



**ANNUAL REPORT &
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021**

A COMPANY LIMITED BY GUARANTEE
COMPANY REGISTRATION NUMBER: 3496361
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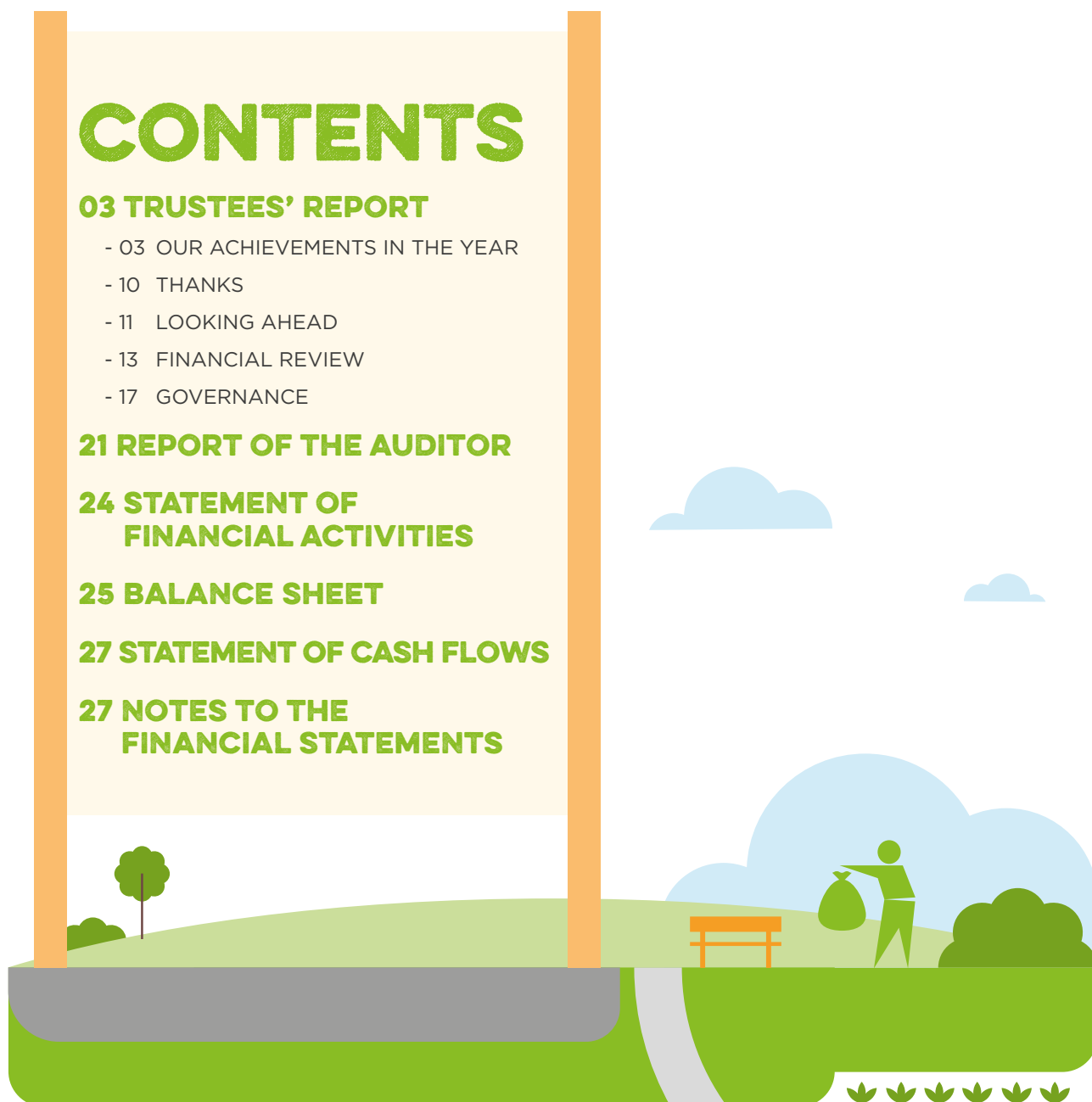
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TRUSTEES' REPORT

The Board of Trustees present their annual report and the audited financial statements for the year ended 31 March 2021.

OUR ACHIEVEMENTS IN THE YEAR

LITTER AND PLACE SERVICES



Membership of our professional local authority network for street scene, waste and enforcement managers remained steady, with 99 members drawn from local authorities and supporting businesses across England. However, we did not achieve our revised target to grow the network to 104 members, and in response, we are reviewing the membership offer for 2021/22.

We continued to deliver the award-winning 'We're Watching You' dog fouling campaign and the number of partners now involved totals 244. We also continued to deliver the #CrimeNotToCare fly-tipping campaign, which now has 50 partners signed up. In addition, we launched the 'Death Trap' roadside litter campaign.

We virtually trained 222 delegates and delivered 25 training courses across England. Customer satisfaction remains high, with 100% of delegates rating the training as good or excellent. To date, we have had 533 delegates through the National Enforcement Academy.

We launched a new Standard Operating Procedures Manual; this essential toolkit is for any officers enforcing environmental legislation and provides a step by step guide to the application of the law. The manual will work together with the Enforcement Academy training.

The annual Keep Britain Tidy Network Conference and Awards were held virtually over five days. On average, 75 delegates attended a session, and gave amazing feedback. The evening awards ceremony was a huge success and transmitted via YouTube and has been watched over 1,100 times.

We carried out 13 local environmental quality (LEQ) monitoring surveys on behalf of clients, including local authorities and cleansing contractors. We also delivered the National Survey How Clean is England 2020.

The Tidy City partnership between Keep Britain Tidy and Manchester City Council has continued with both parties working hard to achieve the Tidy City, continuous improvement status by the end of December 2021.

EDUCATION



The previous financial year had been an extremely challenging one for schools, with COVID-19 regulations preventing a large percentage of pupils from physically attending school for many months. When pupils did return nationally, schools had to contend with teaching in bubbles, strict COVID-19 regulations and localised lockdowns. Yet, during this period, 550 schools achieved an Eco-Schools Green Flag, of which 298 schools were new to the programme, and 252 schools were renewing an existing Eco-Schools Green Flag. As a comparison (and reflecting the bi-annual nature of the Eco-Schools Green Flag), in the financial year 2018/2019, 337 schools achieved an Eco-Schools Green Flag. It means that in the last two years, Eco-Schools Green Flags have seen a growth of over 60%.

Eco-Schools training sessions went online for the first time to adapt to the 'new normal'. Six entirely new courses were developed to guide schools through the Eco-Schools programme from registration to renewing an existing Eco-Schools Green Flag. In total, over 160 individuals signed up for one or more of these training sessions.

Moving training online meant it was more accessible to teachers throughout England – location was no longer an issue, and sessions were delivered outside school hours. It also provided the Eco-Schools team with the opportunity to offer real-time support and guidance to schools, helping them maintain momentum and achieve an Eco-Schools Green Flag. One participant recently emailed: **“It’s been such an amazing experience and I’m so grateful to you (Francis) and Lee and Karyn for guiding me through the journey and all the support you’ve offered.”** And another kindly said: **“You clearly have the passion and drive in order to make our environment/world a better place. I appreciate the time you have taken and effort in order to help me and us as a school.”** These comments are largely reflective of the positive feedback each of our training sessions has received. Online training is now something the Eco-Schools Team will continue to offer in the future.

Another adaptation the Eco-Schools Team made, which our previous annual report mentioned,

was developing #EcoSchoolsAtHome teaching resources. This financial year, these resources were nationally recognised in the Teach Primary Awards, winning an award for Best Free School Resource. The award prompted the Eco-Schools Team to develop the concept further, creating additional #EcoSchoolsAtHome Seven-Step resources and partnering with ethical children’s clothing company Frugi to develop an #EcoSchoolsAtHome 10-day challenge. For the challenge, Eco-Schools worked with Instagram influencers and celebrities such as two-time Olympic champion Helen Glover and former Blue Peter presenter Radzi Chinyanganya. Having delivered the #EcoSchoolsAtHome 10-Day Challenge successfully, Frugi then wanted to support the Eco-Schools programme. It further agreed to pay the Eco-Schools Green Flag Fee for 150 schools and fund the Foundation for Environmental Education’s (FEE) Learning About Forests Programme, introduced in England for the first time.

The Eco-Schools Team has worked with a variety of new companies and organisations in the past 12 months. For example, Jordan’s Cereal recruited Eco-Schools to help launch the UK’s first-ever virtual harvest festival, which involved working with JLS band member and farmer JB Gill on a virtual assembly and Harvest Poetry competition. Eco-Schools also worked with the UK’s first 100% renewable electricity supplier Good Energy to recruit a Good Future Board of young shadow directors to present ideas and scrutinise Good Energy’s business strategy. The world-renowned Hallé Orchestra approached Eco-Schools to help launch its Goddess Gaia resources about the beauty and fragility of the natural world and the dangers of human greed. Waste giants Viridor asked Eco-Schools to promote its recently developed circular economy app. The Eco-Schools Team has also been involved with another new app called Earth Cubs, which provides young people with hours of free, earth inspiring entertainment.

Alongside exciting new projects, the team has also continued working on existing projects in the past 12 months. For example, they relaunched the popular Mindfulness Minutes Campaign with an aspiration of achieving One Million Minutes of Mindfulness across schools in England before the end of the academic year. The successful relationship with Mars Wrigley continued for a year, with another effective Litter Less Campaign delivered. It involved UK nations and Ireland collaborating for the very first time on #LitterLessTogether.

On a final, positive note, 2021 also saw two nursery chains, Childbase Partnership (44 nurseries) and Tops Day Nurseries (34 nurseries), achieve an Eco-Schools Green Flag for each nursery in their organisation. Fantastic news, especially as the Early Year pathway was only launched two years previously. The Eco-Schools Team is now busy making plans to encourage other nursery and academy chains to follow suit.

VOLUNTEERING PROGRAMMES

We have a family of regional volunteer projects working on England's watercourses and coastline. These projects encourage and support 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 hold regular clean-ups, carry out citizen science projects, survey wildlife, tackle non-native plant species, restore habitats and unite communities around their local waterways.

Over the past year, the COVID-19 pandemic affected project delivery. In line with the Government's lockdown measures, volunteering ceased for several months. However, volunteers have sprung back into action (when able) and have adapted their activities to continue their valuable volunteering contribution despite the difficult year.

With continued funding and support from a range of partners, the team has continued to perform strongly, with 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.

Through our habitat development project, volunteers have gained a greater understanding of wildlife habitats. They have also increasingly been involved in delivering practical biodiversity activities, such as wildflower meadow creation, river restoration, non-native plant species removal, habitat creation and restoration activities,

increasing biodiversity value and improving public spaces for physical and mental wellbeing.

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.

This year has been challenging for our #LitterHeroes and our growing army of #LitterHeroes Ambassadors. However, thanks to the players of the People's Postcode Lottery, we have kept them updated on the latest health and safety advice. For example, we provided specific information on how restrictions will impact litter-picking throughout the various stages of the lockdown and how to continue picking safely as and when appropriate.

We also provided engagement activities outside litter-picking, such as our 'Love Where you Live' campaign in April. It promoted various activities that #LitterHeroes could get involved with from the comfort and safety of their homes to better their local environment.

Finally, September saw the success of the postponed Great British Spring Clean. Our #LitterHeroes and #LitterHeroes ambassadors once again came out in force to support the campaign through the tailored mechanic of individual pledges. They helped spread the word, so the campaign achieved 29,380 posts across social media with a potential reach of over 120 million.



AWARDS AND ACCREDITATION

Our high-profile programmes, designed to improve local beaches, parks and green spaces, continue to go from strength to strength. In April 2020, 73 beaches achieved the Blue Flag standard in England and 129 beaches earned the Seaside Award. However, due to COVID-19, many sites did not fly their flag because they could not meet the criteria during the bathing season, from 15 May to 30 September. The issues they faced included lack of lifeguard provision, closure of facilities, staff redeployment or not wishing to encourage visits to their area.

The number of parks and green spaces in the UK achieving the Green Flag Award in 2020 was 2,079, an increase of 5% on the previous year. Included in this figure were 332 Community Award winners, while 108 of the winners also achieved the additional Green Heritage Site Accreditation supported in England by Historic England.

Due to COVID-19, a revised judging model was implemented to ensure any judging complied with the Government's guidance or rules. This also meant that the awards announcement was moved from July to October. In place of the awards ceremonies, the announcement of winners was launched with a 'go green' event where parks and buildings were encouraged to light up green on the announcement day. Over 180 buildings took part, including Canary Wharf, the Liverpool waterfront, St James's Park London and the Guru Nanak Gurdwara in Smethwick.

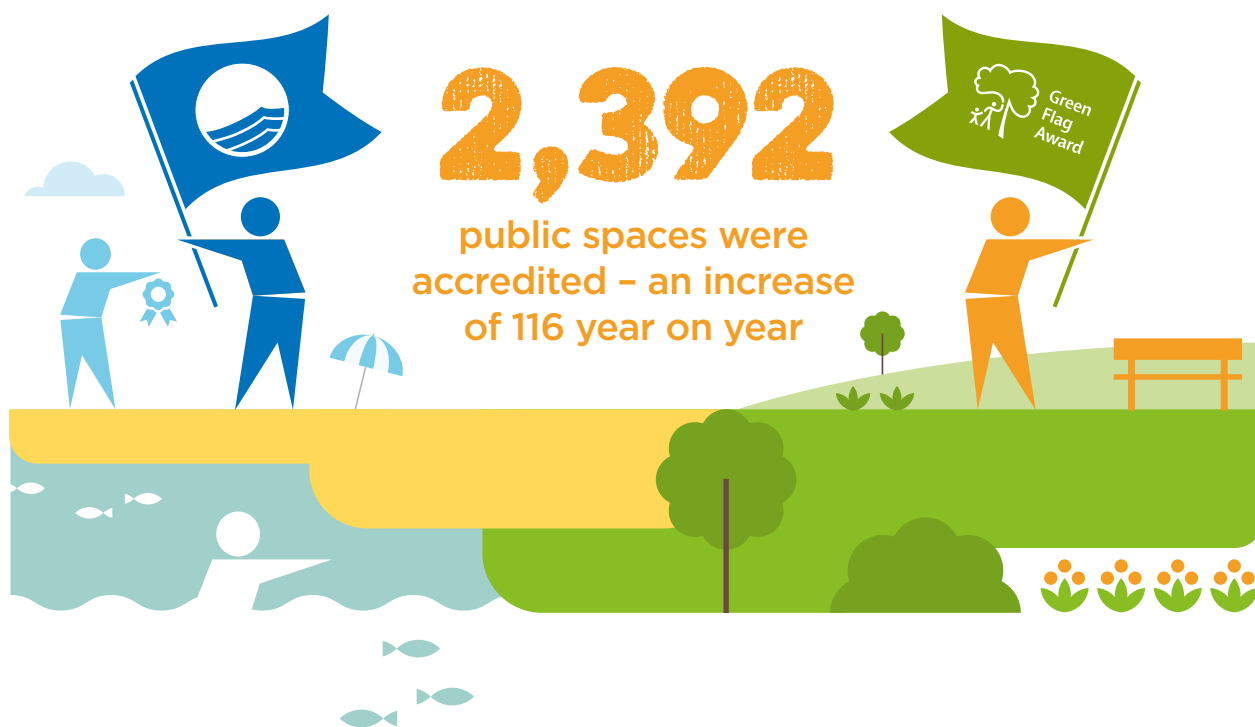
The scheme continues to be extended internationally, with 160 winners in 15 countries, including the USA, Australia, New Zealand and the UAE and a growing number of European countries.

COVID-19 meant developing an online induction training programme for judges, which was very successful and has received positive reviews.

The Green Flag Award programme continues to achieve ISO 9001 accreditation and the annual survey found that 96% of applicants rated their experience as good. The programme also developed and launched a resource hub providing a wealth of information to support the sector.

We want to see more local authorities investing in good quality public space to support a range of objectives, including the physical health and mental wellbeing of local communities and improved local biodiversity. There are now 260 local authorities in England holding one or more of our awards: the Blue Flag Award, Seaside Award, or Green Flag Award.

The growth of the Green Key programme, the sustainability award for the hospitality sector, was curtailed because most of the sector closed due to COVID-19. The programme's manager was furloughed for most of the year. In 2020, 28 sites held the award.



CAMPAIGNS AND MARKETING



The Great British Spring Clean (GBSC), initially scheduled for March 2020, was on target to be our biggest-ever campaign. In just two months, before the campaign started, we had recruited more than 680,000 volunteers and organised 19,239 events.

Unfortunately, as we headed into life in lockdown on 21 March 2020, we decided to postpone the campaign until September.

By September, the country was more comfortable with life in lockdown. So we pivoted to encourage people to participate alone, in their family bubbles, or groups of no more than six, depending on local rules.

Because of the nature of the campaign, the pre-promotion activity for the March event had already achieved a great deal of media coverage and out-of-home space. It had generated lots of social media noise. So, when we began to promote the Great British September Clean in July, we effectively experienced two waves of the campaign, bolstering our marketing impact immensely. For this report, the numbers provided represent the cumulative impact of both waves of the campaign.

The campaign was backed, once again, by the Daily Mail, which supported it with content both in print and online. It helped us achieve 2,123 media clips across print, online and broadcast media, with an advertising value equivalency (AVE) of £282.8 million.

The social media element of the campaign exceeded our 2019 impact, with 123.9 million people reached and 29,380 posts about #GBSeptemberClean across Twitter, Instagram and Facebook.

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. This was worth a staggering £3.65 million.

The campaign's Great Big School Clean element was also on track to be bigger in 2020, with more than 171,000 children and young people already registered to take part. When we postponed, we started counting school participation from scratch and we are pleased that 10,816 pupils could join our September campaign. Once again, thanks to our partnership with Wilko, we could offer a £1,000 prize to one lucky school.

This year's Great British Spring Clean also saw us welcome out of hibernation the much-loved Wombles – the original eco-warriors who were encouraging children to reduce, reuse and recycle in the 1970s. The partnership meant we could take a 'real-life' Womble – Orinoco – into Parliament to help launch the campaign and even Prime Minister Boris Johnson, found the time to say hello.

Orinoco also helped us recruit a fantastic 216 MPs to support the campaign. Exclusive new, short animations for social media proved to be a big hit with our supporters. In addition, there was overwhelming support for the Wombles' re-emergence to back Keep Britain Tidy.

Some 289 local authorities and 407 town and parish councils signed up to support the campaign.

We also discovered that the campaign helped support the mental and physical wellbeing of volunteers. Of those who took part and completed our survey, 79% agreed that taking part helped improve their mood, 51% said it allowed them to be more active and 43% said it helped them feel less isolated.

#GBSeptemberClean participant: **"It gave me something to focus on other than COVID-19. It helped with my mobility and sanity, giving me purpose during a scary time."**

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.

Despite the challenges posed by COVID-19 restrictions, we have continued to deliver high-quality research and innovation projects addressing issues across the charity's agenda and helping other teams evaluate their work. Lockdowns and other restrictions meant working in new ways and adapting to new online methods for our research, many of which we intend to keep using in 2021/22.

This year, we designed and conducted two exciting new pieces of behavioural research to gather insights about two key issues for local authorities. *Inside the Head of the Contaminator* focused on why people put the wrong things into their recycling and *Understanding Waste Management in HMOs: A Tenant Perspective* looked at waste issues arising from these property types. Local authorities co-funded both pieces of research, which the sector received exceptionally well. The research findings have since been used to design new behavioural interventions, several of which are now being piloted.

In July 2020, we worked urgently to deliver a new campaign and 'snap intervention' to address a huge surge in littering in parks after the initial easing of lockdown. The campaign drew on behavioural insights and was funded as part of the Government's coronavirus response. It launched nationally on 24 July as an in-situ intervention in eight parks and a free digital

campaign for councils and other organisations. BBC Breakfast covered the launch, which received extremely positive feedback from councils and the public alike: **"The picture and message are strong and it has resonated with local people here. We've had lots of positive comments about the campaign."** South Somerset. The campaign toolkit was downloaded 1,278 times and the campaign had a social media reach of 40 million. Of those people surveyed, 85% agreed the campaign conveyed an important message. Litter was reduced by up to 40% in parks where the campaign was installed as an intervention.

In December, we worked with nine authorities to develop a new user-tested behaviour change campaign to tackle recycling contamination caused by nappies. #TedSays was developed using insights from *Inside the Head of the Contaminator*. The campaign launched in March 2021 and provided significant value to the partners involved, not least drawing attention to the fact that one million parents, grandparents and carers are putting nappies into their recycling bins, causing substantial environmental damage. As a result of the campaign, we are now in dialogue with several nappy manufacturers about what they can do to tackle this universal issue for local authorities.

Looking ahead, work continues on a diverse programme of research and innovation pilots on issues including vehicle littering, food waste recycling and fly-tipping. Our evidence continues to inform the charity's policy, campaigns, and wider practice and provide the wider sector with a firm basis on which to build effective new approaches.



WASTE INSIGHTS



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.

COVID-19 proved challenging for all teams in the charity, and the Waste Insights Team was no exception. All its face-to-face engagement work was put on hold, but it rose to the challenge of finding new ways of working to reach people through the Recycle for Your Community programme in East London.

The team took the reduce, reuse, recycle message to 3,772 children and adults, primarily through online sessions with schools and the community.

And the team successfully developed a stream of work surveying kerbside properties and blocks of flats regarding their waste and recycling bins – a vital support function for local authorities to improve services, drive down waste and increase recycling.

The team worked with software developer BBits to develop a bespoke survey app that revolutionised Keep Britain Tidy's data collection and management and puts us in a unique position in the market.

This year, a focus for the team was developing the new Contamination Reduction Programme together with the Centre for Social Innovation. The programme aims to design new and effective approaches to reduce recycling contamination.

The official results of the Contamination Hit Squad project delivered by the team with Resource London (a programme of the London Waste and Recycling Board) in 2019/20 were released. They showed 80% of households corrected their behaviour, with cost-effectiveness of up to £2.55 for every £1 spent. Building on this and the results of the Centre for Social Innovation's *Inside the Head of the Contaminator* research, the team worked with Milton Keynes Council to develop an innovative programme of behavioural interventions and support to tackle contamination in the town. It will be thoroughly evaluated to give the Council robust evidence about what works – results are forthcoming in summer 2021.

The team's priority way of working with local authorities in the future will be bespoke and innovative programmes of work to reduce waste and increase recycling quantity and quality, which are rooted in behavioural insights and robustly monitored.

WE WOULD LIKE TO THANK



OUR VOLUNTEERS

A huge thank you goes to the many volunteers who give up their time freely to help deliver our charitable objectives. During 2020/21, we received active support from our volunteers as follows:

- 2,073 Blue Flag and Green Flag Award judging and assessing days.
- 2,090 volunteer days across our RiverCare, WatersideCare and BeachCare programmes.
- 192,097 GBSC volunteers.

OUR PARTNERS AND FUNDERS

The Board of Trustees gratefully acknowledge 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 and Next for donating proceeds from the carrier bag charge to support our work.
- Frugi, Good Energy, Thames Water, Mars Wrigley, Reta Lila Howard Foundation and Lister Foundation for supporting our education programmes.
- Mars Wrigley, Red Bull, Co-op, Wilko, PepsiCo and Coca-Cola for funding the Great British Spring Clean campaign, and McDonald's and Costa for their donations.
- People's Postcode Lottery for its support in developing our charitable campaigns on litter, waste and support for our Eco-Schools programme.
- Garfield Weston for its support of the Great British September Clean.
- John Ellerman Foundation and Chapman Charitable Trust for supporting our Habitat Management work.
- Swire Charitable Trust for Keeping the Sowe Valley Buzzing.
- People's Postcode Emergency Fund and Barnsbury Trust for supporting the GBSC 2021.
- Co-op Midcounties Community Fund for its support of our policy and lobbying work.
- Lofthouse Trust for supporting Fylde BeachCare.
- The Environment Agency, United Utilities, South West Water, Severn Trent Water, Anglian Water and Canal & River Trust and Swire Charitable Trust for supporting the WaterCare programmes.

LOOKING AHEAD

PROTECTING LOCAL ENVIRONMENTAL QUALITY AS WE BUILD BACK BETTER

The world has changed beyond all recognition in the past 18 months and the work of Keep Britain Tidy to eliminate litter, end waste and improve the quality of public spaces has never been more important.

We have seen environmental vandalism by littering at an all-time high and unprecedented scenes in our treasured public spaces during the pandemic. As the nation's leading anti-litter charity, we have responded to these scenes, using our experience and expertise to fight for a litter-free environment for everyone and save our precious environment and wildlife from destruction.

If we are to tackle the pollution caused by litter, we know we need the Government's action now. Sadly, the pandemic has caused the Government to delay introducing critical environment policies, including a Deposit Return Scheme for drinks containers. Keep Britain Tidy continues to be at the forefront of calls for a comprehensive, 'all-in' scheme, which we know will see drinks container litter disappear off our streets and help tackle the climate emergency by capturing essential resources for recycling.

Over the next year, we will also help shape the design of the Extended Producer Responsibility (EPR) scheme for packaging. The EPR incentivises the producers that put the pollution packaging out there to reduce the amount they create and increase their use of refillable and easily recyclable alternatives. We will use our experience and expertise to make the case to the Government that the EPR scheme must also create the funding needed to tackle littering behaviours at a national level for the long term.

We will also work with manufacturers directly to launch the largest campaign yet to create behaviour change and reduce the environmental impact of some of Britain's most prolifically littered items.

Perhaps the most positive change to come out of millions of people being confined to their local area over the past 18 months is that more of us value and care about our green and blue spaces, recognising them as lockdown lifelines. Keep Britain Tidy will sustain the focus on precious green and blue space by campaigning for improved standards in water treatment and a reversal of the decline in investment in green space. We will measure our success by delivering engaging All Party Parliamentary Group meetings that lead the debates, an increased number of Green Flags and an uptick in awareness of the

environmental impact of the current laxness in most water treatment.

Through our annual Love Parks campaign, we will engage the public and support the professional parks community as they work to protect our green spaces against rising anti-social behaviour and cuts to their depleted resources. We will also develop new research and insights to highlight the importance of access to good quality green space, particularly in the most deprived communities. We will be at the forefront of raising awareness about the value, yet the precarious state, of our nations' parks and greenspaces.

We will also build on the impact on shared spaces we saw during COVID-19 by shining a light on wasteful behaviour at events such as festivals and sporting occasions and calling for new standards in waste management for all public events.

We will continue to deliver year on year growth within the Green Flag Award, which is approaching its 25th anniversary and continues to raise the quality of parks and green spaces around the country by setting the standard. We are adding value to the green space sector by providing more remote access events, including an online annual award ceremony, to maintain our position as an industry thought leader despite the proximity challenges of the pandemic.

We are also re-engaging with the hospitality sector through the Green Key award, ensuring that the industry keeps the Build Back Better mantra front and centre of its reopening strategies, including exhibiting at major industry conferences to introduce the scheme.

With the postponed COP26 Conference in Glasgow approaching, the climate emergency motivates us to work harder to achieve our mission of inspiring and empowering people to take local action in support of global environmental change. Critical to this challenge is educating and inspiring the next generation through our Eco-Schools programme, which engages more than 2.3 million students. We are dramatically improving the programme by launching a new Eco-Schools portal to better support teachers and pupils in making a significant environmental impact. The new portal will have over 100 effective actions schools can take to mitigate the climate and nature crisis, with many accessible for free or delivering cost savings to support schools to protect their pupils' future.

Keep Britain Tidy continues to lead the world with our knowledge and insight and our award-winning campaigns in this area. We are developing a new body of research targeting waste reduction to highlight the importance of the waste cycle's 'reuse and recycle' parts. We are also engaging the public in personal waste reduction activities through the

plastic challenge campaign launched in partnership with the Environment Agency.

We have also brought together our local authority offer to better support our councils with their environmental targets and ambitions. Our newly created Services Team now offers a streamlined service to local authorities that we anticipate will improve our successful marketing and delivery to these vital frontline utilities. In addition, we will work with councils on interventions that deliver a significant reduction in issues such fly-tipping and recycling contamination.

Within the charity, we are enhancing our digital capabilities through finance, CRM and website digital transformation projects, which improve our ability to track and communicate our impact. We are also improving the climate literacy of the staff group through organisation-wide training to ensure we keep the issue top of the agenda and investing in improving the organisation's equality and diversity.

Our army of volunteers is essential to our goals. Our litter-picking community grew during the pandemic, with the number of people identifying themselves as Litter Heroes more than doubling to almost 5,000. In the coming year, we will bring communities together across the nation to join the Great British Spring Clean, the UK's largest mass-action environmental campaign, aiming to achieve a million miles of litter-picking across the country collectively.

As we Build Back Better, our challenge as the nation's leading anti-litter charity is to do our part to help everyone clean up their act. We will campaign for the improvements that our evidence-based approach leads us to conclude will reverse climate and community harm, and to act to make the world fit for future generations.

Allison Ogden-Newton OBE

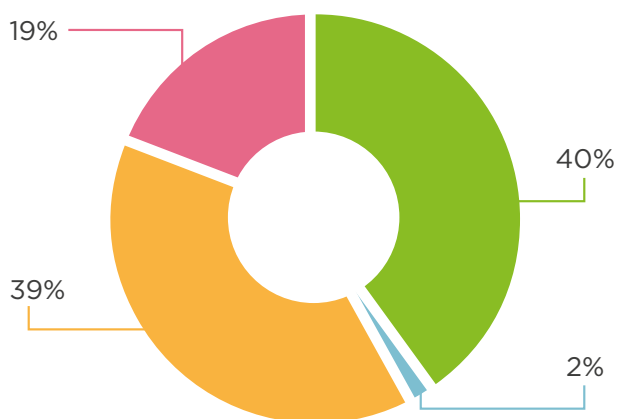
FINANCIAL REVIEW

We are delighted to report a total income of £4.3m in 2021 (2020: £4.86m). This includes donated services valued at £0.46m (2020: £0.51m). With an expenditure of £3.83m (2020: £4.83m), we have a surplus of £483k (2020: £28k). Following a £998k loss (2020: £204k gain) on the defined benefit pension scheme, our net movement in funds was a reduction of £515k (2020: a gain of £232k).

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 proactively engage with the general public to raise funds, we 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 2020/21 BY SOURCE



Central Government/Other public sector

Local authorities

Other

Donations

LOCAL AUTHORITIES

£1.732M

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

DONATIONS

£0.808M

This represents the time given freely by our specialist volunteer judges and project coordinators, without which we would be unable to continue running our services. The figure also includes income donated through the 5p carrier bag charge.

OTHER

£1.695M

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.

CENTRAL GOVERNMENT/OTHER PUBLIC SECTOR

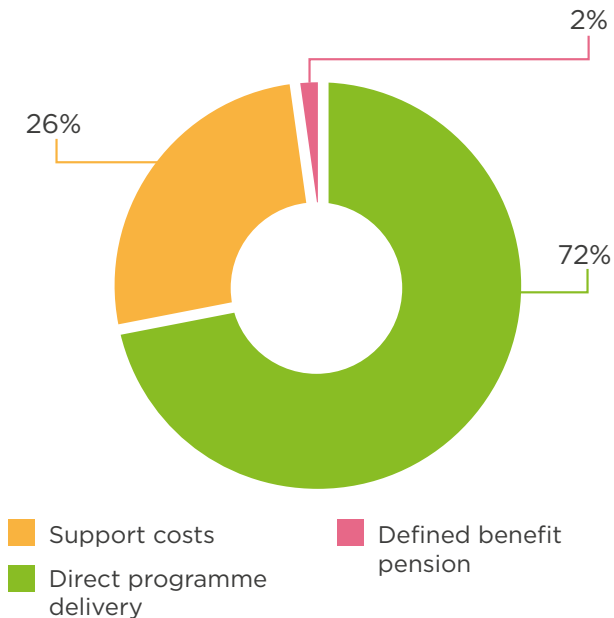
£0.184M

These are specific grants across many different projects, including accreditations, the Centre for Social Innovation, volunteer programmes and campaigns.

WHERE THE MONEY IS SPENT

Our total spend for the year was £4.586m (2020: £4.826m). We manage our expenditure to maximise the delivery of our programmes and activities within the boundaries of the funding we can secure.

BREAKDOWN OF OUR CHARITABLE ACTIVITIES EXPENDITURE



SUPPORT COSTS

£0.973M

These stand at 25% of total income (2020: 21%) and are essential to ensuring that the charity is well run.

DIRECT PROGRAMME DELIVERY

£2,673M

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

DEFINED BENEFIT PENSION

£0.091M

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

Total fund balances (before recognising the FRS 102 pension liability) amounted to £1.853m (2020: £1.805m) including the balance of the unrestricted general fund at the end of the year of £.0891m (2020: £1.256m).

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 sufficiently 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. The Trustees' intention is 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 31 March 2021, the expected operating costs of Keep Britain Tidy for a 10-week period are forecast to be circa £1m.

The level of free unrestricted reserves stands at £1.296m, excluding the deficit on the pension scheme which is classed as a longer-term liability. Details of the charity's funds are shown in Notes 15 and 16. An analysis of the charity's net assets between the funds is given in Note 17. The cash balances of the charity at 31 March 2021 were £2.32m (2020: 1.89m). 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 through annual appraisals. Training and development programmes are provided to develop employees for both their current and future roles and to meet the charity's present and future needs.

PENSIONS

In addition to the current money purchase scheme, the charity operated a defined benefit pension scheme until 2008. The actuarial surplus or deficit on the funding of the scheme is recalculated annually and the deficit at 31 March 2021 of £4.975m (2020: £4.440m) is shown in Note 21 to the accounts. The current accumulated deficit in the scheme is deducted from unrestricted reserves under FRS 102 principles. The Trustees are aware of the 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 loss of £0.998m (2020: actuarial net gain of £0.204m) being recorded in the charity's Statement of Financial Activities due to these changing assumptions. The deficit under FRS 102 increased by a net £0.535m (2020: reduced by a net £0.229m) at March 2021 when calculated net of contributions made to the scheme and interest charges during the year.

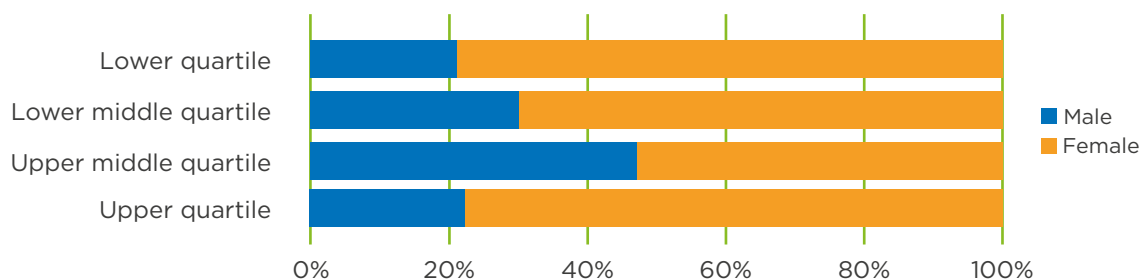
GOING CONCERN

In meeting their obligation to consider the going concern status of the organisation, the Trustees have reviewed the revised plans and forecasts prepared by management for the period to September 2022. Particular regard was placed on the organisation's ability to meet its obligations regarding 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 regarding 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 disclose our gender pay voluntarily 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 £6.77 in favour of women, and the median difference is £0.13 in favour of men, as at 31 March 2021. The mean pay gap is negatively higher due to more highly paid women staff at Keep Britain Tidy (an increase of 4.8 on last year's figures) due to a staff change at Executive level. However, the median gap, based on the mid-point figures is negligible. This is due to having a good mix of male/female and salary ranges at all other levels of the organisation in the upper middle, lower-middle and lower quartiles of Keep Britain Tidy. This graph shows the percentage of staff by gender in each pay quartile.

GENDER PAY EARNINGS BY QUARTILE



ETHNICITY PAY REPORTING

We have undertaken to voluntarily disclose our ethnicity pay gap in line with best practice.

Average Keep Britain Tidy hourly pay: £15.54

Average pay for white Keep Britain Tidy staff: £16.09

Average pay for non-white Keep Britain Tidy staff: £13.87

We have two non-white staff members in the organisation, both of whom are in the under-30 age group and are in the lower quartile salary levels.

As part of our Equity, Diversity and Inclusion work, we are setting targets for non-white representation levels to reflect the demographics of the UK. We will monitor progress against these targets alongside salary gaps to assess improvements.

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 where they can be proud and prosper.

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

Following 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' 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 by promoting waste reduction, reuse, 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 are given on page 18. The names of the Chief Executive and the senior executive team are listed on page 19 and the external advisers are set out on page 20.

The Company is governed by Articles of Association which were last adopted at the Annual General Meeting on 6 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 seven members at 31 March 2021; the Articles of Association require there to be no less than four or more than 14. 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. 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 2020/21, there were no new Trustees appointed, and no Trustees resigned at the end of their term.

The Board of Trustees met five times this year. At these meetings, they set the organisation's business strategy, approve business plans and budgets and review its operational, health and safety, and financial performance. They work closely with the key management staff and must understand 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 that will help them with their roles and responsibilities. In addition, Trustees are kept fully up to date with the organisation's operations through presentations at Board meetings, regular reports and invitations to participate in external events.

All Trustees give their time freely but are entitled to reimbursement of expenses incurred in attending Board and other meetings or performing other duties as a Trustee of the charity. Trustees are required to disclose all relevant interests and formally register them at Board meetings. Details of Trustee expenses and related party transactions are disclosed in Note 22 and Note 25, respectively.

There are two 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 some 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 regarding 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 seven times this financial year.

REMUNERATION NOMINATION COMMITTEE

The committee comprises several 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, along with making recommendations to the Board of Trustees regarding the appointment of Trustees and the Chair. The committee operates in an advisory capacity to the main Board on all these matters. The committee met two times during this financial year.

MEMBERS OF THE BOARD OF TRUSTEES

The following directors (who are also Trustees of the charity) held office between 1 April 2021 and the date of this report (6 October 2021):

NAME	DATE APPOINTED	
Suzy Brain England OBE	1 April 2016	Chair
Philippa Anderson	1 May 2016	Deputy Chair (appointed Deputy Chair 1 February 2018). Chair of Remuneration and Nomination Committee from 26 July 2019
David Membrey	10 January 2017	
Kresse Ann-Marie Wesling MBE	15 November 2018	
Ben Page	15 November 2018	Resigned 6 October 2021
Vincent Neate	25 March 2019	Chair of the Audit and Finance Committee from 10th January 2020
Raymond Mills	16 April 2019	
Vanessa Maselino	6 October 2021	
Lydia Burns	6 October 2021	
Muhammad Ali	6 October 2021	

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 (FRS 102)
- 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 operating.

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 also 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 OBE	Chief Executive Officer
Richard McIlwain	Deputy Chief Executive Officer
Ruth Jenkins	Finance Director/ Company Secretary
Katherine Armitage	Chief Operations Officer
Helen Bingham	Director of Communications
Nicola Boon	Marketing Manager
Elizabeth Kenyon	Director of the Centre for Social Innovation

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 affordability, encouraging optimal performance and consistency with individual contributions to the organisation's success. 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 internal control systems 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 2021, 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 reviews the risk register regularly 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. An agreed deficit reduction plan is in place, which is both affordable to Keep Britain Tidy and considered sufficient to meet the scheme liabilities. Keep Britain Tidy has worked closely with the Pension Trustees and advisers to implement a revised strategy to manage down the pension deficit quicker through an additional investment of £750k from the charity to the pension fund over the current three-year review period above the usual ongoing contribution payments. This is in addition to an additional investment of £750k in 2018/19.

Informing and influencing – The Trustees are aware of the additional risks facing the charity as a result of changes to government policies, the 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 regarding 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 specific areas.

PROFESSIONAL ADVISERS

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

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
- 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 6 October 2021 and authorised to be signed on its behalf by:



SUZY BRAIN ENGLAND OBE
CHAIR AND TRUSTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KEEP BRITAIN TIDY FOR THE YEAR ENDED 31 MARCH 2021

OPINION

We have audited the financial statements of Keep Britain Tidy (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated 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 (FRS) 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of their incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared following 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 group and parent charitable company per the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our

evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The Trustees are responsible for the other information, which 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 therefore do not express any form of assurance conclusion.

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 must determine whether there is either a material misstatement in the financial statements or 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 for the financial year for which the financial statements are prepared is consistent with the financial statements;
- The Trustees' 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 group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us
- the parent charitable company's financial statements are not in agreement with the accounting records and returns
- certain disclosures of directors' remuneration specified by law are not made
- we have not received all the information and explanations we require for our audit
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement included in the Trustees' Report, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing 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 group's and parent 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 group or the parent 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 based on these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements.
- Ask management to identify any instances of known or suspected instances of fraud.
- Ask management about any actual and potential litigation and claims.
- Reviewing the design and implementation of control systems in place and testing operational effectiveness.
- Performing audit work over the risk of management override, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias
- Reviewing minutes of meetings of those charged with governance
- Reviewing financial statement disclosures alongside supporting documentation to assess compliance with applicable laws and regulations.

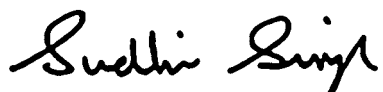
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the [Financial Reporting Council's website](#). This description forms part of our auditor's report.

USE OF THIS 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, and to the charitable company's Trustees, as

a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 (SENIOR STATUTORY AUDITOR)

For and on behalf of MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditor
2 London Wall Place
London
EC2Y 5AU

17 November 2021

MHA MacIntyre Hudson is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

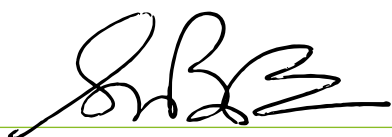
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
INCOMING RESOURCES							
Donations	2	808,203	-	808,203	586,490	-	586,490
Charitable Activities	3	2,540,204	981,157	3,521,361	3,343,360	914,643	4,258,004
Investment Income		9,000	-	9,000	10,718	-	10,718
Total Incoming Resources		3,357,408	981,157	4,338,565	3,940,568	914,643	4,855,212
RESOURCES EXPENDED							
Raising Funds	4	-	-	-	-	-	-
Charitable Activities	5,6	2,737,515	1,000,706	3,738,221	3,821,409	885,404	4,706,813
Sub Total - Operational Expenditure		2,737,515	1,000,706	3,738,221	3,821,409	885,404	4,706,813
Other Expenditure	21	91,000	-	91,000	120,000	-	120,000
Total Resources Expended		2,828,515	1,000,706	3,829,221	3,941,409	885,404	4,826,813
NET INCOME/ (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		528,893	(19,549)	509,344	(841)	29,240	28,398
TRANSFERS BETWEEN FUNDS							
Transfers from unrestricted to restricted	15	-	-	-	(50,684)	50,684	-
OTHER RECOGNISED GAINS AND LOSSES							
Actual gains / (losses) on the defined benefit pension scheme	21	(998,000)	-	(998,000)	204,000	-	204,000
NET MOVEMENT IN FUNDS		(469,107)	(19,549)	(488,656)	152,475	79,924	232,398
RECONCILIATION OF FUNDS							
Total funds brought forward	16,17	(3,183,077)	549,286	(2,633,791)	(3,335,552)	469,363	(2,866,189)
TOTAL FUNDS CARRIED FORWARD		(3,652,184)	529,737	(3,122,447)	(3,183,077)	549,286	(2,633,791)

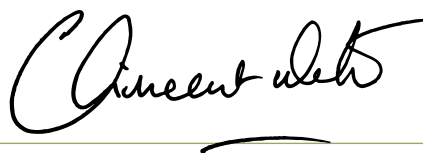
All activities are continuing.

The notes on pages 27 to 48 form part of these financial statements.

These financial statements were approved by the directors and authorised for issue on 6 October 2021 and signed on their behalf by:



Suzy Brain England OBE - **DIRECTOR**



Vincent Neate - **DIRECTOR**

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Intangible Fixed Assets	10		35,116		39,481
Tangible Fixed Assets	10		45,784		75,326
			80,900		114,806
CURRENT ASSETS					
Debtors and Prepayments	11	1,066,343		1,290,942	
Cash at Bank and in Hand		2,315,015		1,890,933	
		3,381,358		3,181,875	
CURRENT LIABILITIES					
Creditors amounts falling due within one year	12	(1,599,705)		(1,480,950)	
NET CURRENT ASSETS			1,781,653		1,700,925
TOTAL ASSETS LESS CURRENT LIABILITIES			1,862,553		1,815,731
Provisions for liabilities and charges	14		(10,000)		(10,000)
NET ASSETS EXCLUDING PENSION LIABILITY			1,852,553		1,805,731
Pension scheme liability	21		(4,975,000)		(4,439,522)
NET LIABILITIES			(3,122,447)		(2,633,791)
FUNDS					
Restricted Funds	16	529,738		549,286	
Designated Funds	15	431,685		-	
General Unrestricted Funds	15	891,130		1,256,445	
Pension Reserve	15	(4,975,000)		(4,439,522)	
			(3,122,447)		(2,633,791)

The notes on pages 27 to 48 form part of these financial statements.

These financial statements were approved by the directors and authorised for issue on 6 October 2021 and signed on their behalf by:



Suzy Brain England OBE - **DIRECTOR**



Vincent Neate - **DIRECTOR**

CHARITY BALANCE SHEET AS AT 31 MARCH 2021

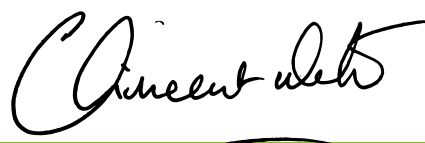
	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Intangible Fixed Assets	10		35,116		39,481
Tangible Fixed Assets	10		45,784		75,326
			80,900		114,806
CURRENT ASSETS					
Debtors and Prepayments	11	932,984		1,535,918	
Cash at Bank and in Hand		2,298,186		1,538,792	
		3,231,170		3,074,710	
CURRENT LIABILITIES					
Creditors amounts falling due within one year	12	(1,525,347)		(1,400,950)	
NET CURRENT ASSETS			1,705,823		1,673,760
TOTAL ASSETS LESS CURRENT LIABILITIES			1,786,723		1,788,566
Provisions for liabilities and charges	14		(10,000)		(10,000)
NET ASSETS EXCLUDING PENSION LIABILITY			1,776,723		1,778,566
Pension scheme liability	21		(4,975,000)		(4,439,522)
NET LIABILITIES			(3,198,277)		(2,660,956)
FUNDS					
Restricted Funds	16	529,738		549,286	
Designated Funds	15	431,685		-	
General Unrestricted Funds	15	815,300		1,229,280	
Pensions Reserve	15	(4,975,000)		(4,439,522)	
			(3,198,277)		(2,660,956)

The notes on pages 27 to 48 form part of these financial statements.

These financial statements were approved by the directors and authorised for issue on 6 October 2021 and signed on their behalf by:



Suzy Brain England OBE - **DIRECTOR**



Vincent Neate - **DIRECTOR**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
CASH USED IN OPERATING ACTIVITIES	24	428,512	121,229
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received		9,000	10,718
Purchase of Intangible Fixed Assets	10	(14,000)	(12,786)
Purchase of Tangible Fixed Assets	10	572	(85,268)
Cash provided by investing activities		(4,428)	(87,335)
INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		424,084	33,894
Total cash and cash equivalents at 1 April 2020		1,890,933	1,857,032
Total cash and cash equivalents at 31 March 2021		2,315,015	1,890,933

The notes on pages 27 to 48 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 (FRS 102) effective 1 January 2015. The Statement of Financial Activities has been prepared on an activity basis.

Keep Britain Tidy meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

(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 more than £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 based on 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. Redundancy payments are recognised in the year that they are committed. Costs of generating funds are those costs incurred in attracting voluntary income and 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 because 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 financial statements consolidate the accounts of Keep Britain Tidy and all its subsidiary undertakings ('subsidiaries'). The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

(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 31 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 21 for further disclosures.

Defined contribution scheme

This was operated from 1 August 2008. The scheme's assets 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 15 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 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 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.

Derecognition 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 applying 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 and 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 judgements 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 (GROUP)

	Total 2021 £	Total 2020 £
Value of donated services		
Education - Eco-Schools Awards	-	22,521
Coastal Awards	5,940	13,852
Green Flag Awards	367,200	316,961
WaterCare Programmes	-	197,512
Waste Reduction Programmes	-	-
Campaigns - Great British Spring Clean	91,955	-
Donations from subsidiaries	-	-
Donations including furlough income	343,108	35,644
Professional services donated	-	-
	808,203	586,490

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 WaterCare 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 also calculated on the basis outlined in accounting policies note 1E Donated Services.

The Great British Spring Clean campaign benefited from 1,102 volunteer days in 2021 (2020: nil). 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 2,073 days (2020: 6,218) 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 (GROUP)

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Litter and Place Services	555,503	30,000	585,503	755,928	35,000	790,928
Education	247,381	208,457	455,838	172,552	190,734	363,286
Volunteering and Community Engagement	187,243	371,700	558,943	238,372	339,662	578,034
Awards and Accreditation	692,472	-	692,472	715,167	-	715,167
Centre for Social Innovation	375,286	100,000	475,286	280,609	100,000	380,609
Campaigns and Marketing	330,561	151,000	481,561	761,560	249,248	1,010,808
Waste Insights	326,000	-	326,000	410,817	-	410,817
Other	(174,242)	120,000	(54,242)	8,353	-	8,353
TOTAL	2,540,204	981,157	3,521,361	3,343,358	914,644	4,258,002

Within income from charitable activities are £nil (2020: £8,998) government grants. There were no unfulfilled conditions at year end in relation to these grants.

4 COSTS OF RAISING FUNDS

	Direct Costs £	Support Costs £	Total 2021 £	Direct Costs £	Support Costs £	Total 2020 £
Fundraising Costs	-	-	-	-	-	-

The charity does not separate fundraising elements of roles from direct costs and support costs.

5 COSTS OF ACTIVITIES IN FURTHERANCE OF THE CHARITY'S ACTIVITIES (GROUP)

	Direct Costs £	Support Costs £	Total 2021 £	Direct Costs £	Support Costs £	Total 2020 £
Litter and Place Services	333,266	302,954	636,219	513,780	137,494	651,274
Education	182,788	103,100	285,888	208,417	55,775	264,192
Volunteering and Community Engagement	402,595	126,419	529,014	718,496	192,279	910,775
Awards and Accreditation	686,761	156,618	843,379	812,162	217,345	1,029,507
Centre for Social Innovation	360,789	107,497	468,286	422,163	112,978	535,141
Campaigns and Marketing	524,165	102,944	627,109	658,045	176,103	834,148
Waste Insights	274,593	73,732	348,325	380,064	101,712	481,776
	2,764,957	973,264	3,738,221	3,713,128	993,686	4,706,813
Restricted Funds			1,000,706			885,404
Unrestricted Funds			2,737,515			3,821,409
			3,738,221			4,706,813

We do not allocate costs to fundraising costs, as the costs are so small they're deemed immaterial. All costs regarding fundraising for the GBSC are considered to be expenditure relating to our charitable activities.

6 ANALYSIS OF COSTS (GROUP)

ANALYSIS OF SUPPORT COSTS 2021

	Executive £	Establishment £	Finance & Admin £	ICT £	HR £	Governance £	2021 Total £
CHARITABLE ACTIVITIES							
Litter and Place Services	59,969	46,846	110,993	26,767	18,434	39,945	302,954
Education	20,408	15,943	37,772	9,110	6,274	13,593	103,100
WaterCare Programmes	25,024	19,549	46,315	11,170	7,692	16,669	126,419
Awards and Accreditation	31,002	24,218	57,380	13,838	9,530	20,650	156,618
Centre for Social Innovation	21,279	16,622	39,383	9,498	6,541	14,174	107,497
Campaigns and Marketing	20,377	15,919	37,715	9,096	6,264	13,573	102,944
Waste Insights	14,595	11,401	27,013	6,515	4,486	9,722	73,732
	192,654	150,498	356,571	85,994	59,221	128,326	973,264

ANALYSIS OF SUPPORT COSTS 2020

	Executive £	Establishment £	Finance & Admin £	ICT £	HR £	Governance £	2020 Total £
CHARITABLE ACTIVITIES							
Litter and Place Services	20,549	23,707	45,592	17,429	7,379	22,838	137,494
Education	8,336	9,617	18,495	7,070	2,993	9,264	55,775
WaterCare Programmes	28,737	33,152	63,759	24,374	10,319	31,938	192,279
Awards and Accreditation	32,483	37,473	72,072	27,551	11,665	36,101	217,345
Centre for Social Innovation	16,885	19,479	37,463	14,321	6,064	18,766	112,978
Campaigns and Marketing	26,320	30,362	58,395	22,323	9,452	29,251	176,103
Waste Insights	15,201	17,537	33,727	12,894	5,458	16,895	101,712
	148,511	171,327	329,503	125,962	53,330	165,053	993,686

7 NET MOVEMENT IN FUNDS (GROUP)

	2021 £	2020 £
The net movement in funds for the year is stated after charging:		
Depreciation of tangible fixed assets owned by the charity	28,970	33,375
Amortisation of computer software and systems owned by the charity	18,365	51,710
Auditor's Remuneration: Audit fee	18,500	18,500
Operating lease rentals: Land & Buildings	94,984	94,984
Operating lease rentals: Other	4,596	4,596

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:

	2021 £	2020 £
Staff Costs	1,783,036	1,873,093
National Insurance Contributions	161,963	183,163
Pension Contributions (Group Personal Plan)	130,704	123,637
Agency	-	6,114
	2,075,703	2,186,007
Benefits	14,925	15,521
	2,090,628	2,201,528

The above includes redundancy costs of £nil (2020 £nil).

9 STAFF COSTS (CONTINUED)

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

	2021	2020
Litter and Place	6	6
Education	3	4
WaterCare Programmes	13	14
Awards and Accreditation	6	6
Campaigns and Marketing	6	6
Centre for Social Innovation	6	6
Waste Insights	19	19
Administration and Management	8	8
	67	69

54 (2020: 54) 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 FTE (2020: seven 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 22. The total employee benefits paid to the Executive Team of the charity were £475,210 (2020: £493,050), including pension contributions of £28,416 (2020: £29,709). No Executive Team members are accruing benefits under the defined benefit scheme.

The employees' emoluments for the Executive Team fell into the following bands:

	2021	2020
£1 - £30,000	1	0
£30,001 - £40,000	1	0
£40,001 - £50,000	2	4
£50,001 - £60,000	3	1
£60,001 - £70,000	0	0
£70,001 - £80,000	0	1
£90,001 - £100,000	1	1

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

10 FIXED ASSETS (GROUP)

	Computer Systems £	Total £
INTANGIBLE FIXED ASSETS		
Cost at 1 April 2020	138,061	138,061
Additions during the year	14,000	14,000
Cost at 31 March 2021	152,061	152,061
Accumulated amortisation at 1 April 2020	98,580	98,580
Charge for the year	18,365	18,365
Amortisation at 31 March 2021	116,945	116,945
Net Book Value at 31 March 2021	35,116	35,116
Net Book Value at 31 March 2020	39,481	39,481

	Computer Hardware £	Office Fixtures and Fittings £	Total £
TANGIBLE FIXED ASSETS			
Cost at 1 April 2020	60,532	65,999	126,531
Additions during the year	(572)	(0)	(572)
Cost at 31 March 2021	59,960	65,999	125,959
Accumulated depreciation at 1 April 2020	37,606	13,599	51,205
Charge for the year	15,268	13,702	28,970
Depreciation at 31 March 2021	52,874	27,301	80,175
Net Book Value at 31 March 2021	7,086	38,698	45,784
Net Book Value at 31 March 2020	22,926	52,400	75,326

11 DEBTORS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade Debtors	774,536	1,119,661	866,065	1,089,661
Intercompany Debtor	-	-	-	349,976
Accrued Income	224,888	75,000	-	-
Prepayments	66,919	96,281	66,919	96,281
	1,066,343	1,290,942	932,984	1,535,918

12 CREDITORS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade Creditors	157,752	177,245	141,562	177,245
Social Security and Other Taxes	262,251	312,763	227,251	252,763
Intercompany Creditor	-	-	124,024	-
Accruals	26,975	138,110	26,975	118,110
Other Creditors	48,537	38,898	48,582	38,898
Deferred Income (Note 13)	1,104,190	813,933	956,953	813,933
	1,599,705	1,480,949	1,525,347	1,400,949

13 DEFERRED INCOME (GROUP)

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income in advance brought forward	813,933	-	813,933	846,753	40,000	886,753
Income released in the year	(813,933)	-	(813,933)	(846,753)	(40,000)	(886,753)
Income deferred in the year	1,104,190	-	1,104,190	813,933	-	813,933
Income in advance carried forward	(1,104,190)	-	(1,104,190)	(813,933)	-	(813,933)
MOVEMENT IN DEFERRED INCOME	(290,257)	-	(290,257)	32,820	40,000	72,820

All deferred income relates solely to activity with the company. 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.

14 PROVISIONS FOR LIABILITIES AND CHARGES (GROUP)

	Dilapidations £	Total 2021 £	Dilapidations £	Total 2020 £
Balance brought forward at 1 April 2020	(10,000)	(10,000)	(47,330)	(47,330)
Amount released in the year	-	-	31,292	31,292
Used during the year	-	-	6,038	6,038
Balance carried forward at 31 March 2021	(10,000)	(10,000)	(10,000)	(10,000)

This provision relates to expected decorating and carpeting dilapidations connected to the charity's head quarters, Elizabeth House. This is expected to be realised in either 2021/22 or 2024/25 (the break and end points of the lease).

15 UNRESTRICTED FUNDS (2020/21)

	Group						
	General Unrestricted £	Designated £	Pension Reserve £	2021 £	General Unrestricted £	Pension Reserve £	2020 £
Balance of general fund at 1 April 2020	1,256,445		(4,439,522)	(3,183,077)	1,333,446	(4,668,998)	(3,335,552)
Transfer from unrestricted to restricted	-		-	-	(50,684)	-	(50,684)
Transfer between unrestricted funds	(431,685)	431,685	-	-	-	-	-
Retained unrestricted surplus for the financial year	66,370		462,522	528,892	(26,317)	25,476	(841)
Actuarial gain / (loss) on the defined benefit pension liability (Note: 22)	-		(998,000)	(998,000)	-	204,000	204,000
BALANCE OF GENERAL FUND AT 31 MARCH 2021	891,130	431,685	(4,975,000)	(3,652,185)	1,256,445	(4,439,522)	(3,183,077)
Total unrestricted funds (general plus designated, excluding pension reserve)	1,322,815						

15 UNRESTRICTED FUNDS (2020/21) CONTINUED

	Company						
	General Unrestricted £	Designated £	Pension Reserve £	2021 £	General Unrestricted £	Pension Reserve £	2020 £
Balance of general fund at 1 April 2020	1,229,035		(4,439,522)	(3,210,487)	1,331,434	(4,668,998)	(3,337,564)
Transfer from unrestricted to restricted	-		-	-	(50,770)	-	(50,770)
Transfer between unrestricted funds	(431,685)	431,685		-	-	-	-
Retained unrestricted surplus for the financial year	17,950		462,522	480,472	(51,630)	25,476	(26,154)
Actuarial gain / (loss) on the defined benefit pension liability (Note: 20)	-		(998,000)	(998,000)	-	204,000	204,000
BALANCE OF GENERAL FUND AT 31 MARCH 2021	815,300	431,685	(4,975,000)	(3,728,015)	1,229,035	(4,439,522)	(3,210,487)
Total unrestricted funds (general plus designated)	1,246,986						

NEWLY DESIGNATED FUNDS AT 31 MARCH 2021

Digital Infrastructure	220,240	For development of a new integrated CRM, website and accounting platform
Green Flag Award Investment	109,445	To improve the digital offer and expand the programme reach
Transformation Fund	30,000	Aggregating three programmes: Litter & Place, Centre for Social Innovation, Waste
Penetration Testing	27,000	Ensuring systems are secure
Equity, Diversity and Inclusion	25,000	Investing in EDI excellence across the organisation
IT Equipment	10,000	Laptop purchases
Campaigns	10,000	Support to run the Love Parks campaign
431,685		These funds have been designated for spend within 2021-22

16 RESTRICTED FUNDS – 2020/2021 (GROUP)

	1 April 2020 £	Income £	Expenditure £	Transfer (to) / from Unrestricted £	31 March 2021 £
PROJECT FUNDS BY ACTIVITY:					
WATER CARE & HABITAT PROGRAMMES					
Ocean Recovery Project	27,357	80,000	86,000	-	21,357
Rivercare	15,541	151,261	145,640	-	21,162
J. Ellerman - Habitat Management	7,848		7,848	-	-
Swire Charitable Fund - Habitat Management		25,000	25,000		-
Funders less than £5,000 - BeachCare		5,420	5,420		-
Funders less than £5,000 - Habitat Management		10,019	10,019		-
	50,746	271,700	279,927	-	42,519
EDUCATION					
Eco-Schools	-	108,457	81,351	-	27,106
	0	108,457	81,351	-	27,106
CAMPAIGNS					
Turning Tides	9,363	-	-	-	9,363
Great British Spring Clean	-		-	-	-
WRAP - Litter Reflections	-	-	-	-	-
	9,363	-	-	-	9,363
OTHER PROJECT FUNDS					
People's Postcode Lottery	489,178	601,000	639,428	-	450,750
	489,178	601,000	639,428	-	450,750
TOTAL RESTRICTED FUNDS	549,287	981,157	1,000,706	-	529,738

The above categories contain the following significant restricted funds:

WaterCare Programmes: funding was received from Anglian Water (RiverCare), helping us manage and support volunteer groups in looking after their local environment. The Lister Foundation provided funding for a project to fund recycling or marine litter in the south-west. John Ellerman and Swire Charitable Fund provided funding to continue our vital work on habitat management on watercourses.

Education: Reta Lila provided funding to develop our Mindful Minutes programme for Eco-Schools. Multiple corporations funded other local elements of our Eco-Schools programme.

Turning Tides is a project funded jointly by the Environment Agency and United Utilities to continue to run our work to support beaches on the north-west coast.

People's Postcode Lottery funding provided support for several strands of our work around Eco-Schools, litter and waste.

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

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS (GROUP)

	Fixed Assets £	Net Current Assets £	Total 2021 £	Fixed Assets £	Net Current Assets £	Total 2020 £
Restricted Funds	-	529,738	529,738	-	549,287	549,287
Unrestricted Funds (including pension reserve)	35,116	(3,687,301)	(3,652,185)	39,481	(3,222,558)	(3,183,077)
	35,116	(3,157,563)	(3,122,447)	39,481	(2,673,271)	(2,633,790)

18 CONTINGENT LIABILITIES

There were no known contingent liabilities at 31 March 2021 (2020: £nil).

19 CAPITAL COMMITMENTS

Capital Commitments authorised and contracted at 31 March 2021 amounted to £nil (2020: £nil).

20 INDEMNITY INSURANCE

The Trustees and Officers of the company are indemnified out of the company's assets 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 regarding the affairs of the company. The annual premium which covers the company is £10,000, which also included cover for former associated companies.

21 PENSIONS

With effect from 1 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 31 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 or the scheme under the FRS 102 rules. The scheme is an exempt approved scheme under the terms of the Income and Corporation Taxes Act 1988. It is set up by a Trust deed administered by Trustees and funds are held separately from those of the charity.

Benefits accrued at the rate of one-sixtieth of final pensionable earnings for each year of pensionable service up to 31 March 2004. Commencing 1 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 31 July 2008, so that all members' benefits are now paid up. The pension charge for the year to 31 March 2021 was £nil (2020: £nil)

A formal actuarial valuation was carried out at 31 March 2021. The pension deficit as at 31 March 2021 is £4,975,000 (2020: £4,440,000). Future contributions have been negotiated with the Trustees of the scheme. The charity is the principal employer and paid approximately £554,000 to reduce the deficit this year (2020: £145,000). Keep Britain Tidy will continue to make contributions in line with the terms agreed at the last triennial review until any new scheme of payments is agreed. Based on the current schedule of contributions dated March 2021, the charity expects to pay contributions in the region of £190,000 to the scheme during the next accounting period.

The major assumptions used by the actuary were as follows:

AVERAGE FUTURE LIFE EXPECTANCY FROM THE AGE OF 65 FOR PENSIONERS:

	Men	Women
Current	85.8	87.7
Future	86.8	89.0

21 PENSIONS CONTINUED

	31 March 2021	31 March 2020	31 March 2019	31 March 2018
Rate of increase in salaries	n/a	n/a	n/a	n/a
Rate of increase in pensions in payout				
Post 1 April 2005	2.05%	1.60%	1.90%	2.20%
April 2004 to March 2005	2.75%	1.90%	2.40%	2.30%
For other services	3.5%	3.2%	3.3%	3.3%
Rate of increases in inflation-linked pensions	2.8%	1.9%	2.4%	2.3%
Discount rate	2.2%	2.2%	2.6%	2.7%
Inflation assumptions (CPI)	2.8%	1.8%	2.4%	2.3%

	31 March 2021 £	31 March 2020 £	31 March 2019 £	31 March 2018 £
ASSET VALUE				
Equities	-	-	-	-
Bonds	5,191,000	3,244,000	2,881,000	2,997,000
Cash	335,000	105,000	202,000	242,000
Diversified Growth Fund	9,858,000	10,585,000	10,782,000	8,936,000
TOTAL MARKET VALUE OF ASSETS	15,384,000	13,934,000	13,865,000	12,175,000
LONG TERM EXPECTED RATE OF RETURN				
Equities	-	-	-	-
Bonds	2.2%	2.2%	2.6%	2.7%
Cash	2.2%	2.2%	2.6%	2.7%
Diversified Growth Fund	2.2%	2.2%	2.6%	2.7%
Actual return on scheme assets in the period	1,343,000	398,000	1,129,000	691,000
Changes in assumptions underlying the present value of scheme liabilities	20,359,000	18,374,000	18,534,000	18,010,000
DEFICIT VALUE OF THE SCHEME	(4,975,000)	(4,440,000)	(4,669,000)	(5,835,000)

21 PENSIONS CONTINUED

	31 March 2021 £	31 March 2020 £	31 March 2019 £	31 March 2018 £
ANALYSIS OF THE AMOUNT CHARGED TO THE STATEMENT OF FINANCIAL ACTIVITIES (SOFA)				
Expected return on pension scheme assets	308,000	356,000	336,000	312,000
Interest on pension scheme liabilities	(399,000)	(476,000)	(482,000)	(486,000)
NET INTEREST	(91,000)	(120,000)	(146,000)	(174,000)
Recognised in the SOFA as:				
Cash contribution to the scheme deficit paid by the charity	(553,522)	(145,476)	(141,483)	(136,839)
Non cash other movements in the scheme deficit	462,522	25,476	(4,517)	(37,161)
DEFINED BENEFIT PENSION SCHEME CONTRIBUTIONS AND NET INTEREST CHARGES	(91,000)	(120,000)	(146,000)	(174,000)
Actual return less expected return on scheme assets	1,035,000	42,000	793,000	379,000
Changes in assumptions underlying the present value of scheme liabilities	(2,033,000)	162,000	(372,000)	326,000
ACTUARIAL GAIN / (LOSS) RECOGNISED IN THE SOFA	(998,000)	204,000	421,000	705,000
	31st March 2021 £	31st March 2020 £	31st March 2019 £	31st March 2018 £
MOVEMENT IN PLAN ASSETS DURING THE YEAR				
Fair value of plan assets at the beginning of the year	13,934,000	13,865,000	12,175,000	11,647,000
Expected return on plan assets	308,000	356,000	336,000	312,000
Actual return less expected return on pension assets	1,035,000	42,000	793,000	379,000
Contributions paid by employers	554,000	145,000	891,000	137,000
Benefits paid	(447,000)	(447,000)	(330,000)	(300,000)
Fair value of plan assets at the end of the year	15,384,000	13,934,000	13,865,000	12,175,000
MOVEMENT IN PLAN LIABILITIES DURING THE YEAR				
Opening defined benefit obligation	18,374,000	18,534,000	18,010,000	18,150,000
Interest on scheme liabilities	399,000	476,000	482,000	486,000
Benefits paid	(447,000)	(474,000)	(330,000)	(300,000)
Changes in assumptions underlying the present value of scheme liabilities	2,033,000	(162,000)	372,000	(326,000)
CLOSING DEFINED BENEFIT OBLIGATION	20,359,000	18,374,000	18,534,000	18,010,000
DEFICIT IN THE SCHEME AT END OF THE YEAR	(4,975,000)	(4,440,000)	(4,669,000)	(5,835,000)

21 PENSIONS CONTINUED

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 the scheme liabilities. The discount rate has been calculated using iBoxx Over 15 years Corporate Bonds Index for AA rated bonds (2.2% at the balance sheet date). This has been adjusted to reflect the duration of the liabilities and the range of yields within the index.

From 1 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.

22 TRUSTEES' REMUNERATION AND EXPENSES

The directors of the company are the trustees under charity law and received no remuneration in 2021 (2020: £nil).

Reimbursement for travel and other costs in attending meetings was paid to two trustees and amounted to £463 (2020: seven individuals totalling £2,696).

All meetings were virtual during the year, so claims were for earlier periods and non-travel related expenditure.

23 OTHER COMMITMENTS

OPERATING LEASES

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

	2021 £	2020 £
LAND AND BUILDINGS		
Within one year	112,470	112,470
Two to five years	85,057	197,527
	197,527	309,997
OTHER		
Within one year	4,636	4,636
Two to five years	10,817	15,453
	15,453	20,089

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

	Notes	2021 £	2020 £
Net outgoing resources before defined benefit pension scheme charges		600,344	148,398
Contributions to the defined benefit pension scheme	20	(553,522)	(145,476)
Bank Interest Receivable		(9,000)	(10,718)
Depreciation Charges	10	28,970	33,375
Amortisation Charges	10	18,365	51,710
Decrease in Debtors		224,599	367,511
Decrease in Creditors		118,756	(286,241)
Decrease in Provisions		-	(37,330)
Net cash outflow from operating activities		428,512	121,229

25 SUBSIDIARY COMPANIES

Encams Enterprises Limited is a wholly-owned trading subsidiary of the charity (company no: 03111004). The registered office of Encams Enterprises limited is Elizabeth House, The Pier, Wigan, WN3 4EX. Its Memorandum of Association authorises the charity to appoint or remove any directors from office.

Encams Enterprises Limited traded during the year, managed commercial sponsorship packages and collected commission on commercial agreements. Encams Enterprises transfers by charitable donation all profits from its activities to Keep Britain Tidy. £25,153 was paid in 2021 (2020: nil).

The amounts included within the consolidated accounts for the subsidiary company are:

	2021 £	2020 £
Turnover	58,763	400,000
Cost of Sales	10,143	369,976
GROSS PROFIT	48,620	30,024
Administrative Expenses	-	4,871
OPERATING PROFIT /(LOSS)	48,620	25,153
Interest Receivable	-	-
PROFIT BEFORE TAX	48,620	25,153
Taxation	-	-
PROFIT AFTER TAX	48,620	25,153
Balance Brought Forward	27,165	2,012
Gift Aid Distribution	-	-
BALANCE CARRIED FORWARD	75,785	27,165
Current Assets	274,212	457,141
Current Liabilities	(198,427)	(429,976)
NET ASSETS AT 31 MARCH	75,785	27,165

26 RELATED PARTY TRANSACTIONS

During the year, the charity charged the subsidiary a total of £10,000 (2020: £150,000) in relation to services provided in running the GBSC. There were no other related party transactions during the year.

At the year end, the charity owed £124,024 to the subsidiary (2020: the subsidiary owed £349,976 to the charity). There were no other related party transactions during the year.

27 FINANCIAL INSTRUMENTS (GROUP)

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

	2021 £	2020 £
Financial Assets:		
Debt Instruments, measured at amortised cost	866,065	1,089,661
TOTAL	866,065	1,089,661
Financial Liabilities:		
Financial Liabilities, measured at amortised cost	444,370	587,017
TOTAL	444,370	587,017

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

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

ANALYSIS OF NET DEBT (GROUP)

	At 1 April 2020	Cash Flows	At 31 March 2021
Cash at Bank and in Hand	1,890,933	424,082	2,315,015

28 POST BALANCE SHEET EVENTS

A contribution of £375,000 was made in the summer towards our pension deficit (brought forward from the planned payment date of June 2022). There were no other significant post balance sheet events requiring disclosure for the period ending 31 March 2021 (2020: none).

29 FUNDS HELD AS AGENT

£67,993 is being held as an agent in relation to the National Litter Campaign for Defra.