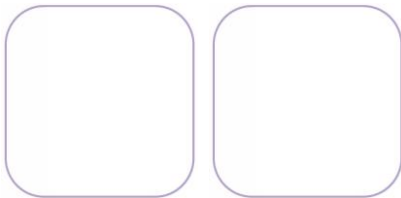


Annual Report and Financial Statements

31 March 2009

Company no. 2649156
Charity no. 1005417



Our vision

Our vision is a world where people use resources effectively, live sustainably and make a positive contribution to the environment.

Our mission

Waste Watch is a UK environmental charity working to change the way people use the world's natural resources.

We advise, educate and support people to make changes to their lives that will reduce their environmental impact and improve their quality of life.

By changing the world around us – at home, at work, in school and in our communities – we can all make a big difference. Waste Watch exists to help people make that difference.



Reference and administrative details



For the year ended 31 March 2008

| | |
|--|---|
| Status | The organisation is a charitable company limited by guarantee, incorporated on 26 September 1991 and registered as a charity on 1 November 1991. |
| Governing document | The organisation was established under a memorandum of association, which established the objects and powers of the organisation and is governed under its articles of association. |
| Company number | 2649156 |
| Charity number | 1005417 |
| Registered office and operational address | 56-64 Leonard Street London EC2A 4LT |
| Trustees | Matthew Bennett (Chair) Sue Harris (Vice Chair) Sylvia Levi (Treasurer) Andrew Lappage Peter Jones Ian Williams Julie Turner |
| Executive Director | Stewart Crocker |
| Principal bankers | Royal Bank of Scotland Plc London Belgravia Branch 24 Grosvenor Place London SW1X 7HP |
| Auditors | haysmacintyre Fairfax House 15 Fulwood Place London WC1V 6AY |



Report from the Board of Trustees



For the year ended 31 March 2009

The Board of Trustees presents its report and the audited financial statements for the year ended 31 March 2009.

Legal and administrative information set out on page 5 form part of this report. The financial statements comply with the current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005), applicable accounting standards and Companies Act 1985.

Chairman's Review

I am delighted to present this Annual Report on behalf of the Board of Trustees.

In 2008-09, we were awarded a wide range of contracts, largely on the strength of our growing reputation for quality and reliability. As well as promoting recycling and waste minimisation on behalf of local authorities through our communications, education and community engagement work, we also undertook some important research projects on resource efficiency for a number of blue chip companies.

The funds generated by these activities, coupled with support from our members and from grant-making trusts, enabled us to pilot an innovative programme to improve the long-term environmental sustainability of schools.

The success of all our activities is due in large part to the continuing hard work and commitment of our staff team. In this respect, we would particularly like to acknowledge the dedication of Peter Robinson, who resigned as Director in December 2008 after six years of loyal service.

In the same month, we were delighted to welcome Stewart Crocker as Executive Director. This change in leadership prompted us to rethink the strategic direction of Waste Watch. We are therefore in the process of developing a revised strategy – as summarised in the section on Future Plans. We believe this will enable us to increase the impact of our mission to promote sustainable resource use and to widen our funding sources, thereby reducing our financial risks.

As a measure of our commitment to delivering the strategy, the Board has decided to allocate funds to invest in building organisational capacity over the next three years.

In closing, we are most grateful to our members, partners, funders and sponsors for their continuing support and engagement. We look forward to working with you next year and beyond in our shared endeavour to promote the sustainable use of resources.

A handwritten signature in black ink, appearing to read 'M Bennett'.

Matthew Bennett
Chairman

Structure, governance and management

Waste Watch is a company limited by guarantee and a registered charity. Its governing instrument is the Memorandum and Articles of Association as adopted by the resolution passed on 18 September 1991 and subsequently revised on 16 March 2007.

Members of the Board may be nominated by members of the charity or by the resigning Board for appointment at the Annual General Meeting. The Board of Trustees may appoint a Trustee at any time during the year, such appointments lasting until the following AGM when the member is eligible for re-election. Trustees serve for four years to the relevant Annual General Meeting when they automatically retire. Retiring Trustees can be re-elected. There shall be no less than four and no more than twelve Trustees.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2009 was (2008 – 122)

Members of the Board have no beneficial interest in the group or charity.

All members of the Board have access to the advice and services of the company secretary.

At the start of the financial year the Trustees of Waste Watch were:

- Matthew Bennett Chair
- Susan Harris Vice Chair
- Sylvia Levi Treasurer
- Andrew Lappage
- Peter Jones
- Darren Henaghan (resigned on 26/09/2008)
- Julie Turner
- Ian Williams

The Board of Trustees met six times during the year. The Executive Director (or Director) attended all Board meetings and was supported, when required by the Trustees, by the Head of Finance and other members of the management team. During the year the trustees obtained independent financial and legal advice.

The Board is responsible for taking the following decisions:

- Approving the annual budget and business plan for the organisation
- Monitoring the financial performance of the organisation and ensuring that proper financial records are maintained and that annual accounts are prepared
- Reviewing the risk and any associated health and safety issues
- Approving the strategy of the organisation and ensuring that the organisation follows good governance principles in all areas of activity
- Approving the statutory appointment of auditors prior to formal approval by members at the AGM.

Waste Watch is a membership organisation, with members drawn from all sectors of the community, including small and large businesses, local authorities, national and local community organisations and individuals. All Waste Watch trustees are members of the company.

Waste Watch has one wholly owned subsidiary Waste Watch Services Ltd (WWSL), which traded throughout the year. A separate board meets to oversee the operations of WWSL. Following a

review of the activities of WWSL it was identified that all current and anticipated future activities are fully in keeping with Waste Watch's charitable objects. It was therefore resolved by the Board to make WWSL dormant at the end of March 2009 with all ongoing activities being undertaken by Waste Watch. This step is being taken for the sole purpose of reducing the administrative costs associated with running WWSL.

Induction and Training of Trustees

New Board Members are invited to an induction with the Chairman and wherever practicable with other board members. They are also given all relevant documentations including a copy of the Memorandum and Articles of Association and the Charity Commission publication: Roles and Responsibilities of a Charity Trustee.

Waste Watch Senior Management Team

| | |
|--|-----------------|
| Executive Director | Stewart Crocker |
| Head of Development | Maria Andrews |
| Head of Environmental Consultancy | Tim Burns |
| Head of Community and Education | Catherine Doran |
| Head of Communications | Sam Jarvis |
| Head of Finance | Raj Phillips |

Charitable Purpose and Public Benefit

Waste Watch's charitable purpose is to:

- a) be instrumental in raising awareness to the public about all aspects of resource management, waste recycling and sustainable consumption and production.
- b) preserve and protect the natural environment for the public benefit through programmes which promote waste reduction, re-use and recycling and the benefits of sustainable consumption and production.
- c) ensure that society at large benefits from these programmes by advancing education communication and research.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance as published by the Charity Commission in determining the activities undertaken by the charity ensuring that all sections of the community benefit from the work programmes undertaken.

The Trustees review the activities on an ongoing basis and are satisfied that the activities meet the objects of the charity.

Activities and Achievements 2009

In 2008-09, Waste Watch worked with a growing range of communities, schools, local authorities and businesses to help people adopt more sustainable lifestyles.

This year's highlights include:

Recycling

- **Working with 42 local authorities** – we communicated directly with around 200,000 residents to encourage them to reduce, reuse and recycle their waste.
- **Best practice** – we worked with WRAP to measure the performance of recycling collection schemes across different types of flats in England, leading to their flats recycling guidance.
- **Low performing areas** – we developed a pioneering targeted approach to increase recycling in low performing areas; it was trialled across ten local authorities with an average increase in participation of 11 %.
- **Compulsory recycling** – we monitored and communicated the roll out of a new compulsory kerbside recycling service in Brent, increasing participation and the tonnage of recycling collected.
- **Training** – we trained 45 collection crews and support staff to act as recycling advocates on the ground and promote the correct use of the service.
- **Partnership working** – we developed a new three-year partnership with Shanks East London and the East London Waste Authority to improve recycling levels across the region.
- **Advising corporate clients** – we undertook research for companies including Unilever, Yell Group and Mars Drinks to look at the barriers and opportunities for recycling their products.
- **Educational resources** – we produced educational resources at Waste Works – the interactive education centre we run on behalf of the Co-operative Group in Manchester – to service two interactive recycling programmes.



Waste prevention

- **Food waste doorstep** – we delivered the first Love Food Hate Waste doorstep campaign in Hereford and Worcestershire, which diverted food waste from landfill, and increased the number of ‘committed food waste reducers’ by 10 %.
- **Food waste campaigns** – we ran food waste reduction campaigns across the UK: our theatre show, Gordon le Rotter, visited 56 schools in Kent; we trained community leaders and volunteers to increase capacity in Yorkshire; and ran a high profile communications campaign across four London boroughs for Recycle Western Riverside.
- **Supporting The Big Tidy Up** – we trained 88 community leaders and gave them 183 ‘call to action’ packs; and produced 20 ‘call to action’ packs for schools, motivating 2,500 school children and staff to organise litter picks in their local area.

Sustainability

- **Sustainable schools** – we reviewed our pilot programme in a cluster of schools in Wandsworth, to enable school communities to measure, reduce and improve their environmental impact.
- **Promoting community champions** – we continued to work with Procter & Gamble on their Future Friendly Awards initiative which recognises individuals and communities who are inspiring others to live sustainably.
- **Bike generator** – we developed this new resource to demonstrate how much energy is used in the life-cycle of a product made from recycled materials, versus one made from scratch.

Sharing our knowledge and skills

- **Speaking engagements** – we delivered keynote speeches at industry events including the LARAC and Chartered Institute of Wastes Management (CIWM) conferences.
- **Sharing best practice** – we promoted best practice in waste education and outreach at the Waste Watch Education Network conference.
- **CIWM accreditation** – we received the CIWM accreditation to run the one day Waste Awareness Certificate; and extended our skills training to build capacity around sustainability for education, communications and waste professionals across all sectors.
- **Developing sector knowledge and skills** – 170 temporary positions were created through our local campaigns to promote recycling and waste prevention across England.

Financial Review

Total incoming resources for the year were £2.22m and the expenditure was £2.09m giving a net income of £129k (2007 – 2k deficit). The charitable activities generated an income of £2.1m income split between communication programmes at £1.5m and educational programmes £569k.

The trustees decided to designate £300k from general reserves for capacity building and organisational development.

Current assets totalled £1.17m with net current assets of £857k. The liquid cash balance which includes short term deposits was £458k.

Related Party Transactions

The Board noted that during the last financial year there had been two Related Party Transactions with North London Waste Authority (NLWA) with a total value of £8.5k, to deliver programmes of work on waste awareness. The relevant Trustee concerned, Andrew Lappage, did not take part in the evaluation nor on the award of this work. It was also further confirmed that the Trustee concerned did not derive any direct or indirect benefit, financial or otherwise, from this transaction.

Risk Management

The Trustees confirm that major risks to business, finance and reputation have been identified and are satisfied with the procedures that are in place to manage these risks. These procedures are reviewed annually and wherever necessary new systems established to mitigate them.

Reserves Policy

The charity's reserves policy is to maintain a three months working capital from unrestricted funds and to provide for contingent liabilities as well as to meet any gaps in funding in the year. The Trustees believe the balance of the undesignated retained reserve as shown on the balance sheet is sufficient to meet this demand.

Future Plans

Waste Watch is evolving to make the most of its contribution to a sustainable future. This is the driving force behind our decision to embark on the revised strategic direction which underpins our 2009 /10 Operational Plan.

Our aim is to increase the scope of Waste Watch's work and its influence whilst laying the foundations for sustainable growth.

Our ambition is to reposition Waste Watch as an influential, national charity at the leading edge of the movement for the sustainable use of resources, whose:

- core expertise is understanding how to affect related behavioural change; and
- philosophy is based on the firm belief that waste is a misplaced resource.

Our goals for the Financial Year 2009/10 are:

- To widen our range of activities and to increase our work in waste prevention and environmental improvement.
- To develop our revised strategy and create the supporting business plan
- To lay the foundations for increasing Waste Watch's influence by:
 - researching and developing Waste Watch's policy and position on priority issues; and
 - revising the brand, developing the web site and increasing editorial coverage.
- To create the infrastructure required to launch and deliver a revitalised membership scheme, by developing a multi-relational database and tailored benefits packages for professional members.
- To complete the first stage of building capacity to increase and to diversify our income from contract services, grant sources and corporate partnerships.
- To strengthen the organisation's governance by revising the constitution
- To enhance the contribution of the Board and to recruit additional Trustees with complementary skills and experience in line with the revised strategic direction.

Human resources

We will give high priority to nurturing the exceptional staff team spirit. We will look for opportunities for career progression linked to training and professional development.

Measuring performance

We intend to:

- Upgrade our financial management and reporting systems and related staff capacity
- Implement an integrated customer relationship management system to improve efficiencies and effectiveness
- Adopt a Total Quality Management approach to everything we do
- Select and report against a robust Environment Management System
- Be compliant with Greenmark
- Evaluate and report on the outcomes and impact of our work

Special acknowledgements

Thanks to all Waste Watch staff and volunteers for their continued commitment and hard work during 2008-9.

We would also like to thank members, sponsors, funders and other partners for financial and in-kind support, to enable us to promote sustainability to the widest possible audience. In particular, we thank the following:

Public Sector

Babergh District Council
Brighton & Hove County Council
Essex County Council
European Parliament
Gateshead Council
Government Office for London
Hampshire County Council
Herefordshire and Worcestershire Waste Partnership
Kent County Council
Local Authority Recycling Advisory Committee (LARAC)
Northamptonshire County Council
North Yorkshire Waste Partnership
Shropshire County Council
Southampton City Council
Staffordshire Moorlands District Council
Sustainable Development Commission
University of Southampton
Western Riverside Waste Authority
Waste and Resources Action Programme (WRAP)

Corporate Sector

Addis
Complypak
Cory Environmental Ltd

Hydrachill
James Lars Consultancy
London Recycling Ltd
Mars Drinks
Procter & Gamble
Shanks Waste Solutions
Thames Water
The Co-operative group
West London Waste Authority
WSP Environmental
Yellow Pages Recycling

Third Sector

Action for Sustainable Living
Envision
Ernest Cook Trust
Friends of the Earth
Geographical Association
Green Alliance
Hull Play Resource Centre Scrapstore
Keep Britain Tidy
London Community Recycling Network
Peace Child International
Resource Recovery Forum
Schlumberger Excellence in Educational Development (SEED)
The Laing Trust
Zero Waste Mann

Statement of responsibilities of the Board of Trustees

The Board of Trustees is required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the group and company and the incoming resources and application of resources, including the net income or expenditure, of the group for the year. In preparing those financial statements the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation.

The Board of Trustees is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and company and which enable them to ensure that the financial statements comply with the Companies Act 1985. The Board of

Trustees is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Trustees confirms that to the best of its knowledge there is no information relevant to the audit of which the auditors are unaware. The Board of Trustees members also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

Auditors

A resolution proposing the reappointment of haysmacintyre was passed at the AGM on 24 March 2009.

Approved by the Board of Trustees on 18 November 2009 and signed on their behalf by:



.....
Matthew Bennett (Chair)



.....
Sylvia Levi (Treasurer)



Consolidated statement of financial activities

(including income and expenditure account)

For the year ended 31 March 2009

| | General | Designated | Restricted funds | 2009 | 2008 |
|---|------------------|----------------|------------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| Incoming resources | | | | | |
| Incoming resources from charitable activities: | | | | | |
| Education programmes | 561,817 | - | 7,500 | 569,317 | 1,112,542 |
| Communication programmes | 1,521,386 | - | - | 1,521,386 | 955,937 |
| Research policy and information | - | - | - | - | 5,708 |
| Western Riverside Waste Authority | - | - | - | - | 1,259 |
| Incoming resources from generated funds: | | | | | |
| Voluntary income | 4,780 | - | - | 4,780 | 3,820 |
| Membership | 6,540 | - | - | 6,540 | 10,640 |
| Corporate sources | 44,000 | - | - | 44,000 | 40,000 |
| Investment income | 23,063 | - | - | 23,063 | 25,132 |
| Other incoming resources: | | | | | |
| Miscellaneous income Note 2 | 29,429 | - | - | 29,429 | 53,860 |
| Total incoming resources | 2,191,015 | - | 7,500 | 2,198,515 | 2,208,898 |
| Resources expended | | | | | |
| Cost of generating funds: | | | | | |
| Fundraising and development | 42,729 | - | - | 42,729 | 39,398 |
| Charitable activities: | | | | | |
| Education programmes Note 3 | 684,599 | - | 11,488 | 696,087 | 773,300 |
| Communication programmes Note 3 | 1,299,176 | - | - | 1,299,176 | 1,014,463 |
| Western Riverside Waste Authority | - | - | - | - | 353,790 |
| | 1,983,775 | - | 11,488 | 1,995,263 | 2,141,553 |
| Governance costs: Note 5 | 31,347 | - | - | 31,347 | 30,384 |
| Total resources expended | 2,057,851 | - | 11,488 | 2,069,339 | 2,211,335 |
| Net incoming/(outgoing) resources before transfers and other recognised gains/(losses) | 133,164 | - | (3,988) | 129,176 | (2,437) |
| Gross transfers between funds | (203,988) | 200,000 | 3,988 | - | - |
| Net movement in funds | (70,824) | 200,000 | - | 129,176 | (2,437) |
| Balances brought forward at 1 April | 655,688 | 100,000 | - | 755,688 | 758,123 |
| Balances carried forward at 31 March 2009 | 584,864 | 300,000 | - | 884,864 | 755,688 |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 15 to the financial statements.

Balance sheet

31 March 2009



| Note | The charity | | The group | |
|---|-------------|------------------|----------------|------------------|
| | 2009 £ | 2008 £ | 2009 £ | 2008 £ |
| Fixed assets | | | | |
| Tangible fixed assets | 9 | 28,258 | - | - |
| Investments | 10 | 1 | 1 | - |
| | | <u>28,259</u> | <u>1</u> | <u>-</u> |
| Current assets | | | | |
| Debtors | 12 | 708,319 | 382,260 | 707,020 |
| Short term deposits | | 160,000 | 502,676 | 375,579 |
| Cash at bank and in hand | | 277,359 | 83,791 | 160,000 |
| | | <u>1,145,678</u> | <u>968,727</u> | <u>1,165,418</u> |
| | | | | 1,045,693 |
| Creditors: amounts due within 1 year | 13 | <u>301,637</u> | <u>232,231</u> | <u>308,812</u> |
| | | | | 290,005 |
| Net current assets | | <u>844,041</u> | <u>736,496</u> | <u>856,606</u> |
| | | | | 755,688 |
| Net assets | 14 | <u>872,300</u> | <u>736,497</u> | <u>884,864</u> |
| | | | | 755,688 |
| Funds | | | | |
| Unrestricted funds | 15 | | | |
| Designated funds | | 300,000 | 100,000 | 300,000 |
| General funds | | 572,299 | 636,497 | 572,299 |
| Non-charitable trading funds | | - | - | 12,565 |
| | | <u>-</u> | <u>-</u> | <u>19,189</u> |
| Total funds | | <u>872,299</u> | <u>736,497</u> | <u>884,864</u> |
| | | | | <u>755,688</u> |

Approved and authorised for issues by the Board of Trustees on 18 November 2009 and signed on its behalf by

Matthew Bennett
Chair

Sylvia Levi
Treasurer

Notes to the financial statements



For the year ended 31 March 2009

1) Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 1985. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities as revised in 2005 (SORP 2005).

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Waste Watch Services Limited on a line by line basis. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented as the charitable company has taken advantage of the exemption afforded by section 230 of the Companies Act 1985 and paragraph 397 of SORP 2005.

- b) Voluntary income received by way of subscriptions, donations and gifts to the charity is included in full in the statement of financial activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.
- c) Grants are recognised in full in the statement of financial activities in the year in which they are receivable.
- d) Income generated from the supply of goods or services is included in the statement of financial activities in the period in which the supply is made.
- e) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, support costs being the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function is apportioned on the basis of staff costs

Governance costs include the costs of constitutional and statutory requirements including audit and Trustee related matters

- f) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows

| | |
|--------------------|----------------|
| Computer equipment | 3 years (33 %) |
| Motor Vehicles | 4 years (25 %) |

From April 2008 items of equipment purchased that were over £200 in value are capitalised

- g) Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of central costs.
- h) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

- i) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the term of the lease.
- j) The charitable company contributes to a money purchase pension scheme with guaranteed benefit. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contribution payable under the scheme by the charitable company. As this is a multi-employer scheme, the assets and liabilities cannot be separately identified from those of the other employers in the scheme; for this reason no assets or liability has been included within the financial statements. Further details of this scheme are disclosed in note 17.

2) Miscellaneous income

| | 2009 £ | 2008 £ |
|----------------------------|---------------|---------------|
| Rental of surplus property | 17,213 | 42,525 |
| Other sundry income | 12,216 | 8,335 |
| | <u>29,429</u> | <u>50,860</u> |

3) Charitable activities

| | Directly attributable costs | | Support Costs (Note 4) | 2009 | 2008 |
|--------------------------------------|-----------------------------|----------------|------------------------------|-------------------------|------------------|
| | Staff Costs | Other | | £ | £ |
| | £ | £ | £ | £ | £ |
| Education programmes | 387,198 | 94,524 | 214,365 | 696,087 | 773,300 |
| Communication programmes | 854,562 | 262,797 | 181,817 | 1,299,176 | 1,014,463 |
| Western Riverside Waste Authority | - | - | - | - | 353,790 |
| | <u>1,241,760</u> | <u>357,321</u> | <u>396,182</u> | <u>1,995,263</u> | <u>2,141,553</u> |

4) Support costs

| | 2009 £ | 2008 £ |
|-------------------------|-----------------------|----------------|
| Staff Costs | 195,071 | 254,511 |
| Non-staff support costs | 201,111 | 141,472 |
| Depreciation | - | 9,590 |
| | <u>396,182</u> | <u>405,573</u> |

Support costs have been allocated to charitable activities in the same proportion as staff costs for the year.

5) Governance costs

| | 2009 £ | 2008 £ |
|--|---------------|---------------|
| Legal and professional fees | 7,530 | 7,168 |
| Audit fee | 15,000 | 14,300 |
| AGM and council expenses | 471 | - |
| Directors, officers and trustees liability insurance | 1,091 | 885 |
| Attributable staff costs | 7,255 | 8,031 |
| | <u>31,347</u> | <u>30,384</u> |

6) Group net incoming resources for the year

| This is stated after charging: | 2009 £ | 2008 £ |
|--------------------------------------|-------------------|-------------------|
| Depreciation | - | 9,590 |
| Auditors' remuneration: Audit | 15,000 | 14,300 |
| Operating lease rentals: Property | 114,226 | 114,096 |
| Vehicles | - | 1,248 |
| | <u> </u> | <u> </u> |

7) Group staff costs and numbers

| | 2009 £ | 2008 £ |
|-----------------------|------------------|------------------|
| Salaries and wages | 1,335,388 | 1,373,731 |
| Social security costs | 124,049 | 125,083 |
| Pension contributions | 27,378 | 25,577 |
| | <u>1,486,815</u> | <u>1,524,391</u> |

No employee had salary and taxable benefits exceeding £60,000 in the year (2008:£nil).

The average weekly number of employees (full-time equivalent) during the year was as follows:

| | 2009 No. | 2008 No. |
|-----------------------------------|-------------|-------------|
| Education Programmes | 18 | 19 |
| Communication Programmes | 50 | 43 |
| Western Riverside Waste Authority | - | 4 |
| Management and administration | 8 | 6 |
| | <u>76</u> | <u>72</u> |

8) Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Waste Watch Services Ltd gift aids available profits to the charity and therefore has no tax charge for the year.

9) Tangible fixed assets

| The Group | Vehicles £ | Computer Equipment £ | Total £ |
|---|---------------|----------------------------|----------------|
| Cost | | | |
| Balance brought forward at 1 April 2008 | 48,506 | 84,676 | 133,182 |
| Additions during year | - | 28,258 | 28,258 |
| | <u>48,506</u> | <u>112,934</u> | <u>161,440</u> |
| At 31 March 2009 | <u>48,506</u> | <u>112,934</u> | <u>161,440</u> |
| | | | |
| Depreciation | | | |
| Balance brought forward at 1 April 2008 | 48,506 | 84,676 | 133,182 |
| Charge for the year | - | - | - |
| | <u>48,506</u> | <u>84,676</u> | <u>133,182</u> |
| At 31 March 2009 | <u>48,506</u> | <u>84,676</u> | <u>133,182</u> |
| | | | |
| Net book value | | | |
| At 31 March 2009 | <u>-</u> | <u>28,258</u> | <u>28,258</u> |
| At 31 March 2008 | <u>-</u> | <u>-</u> | <u>-</u> |
| | | | |
| The Charity | Vehicles £ | Computer equipment £ | Total £ |
| Cost | | | |
| Balance brought forward at 1 April 2008 | 48,506 | 80,993 | 129,499 |
| Additions during year | - | 28,258 | 28,258 |
| | <u>48,506</u> | <u>109,251</u> | <u>157,757</u> |
| | | | |
| Depreciation | | | |
| Balance brought forward at 1 April 2008 | 48,506 | 80,993 | 129,499 |
| Charge for the year | - | - | - |
| | <u>48,506</u> | <u>80,993</u> | <u>129,499</u> |
| At the end of the year | <u>48,506</u> | <u>80,993</u> | <u>129,499</u> |
| | | | |
| Net book value | | | |
| At 31 March 2009 | <u>-</u> | <u>28,258</u> | <u>28,258</u> |
| At 31 March 2008 | <u>-</u> | <u>-</u> | <u>-</u> |

As the fixed assets were purchased in the last month of the financial year and the amount of depreciation is considered negligible no charge for depreciation has been made for the year.

10) Investments

The charity holds the issued ordinary share capital of Waste Watch Services Limited (see note 11). This is represented by one £1 share.

11) Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Waste Watch Services Limited, a company registered in England. The main activity of the subsidiary is consultancy services. All activities have been consolidated on a line by line basis

| | 2009 £ | 2008 £ |
|--------------------------------|-----------------------|-------------------|
| Turnover | 813,346 | 1,080,827 |
| Cost of sales | <u>677,120</u> | <u>780,978</u> |
| Gross profit | 136,226 | 299,849 |
| Administrative expenses | <u>145,003</u> | <u>272,778</u> |
| Operating profit | (8,777) | 27,071 |
| Interest receivable | <u>2,152</u> | <u>2,092</u> |
| Loss on ordinary activities | (6,625) | 29,163 |
| Gift Aid to parent undertaking | <u>-</u> | <u>(28,944)</u> |
| Loss for the period | <u><u>(6,625)</u></u> | <u><u>219</u></u> |

The aggregate of the assets, liabilities and reserves was:

| | 2009 £ | 2008 £ |
|-------------|----------------------|----------------------|
| Assets | 166,583 (154,018) | 314,085 (294,895) |
| Liabilities | | |
| Funds | <u><u>12,565</u></u> | <u><u>19,190</u></u> |

12) Debtors

| | The charity | | The group | |
|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2009 £ | 2008 £ | 2009 £ | 2008 £ |
| Trade debtors | 544,524 | 133,641 | 652,544 | 353,248 |
| Due from subsidiary undertaking | 146,843 | 237,121 | - | - |
| Sundry debtors | - | 2,600 | 37,524 | 2,600 |
| Accrued income | 8,002 | - | 8,002 | 10,833 |
| Prepayments | 8,950 | 8,898 | 8,950 | 8,898 |
| | <u><u>708,319</u></u> | <u><u>382,260</u></u> | <u><u>707,020</u></u> | <u><u>375,579</u></u> |

13) Creditors: amounts due within one year

| | The charity | | The group | |
|------------------------------|----------------|----------------|----------------|----------------|
| | 2009 £ | 2008 £ | 2009 £ | 2008 £ |
| Trade creditors | 69,791 | 66,009 | 70,515 | 69,663 |
| Taxation and Social Security | 117,748 | 90,425 | 117,748 | 114,332 |
| Sundry creditors | - | 3,709 | - | 3,709 |
| Income received in advance | 67,087 | 59,963 | 67,087 | 69,869 |
| Accruals | 47,011 | 12,125 | 53,462 | 32,432 |
| | <u>301,637</u> | <u>232,231</u> | <u>308,812</u> | <u>290,005</u> |

14) Analysis of group assets between funds

| | Designated funds | Unrestricted funds £ | Total funds £ |
|--|------------------|-------------------------|------------------|
| Tangible assets | - | 28,258 | 28,258 |
| Current assets | 300,000 | 865,418 | 1,165,418 |
| Creditors | - | (308,812) | (308,812) |
| Net assets at the end of the year | <u>300,000</u> | <u>584,864</u> | <u>884,864</u> |

15) Funds

| | Balances brought forward at 01/04/08 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balances carried forward at 31/03/09 £ |
|--------------------|---|-------------------------|-------------------------|------------------|---|
| Restricted Funds | <u>-</u> | <u>7,500</u> | <u>(11,488)</u> | <u>3,988</u> | <u>-</u> |
| Designated Funds | <u>100,000</u> | <u>-</u> | <u>-</u> | <u>200,000</u> | <u>300,000</u> |
| General Funds | <u>655,688</u> | <u>2,191,015</u> | <u>(2,057,851)</u> | <u>(203,988)</u> | <u>584,864</u> |
| Total funds | <u>755,688</u> | <u>2,198,515</u> | <u>(2,069,339)</u> | <u>-</u> | <u>884,864</u> |

Restricted funds totalling £7,500 was received in the year from Earnest Cook Trust to be specifically used for Waste Watch's Sustainable Schools Programme. Projects that are funded by restricted income are closely monitored and regular reports provided to the funders and to any other partners involved in the project.

16) Analysis of group assets between funds

The group has annual commitments under operating leases expiring as follows:

| | | |
|-----------------------------|----------------------|----------------------|
| Land and buildings (group): | 2009 | 2008 |
| | £ | £ |
| Expire within one year | - | 48,911 |
| Expire in two to five years | <u>50,132</u> | <u>44,050</u> |
| | 50,132 | 92,961 |
| Vehicles (group) | <u>-</u> | <u>3,745</u> |
| | <u>50,132</u> | <u>96,706</u> |

17) Money purchase pension scheme with guaranteed benefits

Waste Watch Group participates in the Pensions Trust's Growth Plan. The Pensions Trust's Growth Plan is a multi-employer money purchase scheme with guaranteed benefits. The Scheme is funded and is not contracted out of the state scheme.

Waste Watch paid contributions at the rate of 6 % during the accounting period. Members paid contributions at the rate of 5 % during the accounting period.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. Growth Plan is a multi-employer scheme where the scheme assets are co-mingled for investment purposes and benefits are paid from the total scheme assets. Accordingly due to the nature of the plan the accounting charge for the period under FRS17 represents the employer contribution payable.

The rules of Growth Plan states that the proportion of obligatory contributions to be borne by the Member and the Member's Employer shall be determined by agreement between them. Such agreement shall require the Employer to pay part of such contributions and may provide that the Employer shall pay the whole of them.

Due to a change in statutory rules on the treatment of funding deficits when employers withdraw from a multi-employer pension scheme, if Waste Watch Group were to withdraw from the scheme after 2 September 2005, when the rules came into force, the organisation would be liable to pay a share of any deficit in the scheme calculated on a full buy-out basis. The Scheme Actuary has calculated an approximate liability as at 30 September 2008 in respect of Waste Watch Group of £23,431. A date of 30 September 2008 was chosen because this is the date at which the actuary carried out a funding update of the Growth Plan.

This liability is not provided for in these accounts as, given that there is no intention to withdraw from the scheme, there is no probable liability at the balance sheet date.