
KEEP SCOTLAND BEAUTIFUL

CHARITY TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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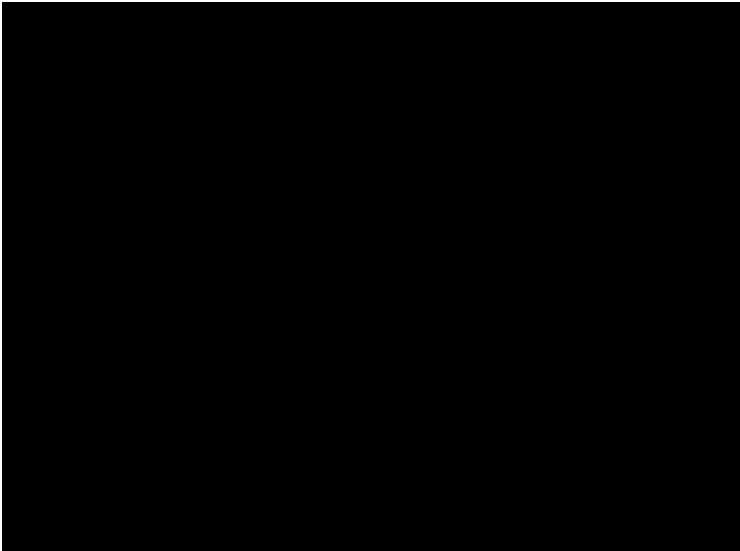
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS CHARITY TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025

Charity Trustees



Charity registered number

SC030332

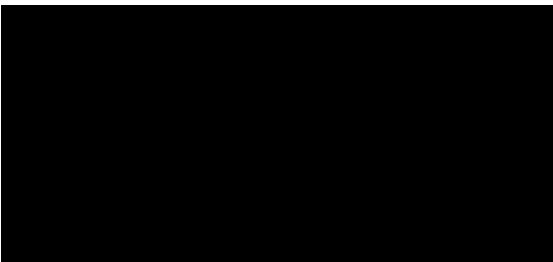
Principal office

First Floor
Glendevon House
The Castle Business Park
Stirling
FK9 4TZ

Honorary Fellows

Secretary

Executive Team



Independent auditor

AAB Audit & Accountancy Limited
Statutory Auditor
Macfarlane Gray House
Castlecraig Business Park
Springbank Road
Stirling
FK7 7WT

KEEP SCOTLAND BEAUTIFUL

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS CHARITY TRUSTEES AND
ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Bankers	Bank of Scotland 7-13 Port Street Stirling FK8 2EJ
	Virgin Money Jubilee House Gosforth Newcastle Upon Tyne NE3 4PL
Solicitors	Thomas McFarlane Suites 4 & 5 13 Main Street Milngavie Glasgow G62 6BJ

KEEP SCOTLAND BEAUTIFUL

CHARITY TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The Charity Trustees present their annual report together with the audited financial statements of Keep Scotland Beautiful (the 'charity') for the year ended 31 March 2025. The Charity Trustees confirm that the Annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

● PURPOSE

Our purposes, as contained in our Constitution are:

- To protect, conserve and enhance the environmental sustainability of Scotland and elsewhere for local people, communities, visitors and general public benefit.
- To inspire, inform, engage and educate people about the natural, built and cultural environment, promoting awareness of the ways in which it is at risk and how they can act to minimise this.
- To make use of the opportunities presented by the natural, built and cultural environment, and associated heritage, to create opportunities to advance education, promote health, provide recreation, and further citizenship and community development.

● AIM

The Charity Trustees adopted a new strategy in 2023. This document is available to all online and will be reviewed and reset during the next financial year. Our strategy reaffirms the vision of the organisation to create a clean, green sustainable Scotland by inspiring changes in behaviour and improving our environment, the quality of people's lives, their wellbeing and the places that they care for.

Our aims are derived from our purposes, and our Charity Trustees set the vision and mission statements and four strategic objectives. Working towards, and achieving these, further our purposes and provide universal public benefit.

● STRATEGIES

Our strategies for achieving our aims are through our four strategic objectives:

- Combating climate change: ensuring Scotland becomes a Net Zero Nation.
- Tackling Litter and Waste: supporting Scotland to become litter free and have a circular economy.
- Restoring nature and biodiversity: helping Scotland become nature positive.
- Improving Places: inspiring people to restore Scotland's places and their heritage.

The outcomes of our four strategic objectives are linked to the Scottish Government's National Performance Framework and United Nations Sustainable Development Goals.

Our annual Impact Report highlights our output against these objectives.

KEEP SCOTLAND BEAUTIFUL

CHARITY TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

• GRANT MAKING POLICIES

We have certain grant-making activities which have been authorised by our Charity Trustees. These are:

- Grants may be made to community groups, councils and individuals to tackle litter and flytipping.
- Grants may be made to community groups and other organisations for environmental initiatives.
- Grants may be made to schools in conjunction with the Wrigley Litter Less Campaign.

The charity has robust and comprehensive procedures and systems for the processing, assessing and approval of grant applications and for the authorisation and payment of grant funds.

• SUPPORT

We are extremely grateful to the numerous individuals and organisations that helped the charity to achieve so much benefit for communities and the environment across Scotland over the past year.

We gratefully acknowledge the significant contributions made by our partners, supporters, employees, trustees and volunteers to help achieve our charitable objectives.

Thousands of people provide outstanding and vital support across Scotland for our work as a charity. Examples include: over 35,000 people who volunteered their time to undertake litter clean-ups at a local level as part of the Spring Clean; those who serve on the charity's various advisory groups and people from the communities throughout Scotland who participate in the Climate and Nature Friendly Communities Network, Scotland's Beach Award and the Green Flag Award for parks and open spaces programmes, in particular those who give generously of their time as mentors, judges and assessors. Additionally, we have appointed three ambassadors who give their time to help raise the profile of our vision and mission.

KEEP SCOTLAND BEAUTIFUL

CHARITY TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

• Main activities undertaken to further the charity's purposes for the public benefit

Key charitable activities undertaken by us during 2024/2025 were:

- Biodiversity and nature training for individuals
- Biodiversity Action SCQF training
- Clean Up Scotland
- Climate Action Schools
- Climate Emergency Training
- Climate and Nature Friendly Communities Network (including Beautiful Scotland and It's Your Neighbourhood).
- Climate Ready Classrooms
- Cup Movement® including Borrow Cup support
- Eco-Schools Scotland
- Food and Environment (including Pocket Garden and One Planet Picnic).
- Live Lessons
- Green Flag award for parks and open spaces
- Green Key
- Highland Community Waste Partnership
- Knowledge Transfer Partnership with University of Stirling
- Local Environmental Audit and Management System (LEAMS) and Litter Management System and bespoke audits
- Local Environmental Quality Training
- National Award for Environmental Excellence®
- National Litter and Flytipping Strategy Action Plan delivery
- Our Heritage, Our Future
- Scotland's Beach Awards
- Spring Clean Scotland
- Upstream Battle®
- Young Reporters for the Environment

More details regarding our main or significant charitable activities are included in the *Achievements and Performance* section of the Strategic Report.

We continue to support action across the public, private and voluntary sectors on local, national and global sustainability issues thereby creating a greener, cleaner and more sustainable Scotland.

Achievements and performance

Our achievements and impact for 2024/2025 can be found in the published Impact Report on our website.

• POLICY

During the year April 2024 to March 2025, we continued to build and expand on our work to shape and influence legislation, policy, and practice, and have promoted and supported action across the public, private and voluntary sectors on local, national and global environmental and sustainability issues.

Our membership of Stop Climate Chaos Scotland, Scottish Environment LINK and Scottish Council for Voluntary Organisations (SCVO) have ensured that our voice is represented when responding to consultations and in key awareness raising campaigns.

We submitted responses to, or endorsed, nine consultations including the Scottish National Adaptation plan and the introduction of a charge on Single-Use Disposable Beverage Cups.

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CHARITY TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

We gave evidence to the Net Zero, Energy and Transport Committee on the Environmental Protection (single-use Vapes) Regulations 2024, and we signed up to calls for action of the Scottish and UK Governments on Deposit Return Systems, climate change and single-use plastics.

We wrote to Cabinet Secretary for Net Zero and Energy to express our disappointment that 2030 targets were being abandoned, and we welcomed Joe Fitzpatrick MSP as our Nature Champion through Scottish Environment LINK's initiative.

We wrote 52 motions, many of which were raised by MSPs in the Scottish Parliament, congratulating schools achieving Eco-School Green Flags in our 30th celebration year running the programme, and to highlight community efforts across the country.

This year we have delivered key outcomes laid out in Scotland's National Litter and Flytipping Strategy Year Two Action Plan. We worked with a number of stakeholders and representatives of local communities to deliver across five key actions – including: targeted behaviour-based interventions; empowering communities; engaging communities; developing litter data; and improving the consistency of litter data - and have updated elected members and public bodies on our progress. As part of this we updated and built on the success of the online Community Litter Hub, tested a roadside litter campaign approach in Perth and Kinross, and collated information on data gathering and sources across Scotland.

In November 2024 we published the Scottish Litter Survey 2024 tracking public perceptions and attitudes towards litter and littering behaviour and analysis of the ground litter data we record. The data has been used to position our campaigns, policy asks and to evidence the litter emergency facing Scotland.

Alongside Scottish Environment LINK, Fidra and the Marine Conservation Society we continue to provide the secretariat for the Scottish Parliament Cross-Party Group (CPG) on Circular Economy.

This year we have had the opportunity to host a number of parliamentarians at our events. At a round table hosted by The Royal Yacht Britannia Trust we welcomed the Minister for Business where the importance of sustainable tourism, and the role that Green Key Award can play, was highlighted.

As part of our support of Scottish Environment LINK's Nature for all project, we were pleased to support the Equality, Diversity and Inclusion (EDI) Fortnight 2025. We were able to contribute our experience working with the British Deaf Association and developing our Menopause Policy in two presentations and supported communications online to promote attendance at the events.

All of the work carried out across Keep Scotland Beautiful supported the ambitions of the United Nations Sustainable Development Goals. Details of the SDGs we most closely align with can be found on our website. We continue to deliver and develop the Eco-Schools Scotland programme as members of the Foundation for Environmental Education (FEE); the SDGs are embedded into the award criteria.

● TRAINING, ASSESSMENTS AND AWARDS

Climate Emergency Training

In our role as the delivery partner in Scotland of the Carbon Literacy Project we have supported more than 6,100 people to gain their Carbon Literacy certification of the Carbon Literacy Project.

We have delivered bespoke climate emergency training to a wide range of organisations and sectors including those from the tourism, construction, energy and transport sectors along with elected members and those in local government. We partnered with SAC Consulting to develop and deliver a bespoke course for the rural industries sector and delivered free training to people in East Dunbartonshire alongside East Dunbartonshire

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CHARITY TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

Council and East Dunbartonshire Voluntary Action.

Additionally, we renewed our Platinum Carbon Literacy Training Organisation status in early 2025.

This activity contributes towards Global Goal 13, Target 13.3.

Local environmental quality training

We provided training throughout the year on local environmental quality related matters, including the Local Environmental Audit and Management System (LEAMS), waste management, conflict management, fixed penalty notices and abandoned vehicles. Additionally, we launched our new Community Litter e-learning module following a successful pilot last year with communities across Scotland.

This activity contributes towards Global Goal 11, Target 11.7.

Biodiversity training

Through our SCQF accredited Biodiversity Course we have supported 109 pupils from seven local authority areas to become accredited at level 4.

This activity contributes towards Global Goal 15, Target 15.5

Environmental Housing Assessments

Linked to the National Award for Environmental Excellence®, the housing standards assessments are aimed at social housing providers throughout the country, providing a clear and consistent approach to environmental standards within housing stock. Assessments are carried out by our staff who measure and provide advice and recommendations for improvements across five different elements including internal and external management, waste management, environmental policies and community activity.

We continued our partnership with Wheatley Group, training staff and tenants in environmental standards and supporting assessments of Wheatley neighbourhoods across central and south Scotland.

We hosted a round table event for organisations active in the social housing sector to focus on the benefits and wider impacts of working collaboratively to deliver good environmental quality for local people, communities and businesses.

This activity contributes towards Global Goal 12, Target 12.6.

Green Flag Award® for parks and open spaces

The Green Flag Award® scheme rewards and recognises parks and green spaces which demonstrate excellent management and environmental standards. We currently deliver the scheme in Scotland under license from Keep Britain Tidy. Parks are assessed by volunteer judges with a background in parks management, conservation or ecology. In 2024/2025 we awarded 80 parks and green spaces with the Green Flag Award®.

This activity contributes towards Global Goal 11, Target 11.7.

LEAMS and Litter Monitoring System

Through the Local Environmental Audit Management System (LEAMS) we co-ordinate local authority audits and carry out validation audits which provide a robust overview and a dataset of more than 12,000 data points from across Scotland. In addition, we provide training, events, and support to local authorities and other public bodies. We publish the data in reports – providing a basis of the evidence and information on street cleanliness

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CHARITY TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

and local environmental quality – which are used and reported by Scottish local authorities through the Local Government Benchmarking Framework.

We continue to work with Zero Waste Scotland on the Litter Monitoring System.

This activity contributes towards Global Goal 11, Target 11.7 and Global Goal 17, Target 17.17.

National Award for Environmental Excellence®

The National Award for Environmental Excellence® provides an independent audit, assessment and accreditation process as part of an organisation's journey in environmental improvement.

We recognised Network Rail sites with a Gold level in 2024.

This activity contributes towards Global Goal 12, Target 12.6.

Green Key®

Providing a comprehensive framework for continual environmental improvement we awarded more than 40 tourism establishments, including Gleneagles, Fairmont St Andrews and Glasgow Science Centre with an International Green Key eco-certificate. Additionally, we hosted a round table, in collaboration with Green Key winner The Royal Yacht Britannia Trust, on board Fingal – sharing best practice and reaffirming the importance of sustainable tourism with key note addresses from Business Minister, Rochard Lochhead MSP and CEO of VisitScotland, [REDACTED]

This activity contributes towards Global Goal 12, Target 12.6.

Scotland's Beach Award

Scotland's Beach Award is the benchmark for quality beaches; celebrating clean, well-managed and sustainable beaches enjoyed by people across the country. Awarded beaches demonstrate excellent beach management and environmental best practice ensuring the maintenance of high standards.

In 2024, 51 beaches across Scotland were recognised with the award.

This activity contributes towards Global Goal 14, Target 14.1.

Knowledge Transfer Partnership

In January 2025, we embarked on a two-year Knowledge Transfer Partnership (KTP) with the University of Stirling, funded by Innovate UK to develop AI software for detecting litter types. Whilst the project remains in development, promotion of this work amongst stakeholders at a litter seminar in February was positively received, highlighting a real demand for innovative technology like this to help support the gathering of data intelligence to direct strategies and improve our local environment. The University of Stirling embraces KTPs as a mechanism to help solve strategic challenges, enable the application of research in real-world settings and empower associates to develop high-level skills and experience.

This activity contributes towards Global Goal 11, Target 11.7 and Global Goal 17, Target 17.17.

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CHARITY TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

● CAMPAIGNS

Spring Clean Scotland

One of Scotland's biggest mass participation events Spring Clean 2024/25 saw 45,000 people get involved in a litter picking event across Scotland – including people from 567 businesses and 339 schools. Additionally, we ran litter themed Live Lessons hosted by Eco-Schools Scotland and launched a litter league competition – which engaged 6,000 pupils - to encourage schools and youth groups to compete for a prize – collecting the most litter from their community.

This activity contributes towards Global Goal 12, Target 12.5.

Highland Community Waste Partnership

Highland Community Waste Partnership (HCWP) brought together eight organisations across the Highlands - with the aim of reducing waste across communities by changing the ways in which people consume – that is buy, use, and dispose – of things.

We delivered the final year of this three-year partnership, funded by The National Lottery Climate Action Fund, and produced a final report and legacy plan. The partnership reached 885,000 people, diverted 72 tonnes of food waste from landfill and repaired, shared upcycled or swapped almost 5,000 items.

This activity contributes towards Global Goal 12, Target 12.5.

Cup Movement®

We continued our efforts to solve Scotland's issue with single-use cups through both our own campaigns and support of others. We collaborated with Hubbub to bring the Borrow Cup scheme – an accessible returnable cup network trial - to Glasgow aiming to save 100,000 cups from landfill in just 12 weeks.

Additionally, we continued the #TakeItBack scheme in Dundee and Glasgow aiming to boost recycling rates of single-use beverage cups – recording a 12% reduction of single-use cups and a 27% return rate.

Upstream Battle®

Our award-winning campaign to tackle marine litter from source to sea, Upstream Battle®, continued to raise awareness, gathering evidence and inspiring action. With funding from the Marine Fund Scotland we were able to support a specific intervention in Irvine, collect data and support citizen science activity to allow us to create the second national Citizen Science Upstream Battle report providing a snapshot of data gathered nationally and regionally. We also launched a marine Litter Art Competition with schools across the Clyde Valley, Ayrshire and Argyll and Bute to encourage pupils to think about how litter dropped locally could travel to and damage the community and shoreline at Arrochar. We received 90 entries and the nine finalists were invited to display their entries at an event hosted by The Grab Trust in Arrochar Village Hall.

This activity contributes towards Global Goal 14, Target 14.1.

● COMMUNITY ENGAGEMENT

Climate and Nature Friendly Communities Network

Our network to support, connect and celebrate community growing projects across Scotland was joined by 233 groups across Scotland.

KEEP SCOTLAND BEAUTIFUL

CHARITY TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

We organised regional networking and celebration events and supported communities and volunteers to donate almost 200,000 volunteer hours – all of them growing more connected communities as they learn together how to transform spaces into vibrant neighbourhoods – good for growing, learning and highlighting how much they love where they live.

In 2024/2025 there were 42 volunteer assessors and judges mentoring, supporting and visiting communities as part of the network.

The community of Kinnesswood welcomed Minister for Agriculture and Connectivity, Jim Fairlie MSP and members of #TeamKSB to their village on Monday 16 June to showcase their commitment to building a climate and nature friendly community.

This activity contributes towards Global Goal 11, Global Goal 13 and Global Goal 15.

Our Heritage, Our Future

We secured Our Heritage, Our Future funding from The National Lottery Heritage Fund, with thanks to National Lottery players, to explore, record, protect and celebrate heritage and plan for future impacts including climate change.

With ongoing funding from Historic Environment Scotland throughout the development stage we led community heritage engagement in eight communities across Scotland including community heritage climate action planning, training in delivering guided tours and developing a new Heritage topic for Eco-Schools Scotland.

This activity contributes towards Global Goal 11, Target 11.4 and Global Goal 13.

• EDUCATION

Climate Action Schools

Through our Climate Action Schools (CAS) framework we continued to support Scotland's educators, children, and young people to progress Learning for Sustainability, Target 2030 and climate change education. It is inclusive and accessible to all and includes the internationally recognised Eco-Schools programme – which we celebrated 30 years of impact during 2024/2025. Our activity as part of Climate Action Schools supports Curriculum for Excellence from early years through to senior phase. 894 schools were active through the Climate Action School network.

We supported Scotland's Climate Week 2024 with a week of live lessons engaging 8,000 pupils and educators with our Climate Action Schools themed activities.

This activity contributes towards SDG 13, Target 13.3.

Eco Schools Scotland

The Eco-Schools programme is the largest sustainable education schools programme in the world and is operated internationally by the Foundation for Environmental Education (FEE). We celebrated 30 years of the programme in Scotland during 2024/2025 and as part of this, recognised 27 schools which have achieved multiple Green Flag Awards over the past three decades.

Supported by funding from the Scottish Government and part of our Climate Action Schools framework, Eco-Schools Scotland is an initiative designed to encourage whole-school community action on Learning for Sustainability and contributes to Target 2030. 877 schools were registered and active as Eco-Schools in 2024/2025 and 15,700 pupils were supported to take action as part of their eco-committee.

KEEP SCOTLAND BEAUTIFUL

CHARITY TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

The programme also supports the objectives within the UN Global Action Programme (GAP) on Education for Sustainable Development.

As part of the Eco-Schools programme, the International Green Flag Award is designed to encourage pupil-led, whole school action for the environment. It is a recognised award scheme that accredits schools that make a commitment to continuously improve environmental performance.

This activity contributes towards Global Goal 4; Target 4.7.

Live Lessons

Our series of live lessons were all accompanied by classroom activities and teaching notes and recorded for future or further use, usually culminating in a Friday assembly. Almost 18,000 participants attended our Live Lessons during 2024/2025 with themed week focuses ranging from climate action to litter and waste, global citizenship and nature to misinformation.

This activity contributes towards Global Goal 4; Target 4.7.

Climate Ready Classrooms

Our Climate Ready Classrooms project prepares young people to join a national network of carbon literate ambassadors who plan and act on climate change issues within their own schools and communities. 7,600 pupils and 211 educators from 16 local authorities were taught through our Climate Ready Classrooms programme.

All our resources have been translated into Gaelic for delivery in person and online by our Gaelic Officer.

This activity contributes towards Global Goal 13, Target 13.3.

Food and Environment

Our education work in Food and the Environment looks at the impacts of food choices on the environment and celebrates food that is good for people and the planet.

In partnership with the Garden for Life Forum, we held our annual Pocket Garden design competition for schools across Scotland. We received 130 entries from schools across 18 Scottish Local Authority areas. In the public vote more than 4,000 votes were cast for the entries.

This activity contributes towards Global Goal 4; Target 4.7.

LEAF (Learning about Forests)

Our pilot of the LEAF programme – which supports outdoor learning and hands-on experiences to help pupils gain a deeper and more involved understanding of the natural world – came to an end and funding wasn't secured to deliver in 2024/2025. However, the resources developed are still available to educators and schools across Scotland via our website.

This activity contributes towards Global Goal 4; Target 4.7.

KEEP SCOTLAND BEAUTIFUL

CHARITY TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

Young Reporters for the Environment

Our Young Reporters for the Environment (YPE) programme, coordinated internationally by FEE inspires young people (11-25) to increase knowledge and awareness of an economically, socially and environmentally just world.

In 2024/2025 we announced 12 winning entries in categories from photo, report and video campaign.

This activity contributes towards Global Goal 4; Target 4.4.

Gaelic Education

We successfully applied for a Scottish Government grant in order to translate our existing curriculum materials into Gaelic and make them available to all Gaelic Medium schools. Additionally, we developed new bespoke curriculum materials and training resources for educators in Gaelic and delivered lessons in person and online to children and educators. The Grant continued in 2024/25 allowing us to build on the relationships developed and we received more than 300 entries for our Gaelic plan name competition as part of World Gaelic Week.

This activity contributes towards Global Goal 4; Target 4.4.

● INVESTMENT PERFORMANCE

We have no material financial investments. All funds are held as cash with UK banks.

● PERFORMANCE OF MATERIAL FUNDRAISING ACTIVITIES

There were no material fundraising activities.

● FINANCIAL REVIEW

Financial review at end of reporting period

During 2024/2025 we had income of £2,325,410 and expenditure of £2,473,120. Our total funds on 31 March 2025 are £1,378,721. This end of year position reflects the timing of receipt of some restricted funding (received in advance during 2023/2024 and carried forward) and also expenditure of unrestricted designated funds for planned activity during the year (see Statement on Policy on Reserves).

● PRINCIPAL RISKS AND UNCERTAINTIES

We have a Corporate Risk Register which deals with major risks under the following categories: political, financial, legal, reputational and organisational. The Corporate Risk Register is monitored regularly by the Executive Team, the Risk and Audit Committee and ultimately the Board of Charity Trustees. The section on 'Plans for Future Periods' includes information on factors likely to be of relevance for us over the next year in relation to financial performance.

KEEP SCOTLAND BEAUTIFUL

CHARITY TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

● GOING CONCERN

The Charity Trustees continue to look carefully at risks and challenges ahead and believe that we are in a relatively strong position given our level of unrestricted reserves which is reflected in our Reserves Policy.

Charity Trustees have identified opportunities for unrestricted income and the charity is investing resources to realise these income opportunities. Charity Trustees are also reviewing opportunities for restricted grant funding from established donors. Full details of any going concern implications for the charity post year-end are noted in section 1.2 in accounting policies.

After making appropriate enquiries, the Charity Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

● STATEMENT OF POLICY ON RESERVES

We believe that identifying and managing risk is an important part of good charity governance and we control risk by means of our Corporate Risk Register process. We believe that identified risks need to be managed. Holding reserves is part of our strategy for managing the impact of an identified risk should it occur. We also aim to ensure that our reserves policy reflects guidance published by OSCR.

Our 'Statement of Policy on Reserves' is intended to explain to existing and potential funders, donors, beneficiaries and the public why we are holding a particular amount of reserves or designated funds. It is intended that this policy will give confidence to interested parties that our finances are being properly managed and will also provide an indicator of future funding needs and our overall resilience.

We are a charity with a simple structure and uncomplicated activities. For example, we have no endowed funds, no owned property, no borrowing, no defined benefit pension scheme and we do not carry out activities through a trading subsidiary.

Reserves and designated funds are required for two reasons:

- (1) to enable continuing charitable activities to be carried out
- (2) to avoid unplanned and unmanaged closure and insolvency.

Our 'Statement of Policy on Reserves' refers to 1) General Funds which are to cover Closure and Wind-Up, and Contingencies and 2) Designated Funds allocated for specific agreed activities.

We aim to maintain levels of free reserves such that they are sufficient to cover the costs associated with a managed closure and wind-up.

During the year we undertook specific activities and allocated expenditure to the designated funds for Strategic Development (continuing into 2025/2026).

● PRINCIPAL FUNDING SOURCES

Our principal funding sources are grants and donations (£1,683,465), charitable activities (£635,402) and interest on cash deposits (£6,543).

The total amount of funds is £1,378,721 of which £247,207 is restricted and £1,131,514 is unrestricted.

KEEP SCOTLAND BEAUTIFUL

**CHARITY TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

• INVESTMENT POLICY AND OBJECTIVES

Our investment policy is to restrict investments to cash deposits with UK banks. Every effort is made to secure the most favourable interest terms available. We review the market and move deposits as and when better terms are available.

Material financial investments social, environmental or ethical considerations

We have no material financial investments as our investment policy is to restrict investments to cash deposits. For ethical and probity reasons the policy requires deposits to be with UK banks.

Social investment activities

Social investment does not form a material part of our investment activities.

Fund or subsidiary undertaking materially in deficit

We have no subsidiary undertakings and none of our restricted funds is materially in deficit.

Financial effects due to significant events

There were no financial effects due to significant events during 2024/25. The ongoing effects of the high inflationary environment were and will continue to be monitored and reviewed by the Audit Committee. The Executive Team regularly provide this Committee and the Board of Charity Trustees reports on progress against budgets and any mitigation required to maintain the financial performance of the charity.

Disposing of tangible fixed assets

We have no funds which can only be realised by disposing of fixed assets or programme related investments.

Material pension liability

We do not have a material pension liability.

Structure, governance and management**• GOVERNING DOCUMENT**

We are a Scottish Charitable Incorporated Organisation (SCIO). Our governing document is our SCIO Constitution. All members of the SCIO are designated as our Charity Trustees. Our governing document does not allow employees to be Charity Trustees.

KEEP SCOTLAND BEAUTIFUL

**CHARITY TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Structure, governance and management (continued)

● RECRUITMENT AND APPOINTMENT OF CHARITY TRUSTEES AND SECRETARY

Our Charity Trustees are recruited by advertising from time to time and by direct applications from individuals for membership of the SCIO. All applications for membership are considered by our Charity Trustees. Once appointed to membership of the SCIO, the person is also appointed as a member and designated as a Charity Trustee. Our Charity Trustees hold office for three years and are eligible for re-appointment. Our Charity Trustees elect a Chair at their first meeting after each Annual General Meeting and may elect other office bearers if they think fit. At present the Chair is the only elected office bearer. Our Secretary is appointed by our Charity Trustees.

No other person or external body is entitled to appoint Charity Trustees.

We do not have corporate charity trustees.

None of our Charity Trustees holds title to property belonging to the charity or held title to property belonging to the charity during the reporting period.

No funds are held as a custodian trustee on behalf of others.

● INDUCTION AND TRAINING OF NEW CHARITY TRUSTEES

Any new Charity Trustees receive a detailed induction programme from the Chair and the Executive Team. All Charity Trustees have access to the Trustee Extranet which includes the full portfolio of organisational policies, position statements and the minutes of Board and Sub-Group meetings. Any Charity Trustee training is kept under review and provided when required.

● PAY POLICY FOR SENIOR STAFF

The remuneration of employees on our Executive Team is decided by the Remuneration Committee which also maintains oversight of all employee remuneration.

● RELATED PARTY RELATIONSHIPS

We are not part of a wider network and have no related parties or subsidiary undertakings. We are a member of key organisations: the Foundation for Environmental Education (FEE); Scottish Environment LINK; Scottish Council for Voluntary Organisations and Stop Climate Chaos Scotland.

KEEP SCOTLAND BEAUTIFUL

CHARITY TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management (continued)

• ORGANISATIONAL STRUCTURE

We are structured as a Board of Charity Trustees with two committees: the Risk & Audit Committee and the Remuneration Committee. Only our Charity Trustees are members of the committees, although our employees may be in attendance for part or all of meetings. In addition, the Charity Trustees form working groups from time to time and currently include Trading, Fundraising, Policy and Communications.

We have paid employees, the most senior of whom is the Chief Executive who reports to our Board of Charity Trustees. All our other employees report to the Chief Executive. Our most senior employees, including the Chief Executive, form our Executive Team. Our Board of Charity Trustees has responsibility for the appointment of our Chief Executive.

Decisions of strategic significance, high importance or regarding policy are taken by our Board of Charity Trustees. Day-to-day decisions are made by our Executive Team or delegated to other employees. Our Board of Charity Trustees has a scheme of delegation in place and our 'Governance Framework' contains details of the delegated powers.

Our Charity Trustees regularly complete a Governance Review following an established action plan. We will continue to uphold the highest standards of governance within the charity and have ensured that the ambition for good governance has been clearly stated within the new strategy for the charity. The Charity Trustees will continue to review governance of the charity on an ongoing basis.

Plans for future periods

Our 2023-2026 Strategy will come to an end next year however we will continue to demonstrate how our activities make a difference to people and organisations inspiring environmental action to keep Scotland beautiful. As we look to the future we will work to identify where we have room to grow and improve so we can develop a refreshed 2026-2031 strategy which will support us to do more, reach more and inspire greater action.

For now, our key strategic objectives remain to combat climate change, tackle litter and waste, restore nature and biodiversity, improve places and develop our people and organisation. With a forthcoming Scottish general election on the horizon we will engage with all parties presenting our policy priorities, for now and the future, include calling for investment for the long term, a prioritisation to tackle the litter emergency, delivery of climate and nature education for all and the provision of clean, green and sustainable community spaces for all.

In the coming year we will continue to deliver programmes that complement evolving environmental policy from both the UK and Scottish Governments and inspire environmental action with those we work with – from individuals to communities, schools, local government and the private sector.

We will continue to engage communities in practical programmes to support them in understanding the climate and nature crises and to take positive action for our environment.

We are committed to growing engagement with our 'Climate Action Schools' framework and ensuring that the Scottish Government's ambitions - including the implementation of Target 2030 Action Plan for Learning for Sustainability - are supported through the delivery of the International Eco-Schools and Young Reporters for the Environment programmes which are run internationally by the Foundation for Environmental Education (FEE) and delivered by us in Scotland. We are committed to ensuring our educational materials are translated and delivered in Gaelic where possible.

We will push forward with our work to inspire community-based heritage and environmental action through our Climate and Nature Friendly Communities Network and annual Spring Clean. And we will continue to seek long term financial support to allow us to deliver and expand our reach and impact.

KEEP SCOTLAND BEAUTIFUL

**CHARITY TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Plans for future periods (continued)

Our delivery of the Our Heritage, Our Future programme, made possible with funding secured from Historic Environment Scotland and The National Lottery Heritage Fund, with thanks to National Lottery players, will expand over the coming years.

Our assessment of our charity net zero ambition, our emissions and footprint scope and recognition of the challenges we face addressing emissions in Scope 3 continues. We are committed to developing tangible action to reduce our emissions and the emissions of those we work with in the future.

Having been a key delivery partner for the Scottish Government's National Litter and Flytipping Strategy Years 1&2 Action Plan we are now committed to delivering real action as we work closely with stakeholders to ensure actions attributed to us in the Year 3 Action plan are completed.

We aim to maintain and grow those we collaborate with in the business sector as we expand our offer of accredited training courses which sit alongside our Climate Emergency Training programme. We have seen significant growth in our work with the tourism sector as we accredit establishments with the International Green Key Award and we anticipate further opportunities in the coming year.

Our valued campaigns to engage people in collecting data and carrying out litter picks - #SpringCleanScotland and Upstream Battle® - will remain a priority and we will continue to take action and campaign to reduce the consumption of and littering of single-use items such as beverage cups and vapes through our campaigning and advocacy work and development of Cup Movement®.

To complement this data collection, we will continue to develop state of the art technology to evidence the urgent need for more targeted action across our strategic objectives and policy asks. We will look to further strengthen our Board of Charity Trustees as we recruit new members to reflect and represent modern Scotland.

In line with our values, we will continue to positively collaborate, innovate and influence, and our ambition to inspire more positive action for Scotland's environment remains unwavering.

KEEP SCOTLAND BEAUTIFUL

**CHARITY TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Statement of Charity Trustees' responsibilities

The Charity Trustees are responsible for preparing the Charity Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Charity Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Charity Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Charity Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

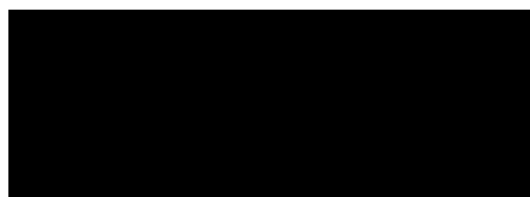
Each of the persons who are Charity Trustees at the time when this Charity Trustees' report is approved has confirmed that:

- so far as that Charity Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Charity Trustee has taken all the steps that ought to have been taken as a Charity Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, AAB Audit & Accountancy Limited, has indicated their willingness to continue in office. The designated Charity Trustees will propose a motion appointing the auditor at a meeting of the Charity Trustees.

Approved by order of the members of the board of Charity Trustees and signed on their behalf by:



KEEP SCOTLAND BEAUTIFUL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KEEP SCOTLAND BEAUTIFUL

Opinion

We have audited the financial statements of Keep Scotland Beautiful (the 'charity') for the year ended 31 March 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Charity Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

KEEP SCOTLAND BEAUTIFUL

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KEEP SCOTLAND BEAUTIFUL
(CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Charity Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Charity Trustees' report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of charity trustees

As explained more fully in the Charity Trustees' responsibilities statement, the Charity Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Charity 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 Charity Trustees are responsible for assessing the charity'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 Charity Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

KEEP SCOTLAND BEAUTIFUL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KEEP SCOTLAND BEAUTIFUL (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context was the Charities and Trustee Investment (Scotland) Act 2005.

We identified the greatest risk of material impact on the financial statements from irregularities including fraud to be:

- Management override of controls to manipulate the charity's key performance indicators to meet targets;
- Timing and completeness of revenue recognition; and
- Compliance with relevant laws and regulations which directly impact the financial statements and those that the charity needs to comply with for the purpose of its business.

Our audit procedures to respond to these risks included:

- Testing journal entries and other adjustments for appropriateness;
- Testing a sample of revenue transactions to ensure entitlement to income and recognition in the correct period;
- Enquiries of management as to actual and potential litigation and claims;
- Reviewing legal and professional fees to identify indications of actual or potential litigation, claims and any non-compliance with laws and regulations.
- Performing a disclosure checklist on the financial statements to ensure Charities and Trustee Investment (Scotland) Act 2005 requirements are satisfied;
- Analytical procedures to identify any unusual or unexpected trends or relationships; and
- Reviewing minutes of meetings of those charged with governance to identify any matters indicating actual or potential fraud.

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.

KEEP SCOTLAND BEAUTIFUL

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KEEP SCOTLAND BEAUTIFUL
(CONTINUED)**

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



AAB Audit & Accountancy Limited

Statutory Auditor
Macfarlane Gray House
Castlecraig Business Park
Springbank Road
Stirling
FK7 7WT

Date: 20 November 2025

AAB Audit & Accountancy Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

KEEP SCOTLAND BEAUTIFUL

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	1,247,129	436,336	1,683,465	1,897,907
Charitable activities	4	22,062	613,340	635,402	733,043
Investments	5	-	6,543	6,543	6,015
Total income		1,269,191	1,056,219	2,325,410	2,636,965
Expenditure on:					
Charitable activities	6	1,301,695	1,171,425	2,473,120	2,751,918
Total expenditure		1,301,695	1,171,425	2,473,120	2,751,918
Net movement in funds		(32,504)	(115,206)	(147,710)	(114,953)
Reconciliation of funds:					
Total funds brought forward		279,711	1,246,720	1,526,431	1,641,384
Net movement in funds		(32,504)	(115,206)	(147,710)	(114,953)
Total funds carried forward		247,207	1,131,514	1,378,721	1,526,431

The Statement of financial activities includes all gains and losses recognised in the year.

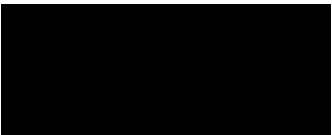
The notes on pages 26 to 41 form part of these financial statements.

KEEP SCOTLAND BEAUTIFUL

BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Current assets			
Debtors	11	375,883	662,873
Cash at bank and in hand		1,185,303	1,122,581
		<u>1,561,186</u>	<u>1,785,454</u>
Creditors: amounts falling due within one year	12	(182,465)	(259,023)
Total net assets		<u><u>1,378,721</u></u>	<u><u>1,526,431</u></u>
Charity funds			
Restricted funds	13	247,207	279,711
Unrestricted funds	13	1,131,514	1,246,720
Total funds		<u><u>1,378,721</u></u>	<u><u>1,526,431</u></u>

The financial statements were approved and authorised for issue by the Charity Trustees and signed on their behalf by:



(Chair, Board of Charity Trustees)

Date: 20 November 2025

The notes on pages 26 to 41 form part of these financial statements.

KEEP SCOTLAND BEAUTIFUL

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	16	56,179	(512,568)
Cash flows from investing activities			
Dividends, interest and rents from investments		6,543	6,015
Net cash provided by investing activities		6,543	6,015
Change in cash and cash equivalents in the year		62,722	(506,553)
Cash and cash equivalents at the beginning of the year		1,122,581	1,629,134
Cash and cash equivalents at the end of the year	17	1,185,303	1,122,581

The notes on pages 26 to 41 form part of these financial statements

KEEP SCOTLAND BEAUTIFUL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. Accounting policies**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Keep Scotland Beautiful meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared in GBP as this is the functional and presentational currency of the charity.

The following principal accounting policies have been applied:

1.2 Going concern

In common with other charitable organisations, Keep Scotland Beautiful is dependent on income from its donors, grant givers and other supporters to ensure its objectives continue to be achieved for the longer term. Income is also generated through invoiced services and training. The Charity Trustees have reviewed and updated the charity's forecasts and cash flows for any ongoing impact of current economic uncertainties and inflationary pressures including the potential impact on future income streams and activities and actions that could be taken should income reduce. The charity has good relationships with its suppliers and funders and has no reason to believe that this will not continue in the current and future years. After taking all these factors into account, the Charity Trustees are of the opinion that Keep Scotland Beautiful has and will have adequate financial resources to continue its activities for at least 12 months from when the accounts are approved and hence the accounts are prepared on a going concern basis.

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

KEEP SCOTLAND BEAUTIFUL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. Accounting policies (continued)**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Governance costs include those incurred in the governance of the charity and are primarily associated with constitutional and statutory requirements.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

The charity is registered for VAT. Under partial exemption rules, where applicable, costs and expenditure incurred are inclusive of VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

KEEP SCOTLAND BEAUTIFUL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. Accounting policies (continued)**1.9 Tangible fixed assets**

From 1 April 2005 fixed asset additions are no longer being capitalised but are being written off through the statement of financial activities in the year of purchase. This approach will be reviewed and updated should the charity purchase an asset or assets of the size and value it considers appropriate for capitalisation.

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

1.13 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

1.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Charity Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Charity Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

KEEP SCOTLAND BEAUTIFUL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Critical accounting estimates and areas of judgement

The preparation of the financial statement requires the use of certain critical accounting estimates. It also requires the charity trustees to exercise judgement in applying the charity's accounting policies. The charity trustees have reviewed these and concluded there are no areas requiring a higher degree of judgement, or complexity, and no areas where assumptions or estimates are most significant to the financial statements.

3. Income from donations and legacies

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Grants				
The Scottish Government - Programmes	410,080	403,750	813,830	998,788
Other contributions	803,056	700	803,756	851,547
	1,213,136	404,450	1,617,586	1,850,335
Donations	33,993	31,886	65,879	47,572
Total 2025	1,247,129	436,336	1,683,465	1,897,907
<i>Total 2024</i>	1,367,339	530,568	1,897,907	

4. Income from charitable activities

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Invoiced income	22,062	613,340	635,402	733,043
<i>Total 2024</i>	10,361	722,682	733,043	

KEEP SCOTLAND BEAUTIFUL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Deposit account interest	6,543	6,543	6,015
Total 2024	6,015	6,015	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total 2025 £	Total 2024 £
Invoiced income	63,746	789,432	853,178	695,333
Grant and donation funded activities	1,237,949	381,993	1,619,942	2,056,585
Total 2025	1,301,695	1,171,425	2,473,120	2,751,918
Total 2024	1,533,562	1,218,356	2,751,918	

7. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Invoiced income	680,047	173,131	853,178	695,333
Grant and donation funded activities	1,390,700	229,242	1,619,942	2,056,585
Total 2025	2,070,747	402,373	2,473,120	2,751,918
Total 2024	2,301,495	450,423	2,751,918	

KEEP SCOTLAND BEAUTIFUL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Invoiced income 2025 £	Grant and donation funded activities 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	548,007	997,280	1,545,287	1,718,109
Materials and promotions	63,152	47,470	110,622	159,598
Travel and subsistence	37,082	15,666	52,748	59,587
Postage and carriage	468	972	1,440	784
Meetings and conferences	1,063	1,432	2,495	1,813
Professional fees	15,247	18,080	33,327	23,149
Communications and marketing	14,255	18,782	33,037	37,656
Grants payable to institutions	773	291,018	291,791	300,799
Total 2025	680,047	1,390,700	2,070,747	2,301,495
<i>Total 2024</i>	<i>537,052</i>	<i>1,764,443</i>	<i>2,301,495</i>	

KEEP SCOTLAND BEAUTIFUL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Invoiced income 2025 £	Grant and donation funded activities 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	28,949	67,548	96,497	95,276
Premises and general costs	55,129	108,915	164,044	219,905
IT costs	25,788	31,937	57,725	50,444
Bank charges	497	896	1,393	1,244
Staff recruitment and training	590	5,275	5,865	14,806
Professional fees	10,353	-	10,353	16,916
Governance costs	51,825	14,671	66,496	51,832
Total 2025	<u>173,131</u>	<u>229,242</u>	<u>402,373</u>	<u>450,423</u>
<i>Total 2024</i>	<u>158,281</u>	<u>292,142</u>	<u>450,423</u>	

Governance costs include an allocation of staff costs, depending on the time spent on these activities, amounting to £45,544 (2024 - £30,521).

Grants payable to institutions

	2025 £	2024 £
Upstream Battles Primary School Art Grant	2,250	-
Broadford and Strath Community Company	54,447	53,643
Highland Good Food Partnership	15,450	15,221
Lairg and District Learning Centre	24,874	24,506
Lochaber Environmental Group	51,902	51,136
Thurso Community Development Trust	23,032	22,691
Transition Black Isle	48,927	48,203
Ullapool Community Trust	23,590	23,240
Velocity Café and Bicycle Workshop	47,319	62,159
	<u>291,791</u>	<u>300,799</u>

KEEP SCOTLAND BEAUTIFUL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

8. Auditor's remuneration

	2025 £	2024 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	22,620	21,540
Fees payable to the charity's auditor in respect of:		
Payroll and HR services	10,353	16,916
Taxation compliance services	750	-
	<u>22,620</u>	<u>21,540</u>

9. Staff costs

	2025 £	2024 £
Wages and salaries	1,417,521	1,542,173
Social security costs	135,342	150,146
Contribution to defined contribution pension schemes	134,465	151,587
	<u>1,687,328</u>	<u>1,843,906</u>

The average number of persons employed by the charity during the year was as follows:

	2025 No.	2024 No.
	46	51
	<u>46</u>	<u>51</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	-	1
In the band £80,001 - £90,000	1	1

The charity considers its key management personnel comprise the charity trustees and the executive team. The total employment benefits including employer pension contributions of the key management personnel were £218,013 (2024 - £189,240).

10. Charity Trustees' remuneration and expenses

During the year, no Charity Trustees received any remuneration or other benefits (2024 - £NIL).

KEEP SCOTLAND BEAUTIFUL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

10. Charity Trustees' remuneration and expenses (continued)

During the year ended 31 March 2025, expenses totalling £541 were reimbursed or paid directly to 1 Charity Trustee (2024 - £203 to 1 Charity Trustee).

11. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	89,030	246,688
Prepayments and accrued income	286,853	416,185
	<u>375,883</u>	<u>662,873</u>

12. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	61,147	71,399
Other taxation and social security	61,912	86,731
Other creditors	16,935	19,495
Accruals and deferred income	42,471	81,398
	<u>182,465</u>	<u>259,023</u>
	<u>2025 £</u>	<u>2024 £</u>
Deferred income at 1 April	59,865	42,129
Resources deferred during the year	18,962	53,520
Amounts released from previous periods	(58,346)	(35,784)
	<u>20,481</u>	<u>59,865</u>

The deferred income relates to income received in advance for services to be provided during 2025-26.

KEEP SCOTLAND BEAUTIFUL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
Unrestricted funds					
Designated funds					
Strategic Development Fund	16,373	-	(42,555)	95,851	69,669
General funds					
General Funds	1,230,347	1,056,219	(1,128,870)	(95,851)	1,061,845
Total Unrestricted funds	1,246,720	1,056,219	(1,171,425)	-	1,131,514
Restricted funds					
Education	47,256	318,363	(306,149)	-	59,470
Climate Action Grants	14,409	-	(14,409)	-	-
Sustainable Development Education Grants	54,035	23,597	(22,774)	-	54,858
Clean Up Scotland	-	13,500	(1,500)	-	12,000
Upstream Battle	47,753	105,874	(101,840)	-	51,787
Cup Movement	13,879	10,000	(8,402)	-	15,477
Climate Ready Classrooms	20,987	-	(20,987)	-	-
Heritage Development	31,606	589	(30,520)	-	1,675
Highland Waste Project	42,458	143,803	(166,809)	-	19,452
Highland Waste Projects Partners	-	305,313	(289,540)	-	15,773
Heritage Projects	7,328	190,276	(195,704)	-	1,900
National Litter and Fly Tipping Strategy	-	139,766	(124,951)	-	14,815
Other Restricted Donations	-	18,110	(18,110)	-	-
	279,711	1,269,191	(1,301,695)	-	247,207
Total of funds	1,526,431	2,325,410	(2,473,120)	-	1,378,721

KEEP SCOTLAND BEAUTIFUL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2023</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Balance at 31 March 2024</i> £
Unrestricted funds					
Designated funds					
Strategic Development Fund	75,000	-	(35,053)	(23,574)	16,373
General funds					
General Funds	1,076,664	1,259,265	(1,183,303)	77,721	1,230,347
Total Unrestricted funds	1,151,664	1,259,265	(1,218,356)	54,147	1,246,720

KEEP SCOTLAND BEAUTIFUL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

13. Statement of funds (continued)

	<i>Balance at 1 April 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2024</i>
	£	£	£	£	£
Restricted funds					
Education	69,797	257,028	(279,569)	-	47,256
Community Programmes	25,878	8,645	(34,523)	-	-
Climate Action Grants	37,405	-	(22,996)	-	14,409
Sustainable Development Education Grants	60,850	14,626	(21,441)	-	54,035
My Beach, Your Beach	12,984	-	(12,984)	-	-
Other Restricted Donations	54,147	18,964	(18,964)	(54,147)	-
Upstream Battle	39,936	168,344	(160,527)	-	47,753
Cup Movement	98,647	28,200	(112,968)	-	13,879
Climate Ready Classrooms	25,073	98,000	(102,086)	-	20,987
Heritage Development	25,822	9,637	(3,853)	-	31,606
Canal Heritage	12,238	7,444	(19,682)	-	-
Highland Waste Project	26,943	152,299	(136,784)	-	42,458
Highland Waste Projects Partners	-	300,799	(300,799)	-	-
Heritage Projects	-	173,870	(166,542)	-	7,328
National Litter and Fly Tipping Strategy	-	139,844	(139,844)	-	-
	<u>489,720</u>	<u>1,377,700</u>	<u>(1,533,562)</u>	<u>(54,147)</u>	<u>279,711</u>
Total of funds	<u>1,641,384</u>	<u>2,636,965</u>	<u>(2,751,918)</u>	<u>-</u>	<u>1,526,431</u>

KEEP SCOTLAND BEAUTIFUL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

14. Summary of funds

Summary of funds - current year

	Balance at April 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2025 £
Designated funds	16,373	-	(42,555)	95,851	69,669
General funds	1,230,347	1,056,219	(1,128,870)	(95,851)	1,061,845
Restricted funds	279,711	1,269,191	(1,301,695)	-	247,207
	1,526,431	2,325,410	(2,473,120)	-	1,378,721

Summary of funds - prior year

	<i>Balance at 1 April 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2024 £</i>
Designated funds	75,000	-	(35,053)	(23,574)	16,373
General funds	1,076,664	1,259,265	(1,183,303)	77,721	1,230,347
Restricted funds	489,720	1,377,700	(1,533,562)	(54,147)	279,711
	1,641,384	2,636,965	(2,751,918)	-	1,526,431

Restricted Funds

The SCIO frequently receives incoming resources in advance and retrospectively of the expenditure on the activity funded by the grant or donation. The timing of the expenditure is within the discretion of the charity. These incoming resources are restricted and allocated to the relevant fund. The restricted funds held at the end of the year are for ongoing and planned activities, in particular, education programmes and local environmental quality campaigns and community initiatives.

Unrestricted Funds

The unrestricted funds comprise one general fund and one designated fund. The General Fund contains funds to allow a planned and managed closure of the charity in the very unlikely event that this should be necessary. The reserve is sufficient to cover foreseeable costs including meeting statutory obligations to employees, paying creditors and paying any amount outstanding on the premises' lease either to termination or the next available break option, whatever comes first. The amount required for the General Fund will be calculated on a planned basis twice each year and any other times as required by circumstances. The General Fund will be partly invested and will also be used to finance planned short-term deficits in the cash budget.

The Strategic Development designated fund contains funds to finance planned commitments that cannot be met by future income alone or for significant projects that require investment, 'matched funding' or simply activities which Charity Trustees wish to undertake which have no other funding available.

KEEP SCOTLAND BEAUTIFUL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Current assets	247,207	1,313,979	1,561,186
Creditors due within one year	-	(182,465)	(182,465)
Total	<u>247,207</u>	<u>1,131,514</u>	<u>1,378,721</u>

Analysis of net assets between funds - prior year

	<i>Restricted funds 2024 £</i>	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Current assets	279,711	1,505,743	1,785,454
Creditors due within one year	-	(259,023)	(259,023)
Total	<u>279,711</u>	<u>1,246,720</u>	<u>1,526,431</u>

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net expenditure for the year (as per Statement of Financial Activities)	<u>(147,710)</u>	<u>(114,953)</u>
Adjustments for:		
Decrease/(increase) in debtors	286,990	(382,756)
Decrease in creditors	(76,558)	(8,844)
Dividends, interest and rents from investments	(6,543)	(6,015)
Net cash provided by/(used in) operating activities	<u>56,179</u>	<u>(512,568)</u>

KEEP SCOTLAND BEAUTIFUL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	58	59
Bank accounts	1,185,245	1,122,522
Total cash and cash equivalents	1,185,303	1,122,581

18. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	1,122,581	62,722	1,185,303

19. Pension commitments

Arrangements have been made for the charity to be a member of The Pensions Trust and to offer qualifying employees membership of either the Money Purchase Plan or the Flexible Retirement Plan and, subsequently, the Flexible Retirement Plan only. The arrangements in place with the Pensions Trust are a defined contribution pension scheme.

The pension charge for the period to 31 March 2025 is £134,465 (2024 - £151,587). Contributions totalling £16,935 (2024 - £19,495) were payable to the fund at 31 March 2025 and are included in creditors.

20. Indemnity Insurance

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

The annual premium was £8,061 (2024 - £16,484).

KEEP SCOTLAND BEAUTIFUL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

21. Operating lease commitments

At 31 March 2025 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	53,772	35,848
Later than 1 year and not later than 5 years	35,848	-
	<u>89,620</u>	<u>35,848</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2025 £	2024 £
Operating lease rentals	<u>42,611</u>	<u>56,422</u>