



A COMPANY LIMITED BY GUARANTEE
COMPANY REGISTRATION NUMBER: 3496361
CHARITY NUMBER: 1071737

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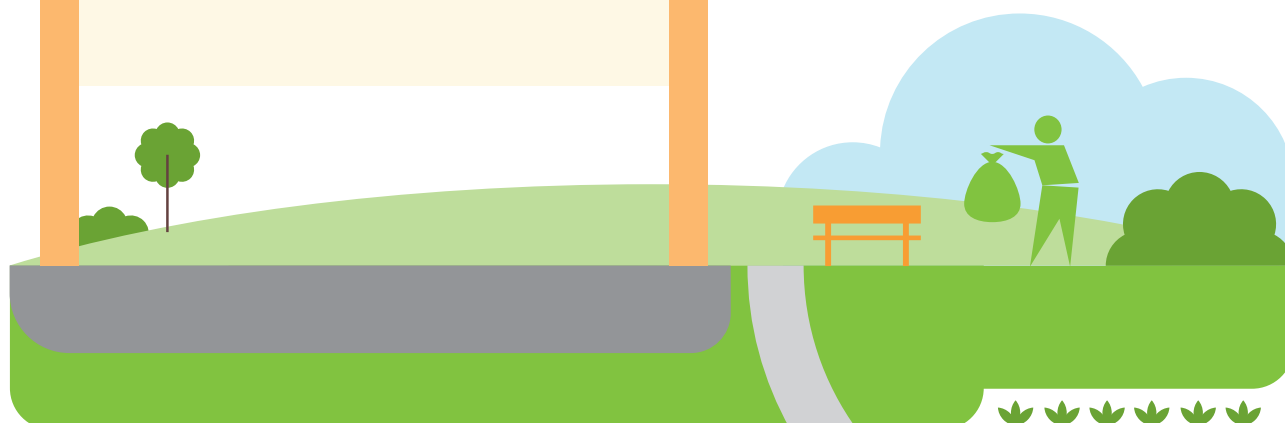
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TRUSTEES' REPORT

The Board of Trustees present their annual report together with the audited financial statements for the year ended 31st March 2019.

OUR ACHIEVEMENTS IN THE YEAR

LITTER AND PLACE SERVICES



Membership of our professional Local Authority Network for Streetscene, Waste and Enforcement Managers remained steady with 106 members drawn from local authorities and supporting businesses across England. However, our target to grow the network to 127 members was not achieved and in response we have commissioned market research and will amend the membership offer for 2019/20.

We undertook to develop and launch three new solutions for land managers from our Centre for Social Innovation. This target was achieved and packaged solutions focused on smoking litter, fly-tipping and dog fouling were all developed and launched to help local authorities and land managers reduce the impact associated with these activities.

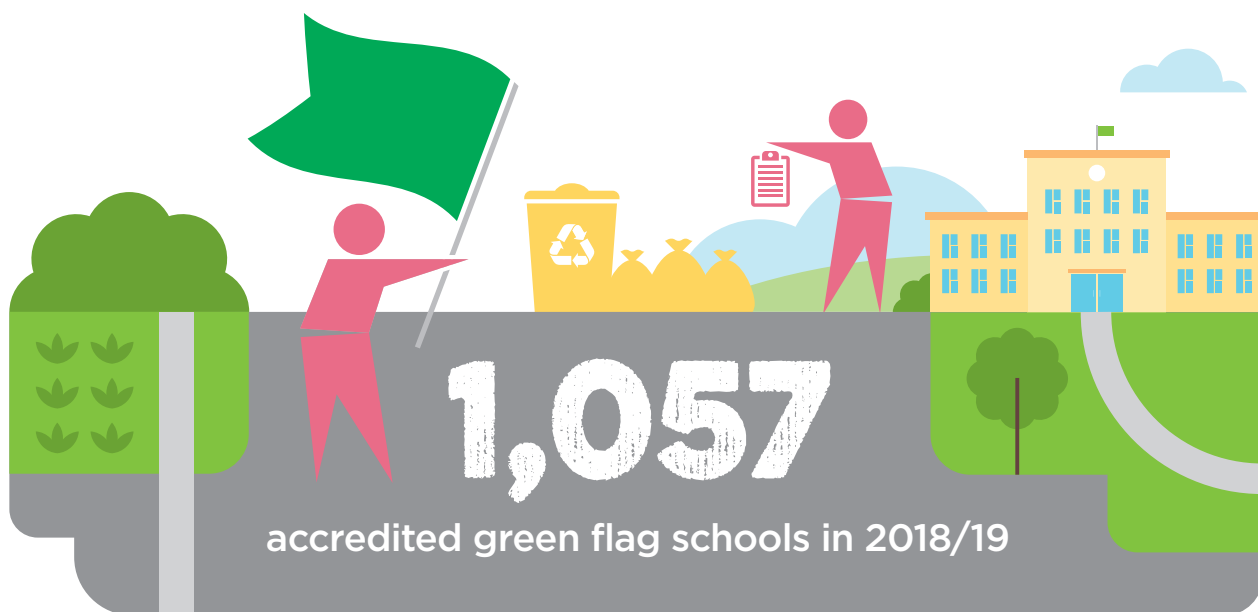
We continued to deliver the award winning 'We're Watching You' dog fouling campaign and the number of partners now involved totals 213. We also continued to deliver the #CrimeNotToCare fly-tipping campaign which now has 42 partners signed up.

We delivered 30 training courses to authorities across England, training 285 delegates, which included seven National Enforcement Academies.

We carried out a number of local environmental quality (LEQ) monitoring surveys on behalf of clients, including local authorities and cleansing contractors.

The Tidy City partnership between Keep Britain Tidy and Manchester City Council has been developing well, starting with 'Task Force' meetings with volunteers and strategic leads, followed by the launch of two national campaigns in the city centre. Since then we have held numerous steering group meetings throughout the year. The annual Network conference, held in February in Manchester, celebrated the partnership and promoted the concept of Tidy Cities to other local authority partners. The event covered street cleansing and land management and brought together industry and professional experts. We had 180 delegates and the event was a huge success.

EDUCATION



With support from People's Postcode Lottery, we developed a new 'pathway' to Green Flag within our Eco-Schools programme, providing dedicated resources and support for teachers and students to help them achieve their sustainability goals. Against a baseline of 930 Green Flag accredited schools, we set ourselves a target of reaching 1,190 schools but fell short with 1,057 accredited schools. However, it was the very first year of the new pathway programme, which was introduced mid-year in September to coincide with the beginning of the new school year. Now the pathway is established, we expect to see increasing growth in schools achieving the Green Flag status in 2019/20.

We also saw significant growth with new schools engaging with our programme. 2,058 new and re-engaged schools registered with the Eco-Schools programme between March 2018 and April 2019, in comparison to 1,103 schools the previous year. Taking the total number of registered Eco-Schools in England to over 19,000 – the most schools in any of the 67 countries currently running the Eco-Schools programme globally.

This year marks the 25th anniversary of the Eco-Schools programme and for the first time in September 2018 we altered the order of the international Seven Step framework, based on school feedback so that the 'Monitoring and Evaluation' step was later in the journey to Green Flag accreditation. In September we also successfully launched our new Eco-Schools website and School Portal with differentiated resources for nurseries/ primaries and secondary schools in order to help them progress through the Eco-Schools programme within 12 months. We continued to develop and improve our successful teacher training 'How to become a Successful Eco-School' delivering in partnership with the

Water Authorities and Local Education Authorities – over 160 teachers attended training. In the coming year a further 12 delivery sessions are planned in partnership with the RSPB and will be held at their nature reserves across the country.

Over the past year we have created and launched numerous 'National Calls to Action' in partnership with corporate sponsors and through grants/donations. These included: Switch off Fortnight, (Re)Love our Stuff, (Re)Love our Gadgets, The Big Battery Hunt, Mindfulness Minutes, 16 Under 16 and our Keep Britain Tidy, Great Big School Clean. For the 2019/20 academic year there are currently plans to develop additional campaigns with the Department for Business, Energy and Industrial Strategy, Plastic Ocean UK, Duracell, Quorn, Mars Wrigley, Wilko, Harrogate Spring Water and The Outdoor Guide (Julia Bradbury).

To celebrate and showcase the hard work of our longest standing Eco-Schools we recently launched the 'Eco-Schools Hall of Fame' for schools who have held our prestigious Green Flag award for over 20 years. In December 2019 we will also be hosting the first ever national Eco-Schools award ceremony at the Etihad Stadium in Manchester.

Finally, to celebrate the 25th anniversary of Eco-Schools we will be launching the international education programmes; 'Young Reporters for the Environment' and 'Learning About Forests' – both of which are extremely successful in Eco-Schools countries across the globe. Together with innovative and likeminded corporate partners we will engage with new audiences such as Scout groups to focus on issues such as forestry, outdoor learning in the curriculum, STEM, climate change and carbon reduction.

WATERSIDE CARE AND VOLUNTEERING PROGRAMMES

Our regional projects encourage and help communities to look after and care for their local stretch of river, beach or canal as well as helping to increase recycling and reusing items that might otherwise go to landfill. They remove non-native species, survey plants and animals, restore habitats and unite communities around their local waterways.

With continued funding from a variety of partners, the team has continued to perform strongly and there are projects running in several areas of the country: RiverCare and BeachCare in the Anglian region; BeachCare and the Ocean Recovery Project in the South-West; LoveMyBeach in the North-West and WatersideCare in the Midlands

Keep Britain Tidy cannot achieve its goals alone and this is where our army of volunteers, who we call our #LitterHeroes, comes in, helping us care for the environment on their and your doorstep.

In 2018/19 we launched our new national volunteer initiative called the #LitterHeroes Ambassador Programme which, supported by players of People's Postcode Lottery, was created to support and engage with the most proactive members of our communities and will provide them with access to physical and virtual resources designed to support them in their activities. We were inundated with applications and achieved our target of 100 ambassadors within a few weeks, bringing them together in our first ever #LitterHeroes Ambassador Conference in London. In 2019/20 we will expand the programme and seek 250 ambassadors supporting our work on litter and waste within their local communities.

Keep Britain Tidy also offers a corporate volunteering programme, enabling businesses to take part in activity to make a real, visible difference to their environment.



AWARDS AND ACCREDITATION

Our high-profile programmes, designed to improve local beaches, parks and green spaces, continue to go from strength to strength. In May 2018 we announced 65 Blue Flag winners in England and 125 beaches achieved the Seaside Award. We also continue our partnership with Sharps Brewery, which saw them make a donation from every pint sold to support beaches to achieve the Blue Flag in Cornwall.

The number of Green Flag Awards achieved in the UK in July 2018 was 1,887, an increase of 5% on the previous year. Included in this figure were 291 Community Award winners and 89 Green Heritage Site accreditations. Four award ceremonies were held in Kirklees, Walsall, Barry and Hackney attended by more than 800 people. The scheme

continues to be piloted internationally with winners in the United Arab Emirates, Germany, The Netherlands, Republic of Ireland, Australia, New Zealand, Finland, Sweden and Turkey. Internationally 101 parks achieved the Award during the year.

We want to see more local authorities investing in good quality public space, in support of a range of objectives including the physical health and mental wellbeing of local communities and improved local biodiversity. We set ourselves the target of expanding the number of local authorities engaged in our Blue Flag and Green Flag Award accreditations to 255. We over-performed on this target and there are now 271 local authorities holding one or both of the Awards.



CAMPAIGNS AND MARKETING



The Great British Spring Clean cemented its position as the country's biggest mass action environmental campaign in 2019, with a total of 563,163 volunteers taking part in the annual clean-up. These 'LitterHeroes' gave more than 1.1 million hours of time to the campaign and collected enough litter to fill 239,344 wheelie bins.

The campaign was backed this year by the Daily Mail, which supported it with content both in print and online, backed up by a TV ad that ran on 'on demand' services including ITV Hub and 4OD. This contributed, along with coverage in regional and local media, to a total of 1,980 media clips about the campaign, with a potential reach of 6,377 million and an advertising value equivalent (AVE) of £58.99 million.

The scale of the campaign also reached new heights on social media, with a total of 36,650 mentions of #GBSpringClean across social media and potential reach of 173 million. It also contributed to a growth of more than 11,000 followers across Keep Britain Tidy's social media channels.

Once again, thanks to our partnership with out-of-home provider Clear Channel, the campaign creative ran across Clear Channel platforms including Storm, Adshell Live, Malls, Wrap and Socialite, allowing the campaign to be seen in every corner of the country and amplifying the message.

The Great Big School Clean, running as part of the campaign, saw more than 175,000 children and young people joining in the activity and, thanks to our partnership with Wilko, we were able to offer a £1,000 prize to one lucky school, encouraging more schools than ever to take part.

Our survey of participants after the campaign suggests that the Great British Spring Clean is good for people as well as the environment. 86% felt they were part of a national movement that is taking action to tackle litter and 93% agreed that GBSC reduces the impacts of litter on wildlife and the environment. 83% said they felt more pride in their local area and 74% said they felt more a part of their local community.

In addition to our mass-action campaign, we also supported Defra with the launch of the first national anti-litter campaign in more than a generation, with the backing of corporate partners. The campaign, Keep It Bin It., aims to make littering socially unacceptable and is specifically targeted at younger people aged 18-24, using social channels to get the message across to them. The campaign utilises Keep Britain Tidy's own Tidy Man, as a recognised environmental call to action, and highlights the impact of littering on our native wildlife, juxtaposing it with some of the excuses that people make to justify littering, using the strapline 'No more rubbish excuses'.

We over-performed substantially against our communications and media outreach targets, in the main driven by the success of the Great British Spring Clean campaign. Through our relationship with the Daily Mail and Clear Channel we were able to achieve an AVE of £156m against a target of £32m, the work of the charity was referenced in 16,416 articles against a target of 6,000, raising our profile and the importance of our charitable mission with the public.

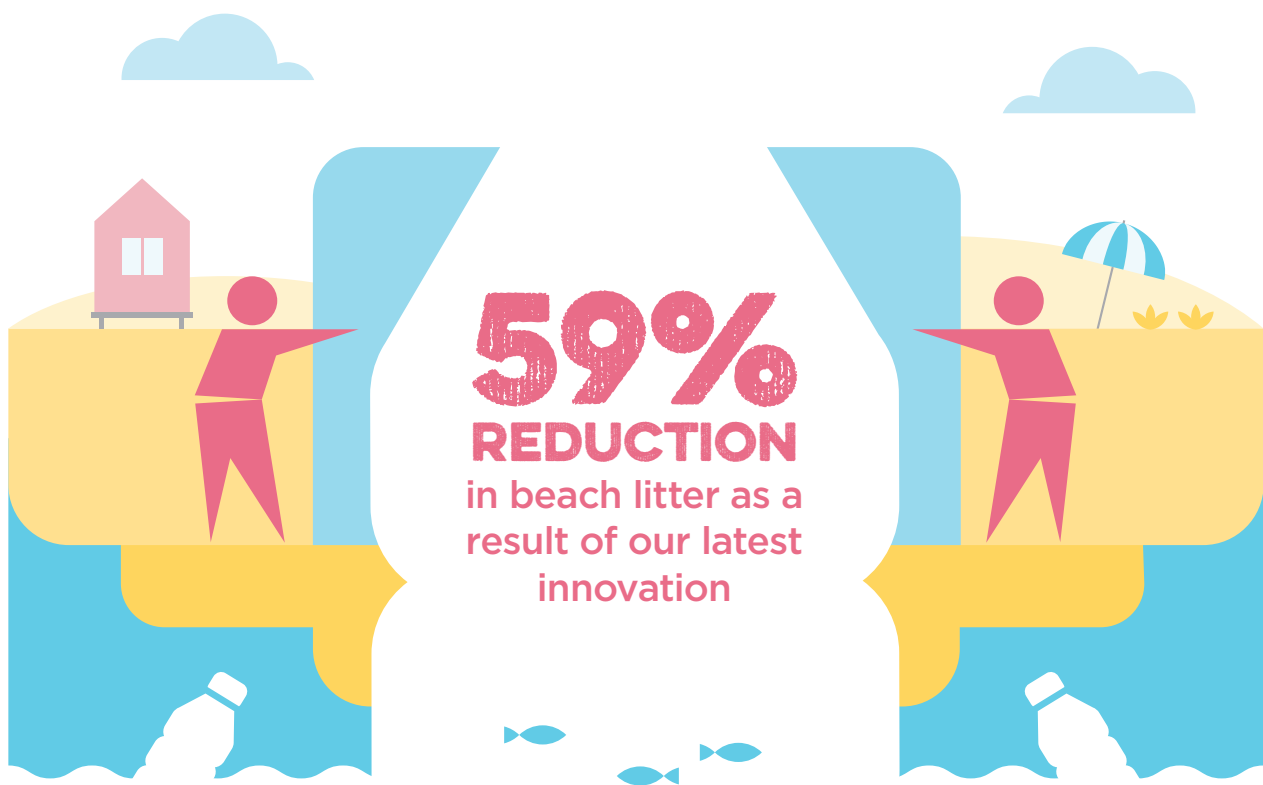
CENTRE FOR SOCIAL INNOVATION

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.

Over the past year we have increased the number of corporate and local authority engagements to develop solutions across a broad range of topics, including fly-tipping, dog fouling, on-the-go recycling, roadside littering, single-use plastics and sustainable diets. Our 'Bin It or Take It Home' intervention to tackle beach litter with Coca-Cola Foundation achieved significant results, seeing litter reduction of up to 59% in piloted areas. We have become a fly-tipping centre of excellence through a combination of research, co-design workshops and piloted interventions with local authorities. We understand that fly-tipping is a complex problem that requires changes across policy, infrastructure, behavioural interventions and communications and are using this knowledge to develop a holistic fly-tipping reduction programme for local authorities. We have further broadened the scope of our research and knowledge base through projects with BRITA UK on exploring the

role of business in reducing single-use plastics at work, at home and in retail; with Shell on the important topic of on-the-go consumption and recycling around their service stations; with Quorn on sustainable diets for children; with Heathrow and McDonald's to explore the impact of neighbourhood and roadside beautification on littering in public places, and with Defra in helping them understand the benefits of a potential deposit return scheme in the UK. In addition, 'Walk This Way', a new intervention developed with Dogs Trust saw a reduction in dog-fouling of up to 38% in parks.

Our work continues to receive strong media and sector attention with coverage across BBC Breakfast, The Daily Mail, ITV.com, The Guardian, The Independent, Sky News and The Daily Telegraph. We released the second and third issue of the Journal of Litter and Environmental Quality, and on the back of it, organised the first roundtable event at Middlesex University involving leading researchers and academics. The quality of our research approach has earned us the coveted Market Research Society Company Partner Accreditation.



WASTE SERVICES



The Waste Insights Team works with local authorities, waste companies, housing providers and schools to help people reduce waste and increase recycling. We do this through community engagement campaigns, education in schools, marketing communications, consultancy work, staff provision and training.

A strong theme for us this year was working at the most important level in the waste hierarchy, right at the top, helping people to reduce the waste they produce rather than just recycle it. We delivered 22 vibrant waste prevention events in North London. We engaged with 3,461 residents about either reusing clothes or reducing food waste, with almost 95% stating they'd be taking action as a result of the event. Our 'Save a Crust' cookery workshops to help people reduce their bread waste (the most wasted food type) were featured in The Guardian and on BBC Breakfast News.

Our long-standing Cheshire Waste Reduction Volunteer scheme came to its scheduled end this year. We are very proud of what we have achieved

since 2010. Thank you to all 166 trained volunteers who have enthusiastically taken the reduce, reuse, recycle message to almost 55,000 people at almost 1,000 community events across Cheshire. We also took the reduce, reuse, recycle message to over 7,200 children in East London as part of our Recycle for Your Community programme which is now in its tenth year.

We are increasingly working with the Centre for Social Innovation on projects which develop ways to reduce waste and increase recycling that are rooted in behavioural insights and research. Our 'We Love Stockport' campaign sought to drive up recycling through values-based communications messages with broad appeal based on our research with the Stockport community themselves.

Finally, our Waste Insights Manager, Dr Anna Scott, appeared in Resource Media's Hot 100 list of the most influential people working in the waste and recycling industry for the fifth time. This is testament to the work of the entire Waste Insights team.

WE WOULD LIKE TO THANK



OUR VOLUNTEERS

Our huge thank you goes out to the many volunteers who give up their time freely to help deliver our charitable objectives. During 2018/19 we received active support from our volunteers as follows:

- Almost 3,604 Blue Flag and Green Flag Award judging and assessing days.
- More than 175 Eco-Schools assessor days.
- 17,097 clean up events were pledged across the country for our Great British Spring Clean involving 563,163 people.
- 9,000 volunteer days across our RiverCare, WatersideCare and BeachCare programmes.
- Waste reduction volunteers donated 34 days engaging with local residents in Cheshire.

If this was all calculated at living wage it would be worth c£10.9m, following accounting rules of the Statement of Recommended Practice (SORP) we recognise £1.9m in the accounts.

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 mention specifically:

- Thorntons for donating proceeds from the carrier bag charge to support our work.
- DS Smith Charitable Foundation for support to develop the Green Flag Award, and Sharp's Brewery for their generous support of our Coastal Awards.
- EDF, David Luke, Dixons Carphone, Reta Lila Howard Foundation, and Diversey for support for our education programmes.
- The Environment Agency, United Utilities, South West Water, Severn Trent Water, Anglian Water and Canal & River Trust for support for the 'care' programmes.
- Heathrow Airport, Defra, McDonald's, Quorn, Mars Wrigley, Coca-Cola, Shell, and The Dogs Trust for supporting campaigning and research projects.
- M&S, McDonald's, Greggs, KFC, Costa Coffee, Mars Wrigley, Walkers, Coca-Cola, Red Bull and Kärcher for funding The Great British Spring Clean campaign.
- People's Postcode Lottery for their support in developing our charitable campaigns on litter, waste and support for our Eco-Schools programme.
- Wilko for their support for GBSC, Eco-Schools in Leicester and two new green spaces in Exeter and Blackpool.

LOOKING AHEAD

A CHARITY THAT MAKES A DIFFERENCE TO THE ENVIRONMENT ON PEOPLE'S DOORSTEPS

The local environment agenda is changing at a ferocious pace and Keep Britain Tidy is at the fore of the debates and trends. Few could have foreseen the momentum unleashed by Blue Planet II and the public's reaction to it, prompting a wave of government and corporate policy announcements.

Defra has led the charge with consultations on everything from Deposit Return Schemes to harmonised waste collections.

Corporate organisations feel more pressure to adapt, with many global businesses signing up to develop 100% recyclable packaging, introducing recycled content and demanding improved collection and recycling systems through measures such as WRAP's Plastic Pact, of which Keep Britain Tidy is a founding member. The pressure on business to reduce waste and prevent pollution has never been greater.

Keep Britain Tidy continues to be at the forefront of the drive to change behaviour – lobbying for economic measures that will reduce litter and waste and increase recycling, particularly of packaging consumed 'on the go', including drinks containers and single-use items such as coffee cups.

As our brand and profile continues to grow and our campaigns reach more and more people, it is more important than ever that we focus on listening to and responding to our supporters as we continue to build a coalition of people who are willing to take action to stem the tide of litter and waste and lobby for the systemic change we need.

We will continue to focus our efforts in the areas where we believe we can make a lasting difference and 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.
- More young people will be inspired to take action on litter through our development of new and engaging school resources, with particular focus on SEN provision, and we will celebrate the success of our Eco-Schools with a high-profile event where we recognise their hard work.
- We will build on the success of our first pilot Tidy City (Manchester) by working with at least one other city to bring together all the work that, when combined, can make a quantifiable impact on litter.

- Against the backdrop of Brexit, we will work to ensure important systemic changes that will make a significant impact on litter and recycling are not forgotten. 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.

There is an increasing awareness of the impact of plastic waste on our environment, both at home and abroad. There is a growing demand not only for an improved recycling infrastructure to tackle this but also for a reduction in the amount of resource used to create single-use items.

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 people are aware of and understand how their own behaviour can bring about change, focusing on encouraging them to swap single-use for reusable alternatives.
- 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 aimed at reducing fly-tipping.

While the Green Flag Award scheme continues to grow, both nationally and internationally, there is still concern about the resources available to local authorities to maintain the quality of our parks and public spaces and, in some areas, standards are declining away from the 'flagship' parks. We will continue to advocate for investment in our public spaces, recognising their role in improving health and wellbeing and their contribution to tackling air pollution and climate change.

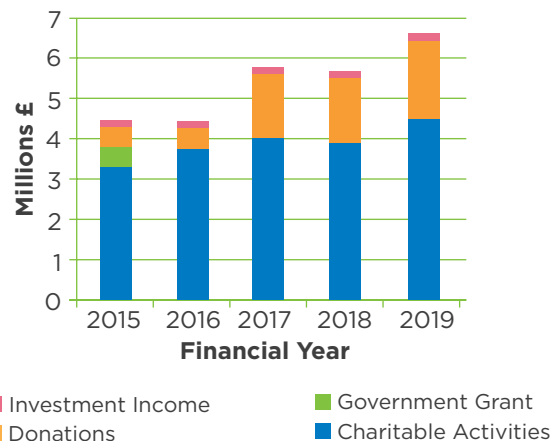
Over the next 12 months we will work to ensure that:

- 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.
- With continuing uncertainty about Brexit, we will continue to advocate to ensure that 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.

FINANCIAL REVIEW

We are delighted to report total income of £6.49m in 2019 (2018: £5.51m). This includes donated services valued at £1.90m (2018: £1.50m). Our income excluding donations and legacies has increased from the previous two years from a level of £4m to £4.5m. This is due to our continued success in developing new relationships and securing alternative income streams. Our donated income and legacies reflects the success of the Great British Spring Clean in 2019 with a record breaking year in terms of events that took place.

INCOMING RESOURCES OVER TIME

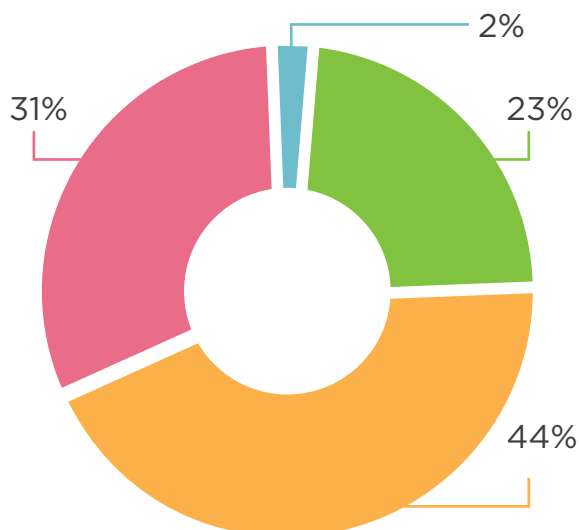


WHERE OUR INCOME CAME FROM

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 where we believe our interventions can change behaviour and reduce waste and litter. Where there are commercial arrangements in operation there is a formal commercial participator agreement in place.

INCOME 2018/19 BY SOURCE



- Central Government/Other Public Sector
- Local Authorities
- Other
- Donations

OTHER £2.851M

Income from a variety of sources including corporates and trusts/foundations to provide support to deliver our work including funding research into behaviour change programmes, waste reduction schemes and delivery of campaigns such as the Great British Spring Clean.

LOCAL AUTHORITIES £1.516M

To provide various anti-litter advice and campaign materials, waste reduction programmes, accreditation programmes and our Eco-Schools awards programme.

DONATIONS £2.005M

This is a valuation of the time given freely by our specialist volunteer judges and project coordinators, without which we would be unable to continue to run our services. This also includes income donated through the 5p carrier bag charge.

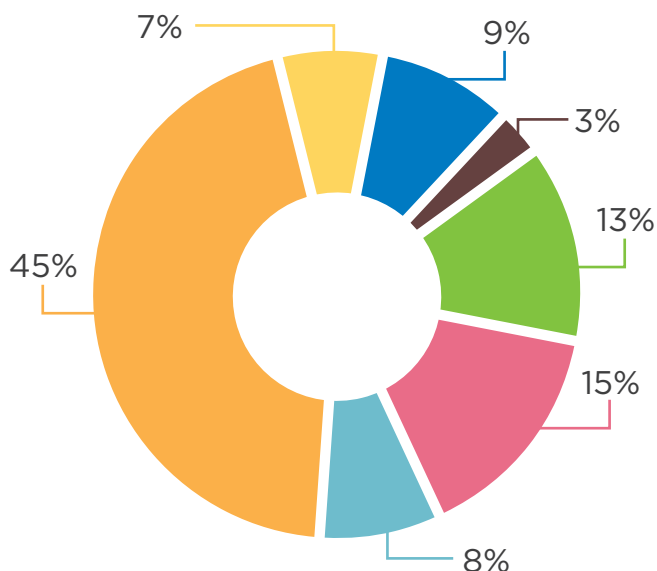
CENTRAL GOVERNMENT/OTHER PUBLIC SECTOR £0.107M

These are specific grants to deliver our waterside care programmes.

WHERE THE MONEY IS SPENT

Our total spend for the year was £6.41m (2018: £5.20m). We manage our expenditure to maximise delivery of our programmes and activities within the boundaries of the funding we are able to secure.

BREAKDOWN OF OUR CHARITABLE ACTIVITIES EXPENDITURE



- Campaigns and Marketing £2,837k
- Waste Insights £460k
- Litter and Place Services £578k
- Education £195k

SUPPORT COSTS
£1.001M

These stand at 15% of total income (2018: 16%), and are essential to ensuring that the charity is well run.

DIRECT PROGRAMME DELIVERY
£5.270M

To directly deliver our valued work across all our programme areas.

DEFINED BENEFIT PENSION
£0.146M

To service our historic underlying defined benefit pension scheme. This scheme was closed to new members in 2008.

- Volunteering and Community Engagement £787k
- Awards and Accreditation £947k
- Centre for Social Innovation £467k

Total fund balances, before recognising the FRS102 pension liability, amounted to £1.80m (2018: £2.47m) including the balance of the unrestricted general fund at the end of the year of £1.329m (2018: £2.03m). A payment of £750,000 was made during the year into the pension fund which therefore reduced the unrestricted fund and the pension liability.

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 to twelve weeks' unrestricted expenditure excluding time valued in kind. At 31st March 2019 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 £1.329m, 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 16. The cash balances of the Charity at 31st March 2019 were £1.86m (2018: 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, emails, and intranet and through 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 31st March 2019 of £4.668m (2018: £5.835m) is shown in Note 20 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 £0.421m (2018: actuarial net gain of £0.705m) 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 £1.166m (2018: net decrease of £0.668m) at March 2019 when calculated net of contributions made to the scheme and interest charges during the year. This includes the impact of a £0.750m additional contribution by Keep Britain Tidy into the pension scheme during 2018.

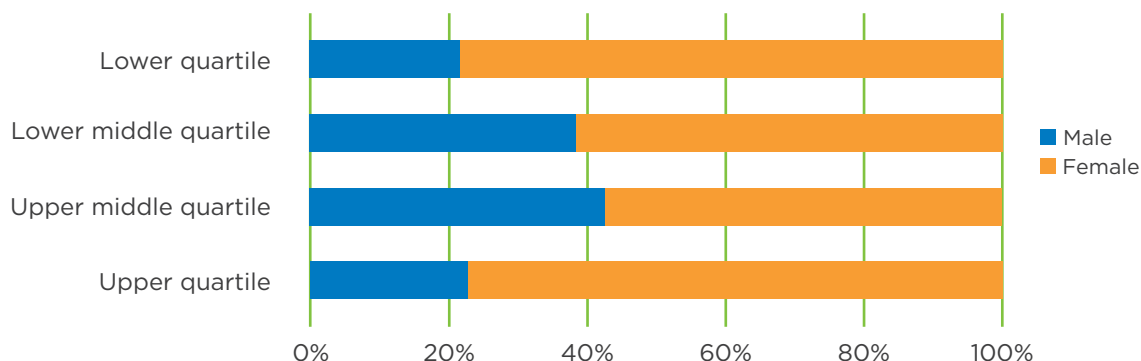
GOING CONCERN

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 September 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 prepared are appropriate and the organisation can reasonably expect to continue to fund its programmes and activities. They also believe 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.

GENDER PAY REPORTING

We have undertaken to voluntarily disclose our gender pay in line with best practice. We are pleased with the results which show clearly we have a culture of equal pay with no real deviations based on gender. The mean difference between the average hourly pay of women and men across the organisation is -2.2%, and the median difference is -1.8%, as at 31st July 2019. Our gender pay gap by quartile is shown below, which needs to be compared against our overall workforce split of 69% female (total 54 staff).

GENDER PAY GAP EARNINGS BY QUARTILE



GOVERNANCE

OBJECTS, OBJECTIVES AND PRINCIPAL ACTIVITIES OF THE CHARITY

We aim to Keep Britain tidy. That means more to us than just picking up litter. It means creating clean beaches, parks and streets. It means creating sustainable practices and eliminating unnecessary waste.

We aim 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.

We are here to take huge collective strides made up of small individual steps, to change behaviour permanently by spotlighting the problem daily.

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.

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 page 17 and the external advisors are set out on page 18.

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 2019; 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 one term 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 2018/19 there were three new Trustees appointed, and three Trustees 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 and 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 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 21 and note 25 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 did not meet 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 twice during this financial year.

MEMBERS OF THE BOARD OF TRUSTEES

The following Directors (who are also Trustees of the Charity) held office between 1st April 2018 and the date of this report (25th September 2019):

NAME	DATE APPOINTED	
Suzy Brain England OBE	1st April 2016	Chair
Angela Smith-Morgan [°]	1st April 2013	Vice Chair until 1st Feb 2018. Resigned on 25th March 2019
Philippa Anderson ^{†°}	1st May 2016	Deputy Chair (appointed Deputy Chair 1st Feb 2018)
Amanda Rendle [°]	1st August 2016	Deputy Chair (appointed Deputy Chair 1st Feb 2018)
James Millar	1st April 2013	Resigned on 25th March 2019
Alfred Hill *	1st January 2014	Chair of Audit and Finance Committee
David Membrey *	10th January 2017	
Sarah Lund ^{*†}	1st April 2016	Resigned 25th March 2019
Hillary Bauer OBE [†]	1st August 2016	Chair of Remuneration and HR Committee. Resigned 25th July 2019
Kresse Ann-Marie Wesling MBE	15th November 2018	
Ben Page	15th November 2018	
Vincent Neate*	25th March 2019	
Raymond Mills*	16th April 2019	

* Member of the Audit and Finance Committee

† Member of the Remuneration and HR Committee

° Member of the Nomination Committee

The Directors have cover for third party indemnity insurance. Directors who had any material interest in any contracts 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 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 company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. 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 PERSONNEL – THE EXECUTIVE TEAM

Allison Ogden-Newton	Chief Executive Officer
Richard McIlwain	Deputy Chief Executive Officer
David Smith	Finance Director/ Company Secretary
Danielle Hunt	Operations Director (Resigned January 2019)
Katherine Armitage	Chief Operations Officer (Commenced March 2019)
Helen Bingham	Director of Communications
Nicola Boon	Marketing Manager (Commenced June 2018)
Elizabeth Kenyon	Director of the Centre for Social Innovation (Maternity leave from October 2018)
Cristian Parino	Director of the Centre for Social Innovation (Maternity Cover from October 2018)

PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The Trustees are responsible for setting the framework and broad policy for the remuneration of the Charity's Chief Executive Officer and Executive Directors. Overseen 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 2019 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 on 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 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.

The Trustees consider that there are two principal risks facing the organisation and these are detailed below:

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 2018/19

Keep Britain Tidy has worked closely with the Pension Trustees and advisors to implement a revised strategy to manage down the pension deficit quicker through an additional investment of £750,000 from the Charity to the pension fund.

Informing and Influencing – The Trustees are aware of the additional risks facing the Charity as a result of changes to Government policies, impact of Brexit and charity sector regulation. The Trustees aim to mitigate this risk through engaging with key decision makers and influencers in Government, particularly with regard to the Environment. We maintain senior level involvement in key governmental campaigns such as the Anti-Litter Campaign where we are joint partners. We have also developed clear policy positions in key areas.

PROFESSIONAL ADVISORS

Auditor:	MHA MacIntyre Hudson
Solicitors:	Forbes Solicitors; Dechart LLP (For Intellectual Property matters)
Bankers:	HSBC Bank Plc
Actuaries:	Broadstone Consulting, Manchester

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 was approved by the Trustees on 25th September 2019 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

OPINION

We have audited the financial statements of Keep Britain Tidy (the 'charitable company') for the year ended 31st March 2019 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 31st March 2019, 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 twelve

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.

OPINIONS 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our 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 directors' report.

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement set out on page 17, 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 THE 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

USE OF OUR 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 FCA

For and on behalf of MHA MacIntyre Hudson,
Chartered Accountants and Statutory Auditor
New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ
9th October 2019

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds £	Restricted funds £	Total 2019 £	Unrestricted funds £	Restricted funds £	Total 2018 £
INCOMING RESOURCES							
Donations	2	2,005,590	-	2,005,590	1,631,436	-	1,631,436
Charitable Activities	3	3,396,452	1,077,612	4,474,064	2,774,785	1,099,147	3,873,932
Investment Income		12,204	-	12,204	2,175	-	2,175
Total Incoming Resources		5,414,247	1,077,612	6,491,858	4,408,396	1,099,147	5,507,543
RESOURCES EXTENDED							
Charitable Activities	5,6	5,206,154	1,064,296	6,270,451	4,256,181	775,621	5,031,802
Sub Total - Operational Expenditures		5,206,154	1,064,296	6,270,451	4,256,181	775,621	5,031,802
Other Expenditure	20	146,000	-	146,000	174,000	-	174,000
Total Resources Expended		5,352,154	1,064,296	6,416,451	4,430,181	775,621	5,205,802
INCOME (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		62,092	13,315	75,407	(21,785)	323,526	301,741
TRANSFERS BETWEEN FUNDS							
Transfers from unrestricted to restricted	14	(15,778)	15,778	-	(44,461)	44,461	-
OTHER RECOGNISED GAINS AND LOSSES							
Actual gains / (losses) on the defined benefit pension scheme	20	421,000	-	421,000	705,000	-	705,000
NET MOVEMENT IN FUNDS		467,314	29,093	496,407	638,754	367,987	1,006,741
RECONCILIATION OF FUNDS							
Total funds brought forward	14,15	(3,804,878)	440,270	(3,364,608)	(4,443,632)	72,283	(4,371,349)
TOTAL FUNDS CARRIED FORWARD		(3,337,564)	469,363	(2,868,201)	(3,804,878)	440,270	(3,364,608)

All activities are continuing.

The notes on pages 23 to 42 form part of these Financial Statements.

BALANCE SHEET AS AT 31 MARCH 2019

	Notes	2019		2018	
		£	£	£	£
FIXED ASSETS					
Intangible Fixed Assets	10		78,405		87,264
Tangible Fixed Assets	10		23,440		8,729
			101,845		95,993
CURRENT ASSETS					
Debtors and Prepayments	11	1,656,449		1,355,346	
Cash at bank and in hand		1,857,024		2,346,075	
		3,513,473		3,701,421	
CURRENT LIABILITIES					
Creditors amounts falling due within one year	12	(1,767,191)		(1,279,210)	
NET CURRENT ASSETS			1,746,282		2,422,211
TOTAL ASSETS LESS CURRENT LIABILITIES			1,848,127		2,518,203
Provisions for liabilities and charges	13		(47,330)		(47,330)
NET ASSETS EXCLUDING PENSION LIABILITY			1,800,797		2,470,873
Pension scheme liability	20		(4,668,998)		(5,835,481)
NET LIABILITIES			(2,868,201)		(3,364,608)
FUNDS					
Restricted Funds	14	469,363		440,270	
Unrestricted Funds	15	1,331,434		2,030,603	
Pensions Reserve	15	(4,668,998)		(5,835,481)	
			(2,868,201)		(3,364,608)

The notes on pages 23 to 42 form part of these Financial Statements.

These financial statements were approved by the directors and authorised for issue on the 25th September 2019 and signed on their behalf by:



Suzy Brain England OBE - **DIRECTOR**



Alfred Hill - **DIRECTOR**

THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
CASH USED IN OPERATING ACTIVITIES	23	(456,859)	549,613
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		12,204	2,175
Purchase of Intangible Fixed Assets	10	(16,196)	(106,221)
Purchase of Tangible Fixed Assets	10	(28,200)	(13,065)
Cash provided by investing activities		(32,192)	(117,111)
INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		(489,051)	432,502
Total cash and cash equivalents at 1st April 2018		2,346,075	1,913,573
Total cash and cash equivalents at 31st March 2019		1,857,024	2,346,075

The notes on pages 23 to 42 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 (SORP) applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1st 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 speculated 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 page 14 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

	Total 2019 £	Total 2018 £
Value of donated services		
Education - Eco-Schools Awards	14,536	16,931
Coastal Awards	12,791	11,980
Green Flag Awards	286,579	272,261
Water Care Programmes	152,245	133,961
Waste Reduction Programmes	2,781	6,136
Campaigns - Great British Spring Clean	1,430,413	1,061,931
Donations from subsidiaries	-	3,125
Donations from corporate partners	106,245	125,112
	2,005,590	1,631,436

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 benefited from 17,097 volunteer days (2018: 13,500). 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 22,737 days (2018: 19,052) 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 2019 £	Unrestricted Funds £	Restricted Funds £	Total 2018 £
LITTER AND PLACE SERVICES						
Government/ Other Public Sector	-	-	-	6,776	-	6,776
Local Authorities	600,603	-	600,603	691,664	-	691,664
Other	96,749	-	96,749	80,568	-	80,568
	697,352	-	697,352	779,008	-	779,008
EDUCATION						
Government/ Other Public Sector	-	-	-	-	-	-
Local Authorities	84,174	-	84,174	104,993	-	104,993
Other	75,695	157,822	233,517	110,972	121,400	232,372
	159,869	157,822	317,691	215,965	121,400	337,365
VOLUNTEERING AND COMMUNITY ENGAGEMENT						
Government/ Other Public Sector	37,014	-	37,014	-	70,832	70,832
Local Authorities	150	-	150	28,648	-	28,648
Other	198,157	358,102	556,259	47,209	411,995	459,203
	235,321	358,102	593,423	75,857	482,827	558,683
AWARDS AND ACCREDITATION						
Government/ Other Public Sector	29	-	29	8,911	-	8,911
Local Authorities	538,521	-	538,521	534,541	-	534,541
Other	57,945	70,000	127,945	15,404	66,000	81,404
	596,496	70,000	666,496	558,856	66,000	624,856
CENTRE FOR SOCIAL INNOVATION						
Government/ Other Public Sector	-	29,799	29,799	13,579	-	13,579
Local Authorities	71,158	-	71,158	96,019	-	96,019
Other	323,704	166,695	490,399	256,200	143,784	399,984
	394,862	196,494	591,356	365,798	143,784	509,582
CAMPAIGNS AND MARKETING						
Government/ Other Public Sector	-	39,918	39,918	-	25,000	25,000
Local Authorities	2,985	276	3,261	7,913	-	7,913
Other	904,202	245,000	1,149,202	270,013	260,137	530,150
	907,187	285,194	1,192,381	277,925	285,137	563,062
WASTE INSIGHTS						
Local Authorities	218,129	-	218,129	263,649	-	263,649
Other	174,422	10,000	184,422	224,640	-	224,640
	392,551	10,000	402,551	488,289	-	488,289
OTHER						
Other	12,814	-	12,814	13,087	-	13,087
	12,814	-	12,814	13,087	-	13,087
TOTAL	3,396,452	1,077,612	4,474,064	2,774,785	1,099,147	3,873,932

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES (CONTINUED)

Within income from Charitable Activities is £96,832 of Government grants from the following sources: £67,014 Environment Agency, DEFRA (Wrap) £39,717. There were no unfulfilled conditions at year end in relation to these grants.

4 DEFERRED INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Unrestricted Funds £	Restricted Funds £	Total 2018 £
Income in advance brought forward	793,448	51,185	844,633	712,294	140,875	853,169
Income released in the year	(793,448)	(51,185)	(844,633)	(712,294)	(140,875)	(853,169)
Income deferred in the year	846,982	40,000	886,982	793,448	51,185	844,633
Income in advance carried forward	(846,982)	(40,000)	(886,982)	(793,448)	(51,185)	(844,633)
MOVEMENT IN DEFERRED INCOME	(53,534)	11,185	(42,349)	(81,155)	89,690	8,536

Income receivable is reviewed on an entitlement, probability 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 ACTIVITIES IN FURTHERANCE OF THE CHARITY'S ACTIVITIES

	Direct Costs £	Support Costs £	Total 2019 £	Direct Costs £	Support Costs £	Total 2018 £
Litter and Place Services	486,020	92,302	578,322	479,777	102,241	582,018
Education	163,466	31,042	194,508	137,414	29,285	166,699
Volunteering and Community Engagement	661,092	125,543	786,635	479,214	102,109	581,323
Awards and Accreditation	795,947	151,149	947,096	673,017	143,425	816,442
Centre for Social Innovation	392,724	74,578	467,302	348,272	74,219	422,491
Campaigns and marketing	2,384,055	452,740	2,836,795	1,591,117	339,078	1,930,195
Waste Insights	386,414	73,380	459,794	439,066	93,568	532,634
	5,269,717	1,000,734	6,270,451	4,147,877	883,925	5,031,802
Restricted Funds			1,064,296			775,621
Unrestricted Funds			5,206,154			4,256,181
			6,270,451			5,031,802

We do not allocate costs to fundraising costs as although there are a small amount of costs it is deemed immaterial. All costs related to fundraising for the GBSC are considered to be expenditure relating to our charitable activities.

6 ANALYSIS OF COSTS

ANALYSIS OF SUPPORT COSTS 2019

	Executive £	Establishment £	Finance & Admin £	ICT £	HR £	Governance £	Total £
CHARITABLE ACTIVITIES							
Litter and Place Services	10,998	16,239	29,772	11,452	8,551	15,290	92,302
Education	3,699	5,462	10,013	3,851	2,876	5,141	31,042
Water Care Programmes	14,960	22,087	40,495	15,576	11,631	20,794	125,543
Awards and Accreditation	18,011	26,592	48,755	18,753	14,003	25,035	151,149
Centre for Social Innovation	8,887	13,121	24,056	9,253	6,909	12,352	74,578
Campaigns and marketing	53,950	79,652	146,035	56,172	41,943	74,988	452,740
Waste Insights	8,744	12,910	23,670	9,104	6,798	12,154	73,380
	119,249	176,063	322,796	124,161	92,711	165,754	1,000,734

ANALYSIS OF SUPPORT COSTS 2018

	Executive £	Establishment £	Finance & Admin £	ICT £	HR £	Governance £	Total £
CHARITABLE ACTIVITIES							
Litter and Place Services	13,332	19,551	29,049	15,023	6,492	18,172	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	48,820	21,539	62,325	339,078
Waste Insights	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

7 NET MOVEMENT IN FUNDS

	2019 £	2018 £
The net movement in funds for the year is stated after charging: Depreciation of tangible fixed assets owned by the charity	13,489	4,336
Amortisation of computer software and systems owned by the charity	25,054	21,816
Auditor's Remuneration: audit fee	18,500	18,500
Operating lease rentals: Land & Buildings	93,545	92,710
Operating lease rentals: Other	3,677	4,669

8 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.

9 STAFF COSTS

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

	2019 £	2018 £
Staff Costs	1,768,167	1,622,501
National Insurance Contributions	172,419	154,862
Pension Contributions (Group Personal Plan)	98,360	75,940
Agency	9,068	-
	2,048,014	1,853,303
Benefits	31,776	23,313
	2,079,791	1,876,616

The above includes redundancy costs of £5,802 (2018: £13,802)

9 STAFF COSTS (CONTINUED)

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

	2019	2018
Litter and Place	7	6
Education	3	3
Water Care Programmes	13	12
Awards and Accreditation	5	4
Campaigns and Marketing	5	5
Centre for Social Innovation	5	5
Waste Insights	18	19
Administration and Management	10	10
	66	64

54 (2018: 50) 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 seven people (2018: six FTE) including the Chief Executive Officer, Finance Director, Deputy Chief Executive Officer, Chief Operating Officer, Director of Communications, Director of CfSI and the Marketing Manager. 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 21. The total employee benefits paid to the executive team of the charity were £483,233 (2018: £410,257) including pension contributions of £26,067 (2018: £22,396). No executive team members are accruing benefits under the Defined Benefit Scheme.

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

	2019	2018
£1 - £30,000	2	0
£30,001 - £40,000	3	0
£40,001 - £50,000	1	3
£50,001 - £60,000	1	1
£60,001 - £70,000	1	1
£80,001 - £90,000	0	1
£90,001 - £100,000	1	0

There are no other staff members paid in excess of £60,000 per annum.

10 FIXED ASSETS

	Computer Systems £	Computer Software £	Total £
INTANGIBLE FIXED ASSETS			
Cost at 1st April 2018	109,080	7,601	116,681
Additions during the year	16,196	-	16,196
Disposals during the year	-	7,601	7,601
Cost at 31st March 2019	125,275	-	125,275
Accumulated amortisation at 1st April 2018	21,816	7,601	29,417
Charge for the year	25,054	-	25,054
Disposals during the year	-	(7,601)	(7,601)
Amortisation at 31st March 2019	46,870	-	46,870
Net Book Value at 31st March 2019	78,405	-	78,405
Net Book Value at 31st March 2018	87,264	-	87,264

	Computer Hardware £	Office Equipment £	Office Fixtures and Fittings £	Total £
TANGIBLE FIXED ASSETS				
Cost at 1st April 2018	187,094	37,737	51,936	276,769
Additions during the year	26,209	-	1,991	28,200
Disposals during the year		(37,737)		(37,737)
Cost at 31st March 2019	213,303	-	53,927	267,232
Accumulated depreciation at 1st April 2018	178,365	37,737	51,936	268,040
Charge for the year	13,091	-	398	13,489
Disposals during the year	-	(37,737)	-	(37,737)
Depreciation at 31st March 2019	191,456	-	52,334	243,792
Net Book Value at 31st March 2019	21,847	-	1,593	23,440
Net Book Value at 31st March 2018	8,729	-	-	8,729

11 DEBTORS

	2019 £	2018 £
Trade Debtors	1,292,451	787,843
Accrued Income	253,345	496,339
Subsidiary Company	2,759	2,709
Prepayments	107,894	68,455
	1,656,449	1,355,346

12 CREDITORS

	2019	2018
Trade Creditors	257,698	147,645
Social Security and Other Taxes	312,685	195,025
Accruals	265,612	60,230
Other creditors	44,443	31,678
Deferred Income (Note 4)	886,753	844,632
	1,767,191	1,279,210

13 PROVISIONS FOR LIABILITIES AND CHARGES CREDITORS

	Dilapidations £	Total £
Balance Brought forward at 1st April 2018	(47,330)	(47,330)
Amount released in the year	-	-
Utilised during the year	-	-
Balance carried forward at 31st March 2019	(47,330)	(47,330)

This provision relates to expected dilapidations connected to the Charity's headquarters building, Elizabeth House.

14 RESTRICTED FUNDS (2018/19)

	1 April 2018 £	Income £	Expenditure £	Transfer (to) / from Unrestricted £	31 March 2019 £
PROJECT FUNDS BY ACTIVITY:					
WATER CARE PROGRAMMES					
Ocean Recovery Project	-	30,000	(14,864)	498	15,634
Rivercare	11,858	152,117	(172,800)	13,781	4,956
Habitat Management	-	50,232	(44,674)	1,498	7,056
	11,858	232,349	(232,339)	15,778	27,646
GREEN FLAG AWARDS					
DS Smith - Green Flag Awards Development	-	70,000	(70,000)	-	-
	-	70,000	(70,000)	-	-
EDUCATION					
Vegetarian Society	3,000	-	(2,400)	-	600
Litter Less Campaign	-	13,576	(13,576)	-	-
Mindfulness and wellbeing programme	-	25,000	(25,000)	-	-
Eco coastal schools	-	9,000	(9,000)	-	-
	3,000	47,576	(49,976)	-	600
CENTRE FOR SOCIAL INNOVATION					
Coke Foundation - Beach Littering	-	51,185	(51,185)	-	-
WRAP - Bin Removal	-	9,873	(9,873)	-	-
WRAP - Night Time Nudges	-	9,974	(9,974)	-	-
WRAP - Playing Fields Scoreboards	-	9,952	(9,952)	-	-
The Big Give - Preventing small mammal deaths	-	25,756	(14,636)	-	11,120
	-	106,740	(95,620)	-	11,120
CAMPAIGNS					
Turning Tides	43,786	60,276	(61,445)	-	42,617
Great British Spring Clean	1,846	-	(1,846)	-	-
WRAP - Litter Reflections	-	9,918	(9,918)	-	-
	45,632	70,194	(73,209)	-	42,617
OTHER PROJECT FUNDS					
People's Postcode Lottery	349,780	525,000	(523,196)	-	351,584
Litterforce	30,000	25,752	(19,957)	-	35,796
	379,780	550,752	(543,152)	-	387,380
TOTAL RESTRICTED FUNDS	440,270	1,077,612	(1,064,296)	15,778	469,363

The above categories contain the following significant restricted funds:-

Water Care Programmes funding was received from Anglian Water (RiverCare) helping us manage and support volunteer groups in looking after their local environment.

People's Postcode Lottery funding has been provided to support several strands of our work around Eco-Schools, Litter and Waste.

Transfers to and from unrestricted funds reflect where we have been unable to attribute our full overheads against the project in line with individual funders' conditions.

RESTRICTED FUNDS (2017/18)

	1 April 2017 £	Income £	Expenditure £	Transfer (to) / from Unrestricted £	31 March 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					
People's Postcode Lottery	-	400,000	(50,220)	-	349,780
Litterforce	-	30,000	-	-	30,000
	-	430,000	(50,220)	-	379,780
TOTAL RESTRICTED FUNDS	72,28	1,099,147	(775,621)	44,461	440,270

15 UNRESTRICTED FUNDS (2018/19)

	General Unrestricted £	Pension Reserve £	2019 £	2018 £
Balance of general fund at 1st April 2018	2,030,603	(5,835,481)	(3,804,878)	(4,443,632)
Transfer from unrestricted to restricted	(15,778)	-	(15,778)	(44,461)
Transfer from unrestricted to Pension Reserve	(750,000)	750,000	-	(44,461)
Retained unrestricted surplus for the Financial year	66,609	(4,517)	62,092	(21,785)
Actuarial gain/(loss) on the defined benefit pension liability (Note: 22)	-	421,000	421,000	705,000
BALANCE OF GENERAL FUND AT 31ST MARCH 2019	1,331,434	(4,668,998)	(3,337,564)	(3,804,878)

UNRESTRICTED FUNDS (2017/18)

	General Unrestricted £	Pension Reserve £	2018 £	2017 £
Balance of general fund at 1st 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 31ST MARCH 2018	2,030,603	(5,835,481)	(3,804,878)	(4,443,632)

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Net Current Assets £	Total 2019 £	Fixed Assets £	Net Current Assets £	Total 2018 £
Restricted Funds	-	469,363	469,363	-	440,270	440,270
Unrestricted Funds (including pension reserve)	78,405	(3,415,969)	(3,337,564)	87,264	(3,892,142)	3,804,878)
	78,405	2,946,606)	(2,868,201)	87,264	(3,451,872)	(3,364,608)

17 CONTINGENT LIABILITIES

There were no known contingent liabilities at 31st March 2019 (2018: £nil).

18 CAPITAL COMMITMENTS

Capital Commitments authorised and contracted at 31st March 2019 amounted to £nil (2018: £nil).

19 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 £7,258 which also included cover for former associated companies.

20 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 administrated 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 2019 was £Nil (2018: £Nil).

A formal actuarial valuation was carried out at 31st March 2019. The pension deficit as at 31st March 2019 is £4.669m (2018: £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 £891,000 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 2020 it will pay approximately £146,000 towards reducing the deficit in addition to the scheme running costs of approximately £48,000.

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 (2018: 21.0 years)	Women 23.0 years (2018: 23.0 years)
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AVERAGE FUTURE LIFE EXPECTANCY FROM AGE OF 65 FOR CURRENT PENSIONERS:

Men 22.0 years (2018: 22.0 years)	Women 25.0 years (2018: 25.0 years)
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The assets in the scheme and the expected long term rate of return were:

	31st March 2019	31st March 2018	31st March 2017	31st March 2016
Rate of increase in salaries	n/a	n/a	n/a	n/a
Rate of increase in pensions in payout				
Post 1st April 2005	1.90%	2.20%	2.20%	2.20%
April 2004 to March 2005	2.40%	2.30%	2.30%	2.10%
For other services	3.3%	3.3%	3.3%	3.1%
Rate of increases in inflation linked pensions	2.4%	2.3%	2.3%	2.1%
Discount rate	2.6%	2.7%	2.7%	3.6%
Inflation assumptions (CPI)	2.4%	2.3%	2.3%	2.1%

20 PENSIONS CONTINUED

	31st March 2019 £	31st March 2018 £	31st March 2017 £	31st March 2016 £
ASSET VALUE				
Equities	-	-	7,829,000	6,752,000
Bonds	2,881,000	2,997,000	3,308,000	2,873,000
Cash	202,000	242,000	510,000	476,000
Diversified Growth Fund	10,782,000	8,936,000	-	-
TOTAL MARKET VALUE OF ASSETS	13,865,000	12,175,000	11,647,000	10,101,000
LONG TERM EXPECTED RATE OF RETURN				
Equities	2.6%	2.7%	2.7%	3.6%
Bonds	2.6%	2.7%	2.7%	3.6%
Cash	2.6%	2.7%	2.7%	3.6%
Diversified Growth Fund	2.6%	2.7%	0.0%	0.0%
Actual return on scheme assets in the period	1,129,000	691,000	1,699,000	55,000
Present value of scheme liabilities	18,534,000	18,010,000	18,150,000	14,612,000
DEFICIT VALUE OF THE SCHEME	(4,669,000)	(5,835,000)	(6,503,000)	(4,511,000)

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.

20 PENSIONS CONTINUED

	31st March 2019 £	31st March 2018 £	31st March 2017 £	31st March 2016 £
ANALYSIS OF THE AMOUNT CHARGED TO THE STATEMENT OF FINANCIAL ACTIVITIES (SOFA)				
Expected return on pension scheme assets	336,000	312,000	361,000	335,000
Interest on pension scheme liabilities	(482,000)	(486,000)	(521,000)	(510,000)
NET INTEREST	(146,000)	(174,000)	(160,000)	(175,000)
Recognised in the SOFA as:				
Cash contribution to the scheme deficit paid by the charity	(141,483)	(136,839)	(132,680)	(130,873)
Non cash other movements in the scheme deficit	(4,517)	(37,161)	(27,320)	(44,000)
DEFINED BENEFIT PENSION SCHEME CONTRIBUTIONS AND NET INTEREST CHARGES	(146,000)	(174,000)	(160,000)	(174,873)
Actual return less expected return on scheme assets	793,000	379,000	1,338,000	(280,000)
Changes in assumptions underlying the present value of scheme liabilities	(372,000)	326,000	(3,303,000)	1,163,000
ACTUARIAL GAIN / (LOSS) RECOGNISED IN THE SOFA	421,000	705,000	(1,965,000)	883,000
	31st March 2019 £	31st March 2018 £	31st March 2017 £	31st March 2016 £
MOVEMENT IN PLAN ASSETS DURING THE YEAR				
Fair value of plan assets at the beginning of the year	12,175,000	11,647,000	10,101,000	10,262,000
Expected return on plan assets	336,000	312,000	361,000	335,000
Actual return less expected return on pension assets	793,000	379,000	1,338,000	(280,000)
Contributions paid by employers	891,000	137,000	133,000	131,000
Benefits paid	(330,000)	(300,000)	(286,000)	(347,000)
Fair value of plan assets at the end of the year	13,865,000	12,175,000	11,647,000	10,101,000
MOVEMENT IN PLAN LIABILITIES DURING THE YEAR				
Opening defined benefit obligation	18,010,000	18,150,000	14,612,000	15,612,000
Interest on scheme liabilities	482,000	486,000	521,000	510,000
Benefits paid	(330,000)	(300,000)	(286,000)	(347,000)
Changes in assumptions underlying the present value of scheme liabilities	372,000	(326,000)	3,303,000	(1,163,000)
Closing defined benefit obligation	18,534,000	18,010,000	18,150,000	14,612,000
DEFICIT IN THE SCHEME AT END OF THE YEAR	(4,669,000)	(5,835,000)	(6,503,000)	(4,511,000)

21 TRUSTEES' REMUNERATION AND EXPENSES

The directors of the company are the Trustees under Charity Law and received no remuneration in 2019 (2018: £NIL).

Reimbursement for travel and other costs in attending meetings was paid to seven trustees and amounted to £3,903 (2018: 12 individuals totalling £4,284).

22 OTHER COMMITMENTS

OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases is as follows:

	2019 £	2018 £
LAND AND BUILDINGS		
Within one year	40,153	40,153
	40,153	40,153
OTHER		
Within one year	3,436	3,669
Two to five years	10,022	10,022
	13,458	13,691

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

	Notes	2019 £	2018 £
Net outgoing resources before defined benefit pension scheme charges		221,407	475,741
Contributions to the defined benefit pension scheme	20	(891,483)	(136,839)
Bank interest receivable		(12,204)	(2,175)
Depreciation Charges	10	13,489	4,336
Amortisation Charges	10	25,054	21,816
Decrease in Debtors		(301,104)	175,166
Increase in Creditors		487,981	11,568
Decrease in Provisions		-	-
Net Cash Outflow from Operating Activities		(456,859)	549,613

24 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 2).

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 2019 were as follows:

	2019 £	2018 £
Turnover	2,113	4,306
Cost of Sales	-	-
GROSS PROFIT	2,113	4,306
Administrative Expenses	(101)	(1,181)
OPERATING PROFIT /(LOSS)	2,012	3,125
Interest Receivable	-	-
PROFIT BEFORE TAX	2,012	3,125
Taxation	-	-
PROFIT AFTER TAX	2,012	3,125
Balance Brought Forward	-	-
Gift Aid Distribution	-	(3,125)
BALANCE CARRIED FORWARD	2,012	-
Current Assets	4,771	2,709
Current Liabilities	(2,759)	(2,709)
NET ASSETS AT 31ST MARCH	2,012	-

25 RELATED PARTY TRANSACTIONS

During the year the Charity made an advance to the trading subsidiary Encams Enterprises Limited of £50 (2018: nil) to cover short term working capital requirements. No donation of profits was made to Keep Britain Tidy from Encams Enterprises in 2019 (2018: £2,709). At the year end the subsidiary owed £2,759 (2018: £2,709) to the Charity. There were no other related party transactions during the year.

26 FINANCIAL INSTRUMENTS

	2019 £	2018 £
Financial Assets:		
Debt Instruments, measured at amortised cost	1,295,210	790,552
Total	1,295,210	790,552
Financial Liabilities:		
Financial Liabilities, measured at amortised cost	880,438	434,578
Total	880,438	434,578

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

Financial liabilities include trade creditors, accrual, other creditors and social security/taxes.

27 POST BALANCE SHEET EVENTS

There were no significant post balance sheet events requiring disclosure for the period ending 31st March 2019. (2018: Keep Britain Tidy made a payment of £750,000 on 10th July into the defined benefit pension scheme).

28 FUNDS HELD AS AGENT

£108,000 is being held as an agent in relation to the National Litter Campaign for Defra.

