,000	50,220	-	379,780
TOTAL RESTRICTED FUNDS	72,283	1,099,147	775,621	(44,461)	440,270

The above categories contain the following restricted funds:-

Water Care Programmes funding was received from Severn Trent Water the Environment Agency and Canal and River Trust (WatersideCare), Anglian Water (RiverCare), South West Water (BeachCare Southwest), United Utilities and the Environment Agency (BeachCare North West and Turning Tides), helping us manage and support volunteer groups in looking after their local environment.

Grants were received from DS Smith recycling for development of our Green Flag Awards.

Education received a grant from the Vegetarian Society to fund the application fee for Green Flag Awards, the Wrigley Foundation provided funding to run the Litter Less programme in the UK.

Litter Force relates to funding from an individual donor to support a partnership pilot project with Walking With the Wounded to engage and train veterans to lead community volunteering programmes (Clean Ups).

Peoples Postcode Lottery funding has been provided to support several strands of our work: Eco-Schools, The Ambassadors programme, Smoking related litter campaign, and Innovation and intervention testing.

The Great British Spring Clean secured funding from a wide variety of sources including trusts, corporations and individual personal donations. The Great British Spring Clean is our flagship campaign to bring people together to clear up the litter that blights our towns, villages, countryside and beaches.

16 UNRESTRICTED FUNDS

	General Unrestricted £	Pension Reserve £	2018 £	2017 £
Balance of general fund at 1 April 2017	2,059,688	(6,503,320)	(4,443,632)	(2,471,807)
Transfer from unrestricted to restricted	(44,461)	-	(44,461)	(17,587)
Retained unrestricted surplus for the financial year	15,376	(37,161)	(21,785)	10,762
Actuarial gain/(loss) on the defined benefit pension liability (Note: 22)	-	705,000	705,000	(1,965,000)
Balance of general fund at 31 March 2018	2,030,603	(5,835,481)	(3,804,878)	(4,443,632)

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Net Current Assets £	Total £
Restricted Funds	-	440,270	440,270
Unrestricted Funds (including pension reserve)	87,264	(3,892,142)	(3,804,878)
	87,264	(3,451,872)	(3,364,608)
2017 Total	2,859	(4,374,208)	(4,371,349)

18 CONTINGENT LIABILITIES

There were no known contingent liabilities at 31st March 2018 (2017-£nil).

19 CAPITAL COMMITMENTS

Capital Commitments authorised and contracted at 31st March 2018 amounted to £nil (2017-£nil).

20 INDEMNITY INSURANCE

The Trustees and Officers of the Company are indemnified out of the assets of the Company against any liability incurred in that capacity in defending any proceedings in which judgement is given in favour or in which there is an acquittal or in connection with any application in which relief is granted by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

The annual premium which covers the Company is £7,218 (2017 - £7,884) which also included cover for former associated companies.

21 PENSIONS

With effect from 1st August 2008, the Charity set up a Group Personal Pension Scheme, which operates on a defined contribution basis.

In addition, the Charity operated a staff contributory pension scheme providing benefits for each complete year of pensionable service up to 31st July 2008. The Charity is the only significant employer in the scheme and takes responsibility for all of the liabilities it is appropriate to account for the scheme under FRS 102 rules. The scheme is an exempt approved scheme under the terms of the Income and Corporation Taxes Act 1988 and is set up by a Trust Deed administered by Trustees and funds are held separately from those of the Charity.

Benefits accrued at the rate of one-sixtieth of final pensionable earnings for each year of pensionable service up to 31st March 2004. Commencing 1st April 2008, the Pension Trustees changed the scheme but maintained the final salary element, benefits to accrue at the rate of one-eightieth of final pensionable earnings for each year of pensionable service; there was no change in contribution rates. The plan ceased all future service benefit accrual with effect from 31st July 2008 so that all members' benefits are now paid up. The pension charge for the year to 31st March 2018 was £Nil (2017 - £Nil).

A formal actuarial valuation was carried out at 31 March 2018. The pension deficit as at 31st March 2018 is £5.835m. Future contributions to the scheme have been negotiated with the Trustees of the scheme. The Charity is the principal employer and paid approximately £137,000 to reduce the deficit this year. Keep Britain Tidy will continue to make contributions in line with terms agreed at the last triennial review until any new scheme of payments is agreed. In the financial year to March 2018 it will pay approximately £891,000 towards reducing the deficit in addition to the scheme running costs of approximately £152,000. The major assumptions used by the actuary were as follows:

Average future life expectancy from age of 65 for current pensioners:

Men 21.0 years (2017 - 21.0 years)

Women 23.0 years (2017 - 23.0 years)

Average future life expectancy from age of 65 for future pensioners:

Men 22.0 years (2017 - 23.0 years)

Women 25.0 years (2017 - 25.0 years)

The assets in the scheme and the expected long term rate of return were:

21 PENSIONS CONTINUED

	31 March 2018	31 March 2017	31 March 2016	31 March 2015
Rate of increase in salaries	n/a	n/a	n/a	n/a
Rate of increase in pensions in payment				
Post 1 April 2005	2.20%	2.20%	2.00%	1.90%
April 2004 to March 2005	2.30%	2.30%	2.10%	2.00%
for other service	3.3%	3.3%	3.1%	3.0%
Rate of increase in inflation linked pensions	2.3%	2.3%	2.1%	2.0%
Discount rate	2.7%	2.7%	3.6%	3.3%
Inflation assumptions (CPI)	2.3%	2.3%	2.1%	2.0%
	31 March 2018 £	31 March 2017 £	31 March 2016 £	31 March 2015 £
ASSET VALUE				
Equities	-	7,829,000	6,752,000	7,156,000
Bonds	2,997,000	3,308,000	2,873,000	2,954,000
Cash	242,000	510,000	476,000	152,000
Diversified Growth Fund	8,936,000	-	-	-
TOTAL MARKET VALUE OF ASSETS	12,175,000	11,647,000	10,101,000	10,262,000
LONG TERM EXPECTED RATE OF RETURN				
Equities	2.7%	2.7%	3.6%	3.3%
Bonds	2.7%	2.7%	3.6%	3.3%
Cash	2.7%	2.7%	3.6%	3.3%
Diversified Growth Fund	2.7%	0.0%	0.0%	0.0%
Actual return on scheme assets in the period	691,000	1,699,000	55,000	1,038,000
Present value of scheme liabilities	18,010,000	18,150,000	14,612,000	15,612,000
DEFICIT VALUE OF THE SCHEME	(5,835,000)	(6,503,000)	(4,511,000)	(5,511,000)

The Scheme's assets are currently invested in a mixture of cash, equities, bonds and a diversified growth fund. The overall expected return assumption has been aligned with the discount rate applied to the calculation of scheme liabilities. The discount rate has been calculated using iBoxx Over 15 years Corporate Bonds Index for AA rated bonds (2.5% at the balance sheet date). This has been adjusted to reflect the duration of the liabilities and the range of yields within the index. For the current figures, an adjustment of +0.2% to the yield has been applied. The discount rate is therefore 2.7% per annum.

From 1st August 2008 when the final benefit scheme was closed to further accrual all members were entitled to inflation linked deferred pensions and the link to salary was lost.

21 PENSIONS CONTINUED

	31 March 2018 £	31 March 2017 £	31 March 2016 £	31 March 2015 £
ANALYSIS OF THE AMOUNT CHARGED TO THE STATEMENT OF FINANCIAL ACTIVITIES (SOFA)				
Expected return on pension scheme assets	312,000	361,000	335,000	411,000
Interest on pension scheme liabilities	(486,000)	(521,000)	(510,000)	(554,000)
NET INTEREST	(174,000)	(160,000)	(175,000)	(143,000)
Recognised in the SOFA as:				
Cash contribution to the scheme deficit paid by the charity	(136,839)	(132,680)	(130,873)	(145,395)
Non cash other movements in the scheme deficit	(37,161)	(27,320)	(44,000)	307,000
DEFINED BENEFIT PENSION SCHEME CONTRIBUTIONS AND NET INTEREST CHARGES	(174,000)	(160,000)	(174,873)	161,605
Actual return less expected return on scheme assets	379,000	1,338,000	(280,000)	627,000
Changes in assumptions underlying the present value of scheme liabilities	326,000	(3,303,000)	1,163,000	(2,980,000)
ACTUARIAL (LOSS) /GAIN RECOGNISED IN THE SOFA	705,000	(1,965,000)	883,000	(2,267,000)
	31 March 2018 £	31 March 2017 £	31 March 2016 £	31 March 2015 £
MOVEMENT IN PLAN ASSETS DURING THE YEAR				
Fair value of plan assets at the beginning of the year	11,647,000	10,101,000	10,262,000	9,066,000
Expected return on plan assets	312,000	361,000	335,000	411,000
Actual return less expected return on pension assets	379,000	1,338,000	(280,000)	627,000
Contributions paid by employers	137,000	133,000	131,000	450,000
Benefits paid	(300,000)	(286,000)	(347,000)	(292,000)
Fair value of plan assets at the end of the year	12,175,000	11,647,000	10,101,000	10,262,000
MOVEMENT IN PLAN LIABILITIES DURING THE YEAR				
Opening defined benefit obligation	18,150,000	14,612,000	15,612,000	12,456,000
Interest on scheme liabilities	486,000	521,000	510,000	554,000
Benefits paid	(300,000)	(286,000)	(347,000)	(292,000)
Changes in assumptions underlying the present value of scheme liabilities	(326,000)	3,303,000	(1,163,000)	2,980,000
Closing defined benefit obligation	18,010,000	18,150,000	14,612,000	15,612,000
Deficit in the scheme at end of the year	(5,835,000)	(6,503,000)	(4,511,000)	(5,350,000)

22 TRUSTEES' REMUNERATION AND EXPENSES

The directors of the company are the trustees under Charity Law and received no remuneration in 2018 (2017 : £NIL)

Reimbursement for travel and other costs in attending meetings was paid to 12 trustees and amounted to £4,284 (2017 - £7,127).

23 OTHER COMMITMENTS

OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases expiring within one year and more than one year is as follows:

	2018 £	2017 £
LAND AND BUILDINGS		
Within one year	40,153	40,153
	40,153	40,153
OTHER		
Within one year	3,669	3,996
Two to five years	10,022	13,691
	13,691	17,687

24 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH INFLOW / / (OUTFLOW) FROM OPERATING ACTIVITIES

	Notes	2018 £	2017 £
Net incoming resources before defined benefit pension scheme charges		475,741	162,438
Contributions to the defined benefit pension scheme	22	(136,839)	(132,680)
Bank interest receivable		(2,175)	(3,091)
Depreciation Charges		4,336	-
Amortisation Charges		21,816	3,292
Decrease/(Increase) in Debtors		175,166	(304,010)
Increase/(Decrease) in Creditors		11,568	(138,070)
Decrease/(Increase) in Provisions		-	(670)
Net Cash inflow/(outflow) from Operating Activities		549,613	(412,791)

25 SUBSIDIARY COMPANIES

ENCAMS Enterprises Limited is a trading subsidiary of the Charity. Its Memorandum of Association authorises the Charity to appoint or remove any directors from office.

ENCAMS Enterprises Limited traded during the year and managed commercial sponsorship packages and collected commission on commercial agreements. ENCAMS Enterprises transferred by charitable donation all profits from its activities to Keep Britain Tidy. The payment receivable under Gift Aid is included in Other Income (Note 4).

The Trustees have elected not to consolidate the results of the trading subsidiary as they do not consider it to be material to the Group.

The results of ENCAMS Enterprises Limited for the year ended 31st March 2018 were as follows:

	2018 £	2017 £
Turnover	4,306	7,823
Cost of Sales	-	(2,750)
GROSS PROFIT	4,306	5,073
Administrative Expenses	(1,181)	(2,970)
OPERATING PROFIT /(LOSS)	3,125	2,103
Interest Receivable	-	-
PROFIT BEFORE TAX	3,125	2,103
Taxation	-	-
PROFIT AFTER TAX	3,125	2,103
Balance Brought Forward	-	-
Gift Aid Distribution	(3,125)	(2,103)
BALANCE CARRIED FORWARD	-	-
Current Assets	2,709	5,854
Current Liabilities	(2,709)	(5,854)
NET ASSETS AT 31ST MARCH	-	-

26 RELATED PARTY TRANSACTIONS

During the year the Charity entered into transactions with Encams Enterprises Limited as follows:

	2018 £	2017 £
Staff and other costs charged	-	3,751
Donation receivable	2,709	2,103
Due from ENCAMS Enterprises Limited (Note 13)	2,709	5,854

27 FINANCIAL INSTRUMENTS

The carrying amount of the financial instruments at 31 March were:

	2018 £	2017 £
Financial Assets:		
Debt Instruments, measured at amortised cost	790,552	1,444,372
Total	790,552	1,444,372
Financial Liabilities:		
Financial Liabilities, measured at amortised cost	434,578	414,473
Total	434,578	414,473

Debt instruments relate to trade debtors, and debtors with our subsidiary.

Financial liabilities include trade creditors and accruals.

28 POST BALANCE SHEET EVENTS

Keep Britain Tidy made a payment of £750,000 on 10th July into the defined benefit pension scheme.