

Company number: 5908919
Charity Number: 1116699; SC041695

Permaculture Association (Britain)

Permaculture Association (Britain)
Trustees' Annual Report
for the year ended 30 June 2017

Company number

5908919

Charity numbers

England and Wales 1116699
Scotland SC041695

Registered office and operational address

Hollybush Conservation Centre, Broad Lane, Kirkstall, Leeds, LS5 3BP

Other names the charity is known by

Permaculture Association

Trustees

Trustees, who are also directors under company law, who served during the year were as follows:

Mr James Piers Taylor	Chair
Mr Philip Blandford	Treasurer
Ms Kim Glick	to 19/11/2016
Ms Viv Chamberlin-Kidd	to 25/08/2016
Mr Graham Wood	
Dr Alexander James	
Ms Cindy Stott	from 19/11/2016
Ms Jennifer Lauruol	from 19/11/2016

Company Secretary

Harriet Walsh

Key Management Personnel

Mr Andrew Goldring, Chief Executive

Bankers

Unity Trust Bank, Nine Brindleyplace, Birmingham, B1 2HB
Ecology Building Society, 7 Belton Road, Silsden, Keighley, West Yorkshire, BD20 0EE
Cooperative Bank, PO Box 25, Skelmersdale WN8 6WT
Cooperative Bank (Euro Account), St Paul's House, 8-12 Warwick Lane, London, EC3M 7BP
Triodos Bank, Deanery Road, Bristol, BS1 5AS

Auditors

Third Sector Accountancy Ltd
Holyoake House, Hanover Street,
Manchester,
M60 0AS

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The trustees present their report and the audited financial statements for the year ended 30th June 2017. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The trustees review the aims, objectives and activities of the charity each year as part of the Policy Governance process that was implemented in 2008. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it aims to serve. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set. Our work is designed to both cater for the needs of particular groups, and also to have the widest possible public benefit.

Purposes and aims

Our charitable objects as defined in our Memorandum and Articles of Association are:

- (1) (a)** to advance the education of the public in the theory and practice of permaculture, the conservation of the environment, and related subjects.
(b) to carry out research into permaculture and related subjects and to publish and disseminate the results of such research with or without charge.

- (2)** In the furtherance of these objects :
 - (a)** to research and to collect, coordinate and disseminate information about permaculture;
 - (b)** to produce, publish and develop, or cause to be produced, published and developed, information on permaculture, whether in printed, electronic, or other forms such as films and broadcasts, and whether gratuitous or for sale.
 - (c)** to promote, manage or arrange courses, hands-on training, lectures, seminars, conferences, demonstrations, exhibitions, and other means and resources so as to provide and facilitate the education of the public in the theory and practice of permaculture;

In addition, we have specified six aims, each of which has between four and seven stated outcomes:

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1. To improve access to permaculture.
2. To nurture and grow permaculture networks.
3. To enhance collaboration within permaculture and related networks.
4. To increase knowledge of the benefits of permaculture within society.
5. To develop permaculture theory and practice.
6. To build an effective and sustainable organisation.

To achieve these objects and specific aims the Permaculture Association carries out work within three broad areas of activity: **Charitable Trading** - services delivered for a fee; **Grant Funded Projects** - work carried out with support from funders and donors; and **Member Led Activities** - where we support members to carry out projects and activities under the umbrella of the organisation.

We use a range of strategies to achieve our aims and objectives, ranging from business and project planning, adoption of technology and new social engagement approaches to the use of permaculture ethics, principles and design methods. Our broad approach is well described by the outcomes set for aim 6 above "to build an effective and sustainable organisation":

1. We nurture and support leadership in every part of the organisation.
2. Members, beneficiaries and customers are served, valued and engaged through a strong focus on understanding the network and their needs.
3. Strategy and planning processes are participatory and ongoing.
4. People are valued and nurtured and able to contribute to the Association's work in many ways.
5. Our processes are well designed and managed and subject to ongoing improvement and innovation.
6. We focus on learning and manage our information and knowledge effectively.
7. We know when, why and how we are successful so that the organisation can be sustained well into the future.

This is always a work in progress, but much has been done over the last year in each of these areas. We are focused on developing our eco-entrepreneurial skills and capacities to ensure that our core services can be delivered without reliance on external funds - a key strategy to deliver our aims over the long term.

We measure success using a range of different indicators and proxies. These are presented quarterly via the Board Monitoring Report, which connects membership, financial, web, social media, project output and other data to our aims and outcomes.

Our three broad areas of activity in detail:

Charitable Trading includes:

- *Membership scheme* (1434 members, £45,544 income) Aims: Increase education, disseminate research, support network development, engage members in work of charity.

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- *Diploma in Applied Permaculture Design* (482 apprentices, 33 tutors, £21,996 income). Aims: Increase education, disseminate research, support network development, engage members in work of charity.
- *Education services* (educator membership and certification) Aims: enhance the quality and reputation of permaculture education, support educators to be effective.
- *Nine websites* - Knowledge base, Research Digest, Scotland, Wales, International, Research, IPC-UK, Blog and main site (760,000 visitors from 109 countries) Aims: Educate the public, disseminate research, engage people in the network.
- *Book sales*. Aims: Increase education and disseminate research
- *Events*. Aims: Increase education, disseminate research, support network and local project development, engage members in work of charity.

The Permaculture Association provides its services close to a cost of service price, and has a range of strategies to make its services accessible to people on low incomes.

Grant Funded Projects include:

- *Children in Permaculture Project* (six European partners over three years, started September 2015, EU Erasmus + programme). Aims: to develop child centred educational resources.
- *Permaculture International Research Network* (Lush Cosmetics). Aim: develop an international research network and website
- *Scottish LAND network* (Awards for All, Robertson Trust, Tesco's Bags For Life). Aim: to support Scottish permaculture projects to engage the public, and disadvantaged groups in particular.
- *Knowledge Exchange Enterprise in Permaculture project* - KEEP - partnership with Kingston University, and training (School for Social Entrepreneurs / Lloyds bank). Aim: to advance permaculture enterprise research and planning.
- *Permaculture Collaborative Laboratory (CoLab)* (over two years, anonymous donor). Aim: support emergence of a coherent and effective local to global permaculture network.
- *GROW Observatory* (over three years, EU Horizon 2020, University of Dundee lead partner). Aim: to support citizen science and engagement with soil health.
- *Information for Action on Climate Change* (VKR Foundation, two years starting April 2017). Aim: Develop a permaculture orientated online climate change solutions library.
- *Permaculture Ambassadors Project* (Joseph Rowntree Charitable Foundation, two years). Aim: Support people to promote permaculture and related solutions, promote wider sustainability networks and link local groups.

Member Led Activities include:

- *Permaculture Scotland* (the Permaculture Association's strategic network in Scotland, now self-financing from an annual gathering). Pursuing all Association aims.
- *Paramaethu Cymru* (the Permaculture Association's strategic network in Wales, supported by a previous donation from the Primrose Earth Awareness Trust). Pursuing all Association aims.

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- *Farming Working Group* (developing and promoting the permaculture design contribution to UK farming, initially funded from Permaculture Association reserves). Aim: increase education and research with reference to land design and agroecological methods.
- *LAND Network*. A lack of funding this year, but the 120+ projects continued to deliver excellent work at a local level.
- *People's Food Policy* (with the Landworkers alliance and other partners) Aim: to develop a grassroots policy on the future of the food system in England, with a focus on food sovereignty and agroecological practice. Now published.
- *Education Working Group*. Supporting member led work on education and guiding the Permaculture Association's strategy and work plan.
- *Diploma Working Group*. A forum for tutors, apprentices and staff, guiding the Permaculture Association's strategy and work plan
- The Permaculture Association also acts as an agent for member led projects, providing a conduit for funds to enable additional permaculture activity to be undertaken. This year, that included: £20k for Organiclea from the Cadbury's Trust, £15k for Landworkers Alliance from an anonymous donor, £5k for the Himalayan Permaculture Centre in Nepal from Rockefeller, £4k for Aranya Agricultural Alternatives from surplus from IPCUK, £2k for PermEZone, and £1.7k for Affinity Woodland Workers from a private donation. Criteria for accepting member projects are well established (since 1993) and proposals are reviewed by the Board of Trustees.

Allocation of grants

A grant of £4000 was made to the IPC India team at Aranya Agricultural Alternatives to support international scholars to attend. This was primarily from unspent scholarship money from IPC UK in 2015.

Volunteers make an enormous and vital contribution to the Permaculture Association's work. We could not achieve as much as we do without them. Volunteers work in four main areas: working groups; ambassadors; event support; and office support.

Working group volunteers include:

- Scotland - 6-7 regular people, plus website ~ 1.0 FTE
- Wales - 6-7 regular people, plus website ~ 1.0 FTE
- Farming - 4-5 regular people ~ 0.1 FTE
- Education - 5-6 regular people ~ 0.1 FTE
- Diploma - 10-12 regular people ~ 0.2 FTE
- Research - 5-6 key contributors ~ 0.1 FTE
- Permaculture CoLab project - 12 contributors (plus 1 day/ week placement) ~ 1.5 FTE
- Approximately 4.0 full time equivalents

Ambassadors number over 200, but the scheme is in its early days, so they are not yet all active. Approximately 0.2 FTE from core project volunteers.

Event support includes site crew, workshop leaders, suppliers of free materials and structures, cafe and bar crews, musicians and stewards, plus participant contributions. The national Convergence, SW Convergence, Edible Ecosystems day, Welsh, Scottish and Diploma Gatherings had well over 150 volunteer crew and stewards. Approx. 1.5 FTE.

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Office support includes regular volunteers and interns (mainly students from Bradford University). They help with image libraries, database entries, materials production, and general administration. Approx. 0.5 FTE.

Approximately 10% of members volunteer for the Association during a typical year. A conservative figure of total volunteer support is in the region of 6 full time equivalents - about the same as our paid staff (6.8 FTEs)!

Achievements and performance

The charity's main activities for 2016/17 and who the Permaculture Association worked with are described below. All its charitable activities are undertaken to further the Permaculture Association's charitable purposes for public benefit.

Charitable Trading achievements and performance

Membership, Education Services and the Diploma. Our standard activities continued to be delivered during this very busy year and we were able to support many hundreds of people via phone, email and via Diploma tutorials. 9 websites, newsletters, e-bulletins and posters collectively reached an estimated 760,000 people.

Performance: Membership numbers, recruitment levels, diploma registrations and education services have remained steady, with modest increases in most areas of work.

Events. Following on from last year's epic International Permaculture Conference and Convergence, we engaged a new Events Coordinator (Dan Hurring). He has delivered a national Convergence, Thriving Communities AGM, SW Convergence, Edible Ecosystems Day and supported a range of member led events (Scotland, Wales, Diploma). Major plans are afoot for a collaborative summit in early 2018, with over 15 organisations already working to help deliver it.

Performance: Self-financing in first year. Impressive.

Grant Funded Projects achievements and performance

- *Permaculture Collaborative Laboratory (CoLab)* (over two years, anonymous donor). Aim: support emergence of a coherent and effective local to global permaculture network. This is the project following on from the Next Big Step project that engaged hundreds of people and organisations in the run up to the International Permaculture Convergence held in the UK in 2015. Volunteers from 5 countries have assembled the key components of the CoLab and are now engaging Stewards, Technicians and project leaders to take it into the next phase of action towards a more coherent and effective local to global permaculture network.

Performance: The first phase of the project has taken longer than originally envisioned, but this has been agreed with the funder and the project has been extended by 9 months to allow for this. On track to meet overall goals.

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Children in Permaculture Project. The Permaculture Association continues to lead the Children in Permaculture (CiP) Erasmus+ (European) funded project. Eight case studies about engaging children in permaculture were created and published on the project website. These are being translated into each of the national languages (Romanian, Italian, Slovenian and Czech), and have already been downloaded 1635 times. A series of trainings, events and school visits have also been conducted.

Performance: All project milestones were achieved for the period, and monitoring reports accepted by Erasmus +.

PIRN. The Permaculture International Research Network reached 959 members, and work on the research digest, website and working groups continues.

Performance: PIRN membership increased more quickly than expected. Project milestones agreed with Lush all met and mostly exceeded. Challenges post IPC-UK to get the working groups engaged and active in the specific areas of research identified during the event.

Scottish LAND network. (Awards for All, Robertson Trust, Tesco Bags For Life). Aim: to support Scottish permaculture projects to engage the public, and disadvantaged groups in particular.

Performance: All project milestones were achieved.

GROW Observatory (over three years, EU Horizon 2020, University of Dundee lead partner). Aim: to support citizen science and engagement with soil health. We led work on the soil MOOC (massive open online course) with 2,130 participants in trial run, supported plans and actions for citizen engagement and experiments and have supported the first year of Grow development.

Performance: All project milestones achieved. Contributed well to the consortium.

Information for Action on Climate Change (VKR Foundation, two years starting April 2017). Aim: Develop a permaculture orientated online climate change solutions library. Partners engaged, initial web design completed and solutions to promote identified.

Performance: Great start, on track.

Permaculture Ambassadors Project (Joseph Rowntree Charitable Foundation, two years). Aim: Support people to promote permaculture and related solutions, promote wider sustainability networks and link local groups. Delivered a series of events and created an online portal with tools and resources for Ambassadors to use, develop and share.

Performance: slower than anticipated at the beginning, but a solid foundation laid for next phase. Funder fully supportive and pleased with progress.

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Member Led Activities achievements and performance

Scottish Gathering and website. Permaculture Scotland goes from strength to strength delivering events, maintaining the website with support from the office, and developing a range of projects in collaboration with members.

Performance: Great progress from a team of really dedicated volunteers.

Welsh Gathering and website. Wales is developing well with a gathering attracting over 50 people, more members involved in groups focussed on learning and regional network building and the appointment of a new coordinator. Cara has made a big impact with just 10 hours a week paid time, with enhanced regional networking, greater support for the working group and funds secured for network development in the next financial year.

Performance: Great progress this year with active engagement from more members.

People's Food Policy. The Association supported members and a series of partners to develop a fully comprehensive food policy for England. Detailed research, editing and meetings delivered an excellent report that has been well received. Will now move into a new phase of supporting the adoption of the policy recommendations.

Performance: A 100+ page report was produced and has been supported by over 120 organisations and networks.

A note on how performance is measured

A variety of measures are used to understand whether our charitable trading activities are successful, whether we are delivering grant funded projects as agreed with funders, and whether member led projects are going well. Common to all are financial measures - primarily monitoring planned versus actual expenditure, plus the use of online surveys, monitoring of progress towards key milestones using gantt charts, event and workshop feedback, web analytics, monitoring numbers of apprentices, members, tutors, sales, visitors, et cetera. Data is assembled by staff for review at the quarterly planning day on the Board Monitoring Report spreadsheet, synthesised by the Chief Executive and made available as a summary report (with full detail available) each quarter to the Board. All monitoring data is linked to specific aims.

As an example, for Aim 1: 'Improve access to permaculture', Outcome 1: 'People can easily access a range of information about permaculture including simple definitions and explanations of permaculture, and a comprehensive knowledge base.'

Measures include, with summary data for each quarter:

Website hits + analytics: page views: 169,413

Website users: 30,887

Knowledge base hits + analytics: 17,415

Each has a note on any actions required by staff. If within the agreed range, the traffic light is green. Exceptions - exceptionally good, or not good enough (red) are highlighted

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to the board. It is a comprehensive system that enables us to keep track of a complex range of activity delivered by a mix of staff, members and partner organisations.

Fundraising. With so many new projects already secured and starting in this period a decision was made to reduce major fundraising efforts until those projects were well established. A small number of applications were made during the year. Successful applications included the Postcode Lottery and Awards for All for work in Wales. Significant funding work will resume during this next financial year.

Significant factors affecting the charity in 2016-2017. Securing funds continues to be challenging, with a tough environment for environmental charities. Funding available for charities has not increased substantially since 2009. Membership recruitment is also challenging with no major gains this year. This may be part of a wider reduction in the UK population joining Associations and other membership based organisations. Interest in permaculture remains high, and the number of local and regional groups is stable and in places increasing, with easy availability of permaculture information online. The role of the Association is therefore changing from being the source of information for isolated practitioners to providing professional and strategic services for practitioners, groups, networks and a range of professionals. The withdrawal from the European Union has not yet affected the charity, but this will clearly have significant consequences for the future, with significant concern around Erasmus education and Horizon 2020 research programme participation.

Beneficiaries

The Permaculture Association serves the public, it's members and the wider international permaculture community. Specific projects are able to engage specific groups, for example the Scottish LAND network is able to engage disadvantaged communities in Scotland, the Ambassadors project is able to engage aspiring eco-project leaders, our events engage policy-makers or local groups, depending on how they are pitched.

We can never serve everyone, but over the range of our activities we seek to ensure that a great diversity can be included. Our plans for the Thriving Communities project will help us to reach more people in disadvantaged communities in the coming years. Permaculture is a set of fundamental skills and attitudes that most humans need to live well on a planet with finite resources and fragile eco-systems. It is therefore of critical importance to the Permaculture Association that we are able to reach and engage the widest audience.

Impact monitoring pilot project

During the year, Trustees have looked in detail at the issues and challenges of impact monitoring and have set in train a series of projects that will help to pilot methods that can be used by the Association itself and methods that will help members to measure the impact of their work at a local level. Results of the initial pilot will be available next year.

Financial review

Introduction

The accounts for this year show a large surplus of £282,103, from an income of £683,291 and expenditure of £401,188. This large surplus is made up of a restricted surplus of £316,031 and an unrestricted deficit of £33,928.

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The reason for this are two strategies that we are pursuing:

1) increasing our unrestricted, earned income through charitable trading and we have spent some funds in expectation that in the future, they will cover their costs or make a small surplus on events, diploma fees and memberships. This will mean that we can put on more events and activities in the pursuit of our charitable aims, without needing grant funding for ongoing activity.

2) searching out funders who can support us and partners to carry out particular projects that we would otherwise not be able to, or at a much slower speed. These projects are either time limited, or will have an ongoing support requirement that we can maintain ourselves. In this year, we received funding of £246,173 for the GROW project and £78,223 for Information for Action on Climate Change for activity over multiple years that will be spent over the coming years.

Following the effects of the IPC on last years accounts, this is another set of accounts that are more complicated than we have had in the past. This reflects the increasing clarity and success with which the association is pursuing different elements of its strategy.

We are taking some measured risks to increase the charitable activities we can deliver unsupported, but are also succeeding in attracting significant grant funding for one off and time limited projects. As trustees, we are confident that the organisation remains a going concern.

Significant Events

Following the International Permaculture Conference and Convergence last financial year, this year has been focused on building the legacy following the event and getting new projects underway.

Funding Sources

The Association continues to receive funds from a wide range of sources, which we continue to strive for. In this year, we received funds from:

- EU Horizon 2020 for the GROW project with the University of Dundee as lead partner (£246k).
- VKR foundation has funded the Information for Action on Climate Change project, which will span two years to create an online resource of permaculture orientated climate change solutions (£78k).
- Erasmus+ for Children in Permaculture. Following on from the success of previous projects funded by this stream, this is facilitating a long held ambition by the network to advance Permaculture education for children (£85k this year).
- An anonymous donor continues to fund the Next Big Step project, which is enabling us to continue with the CoLab project (£30k this year).
- Joseph Rowntree Charitable Trust have funded our Ambassador project, which will support permaculture members to go out and talk to groups about climate change (£30k).

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- Robertson Trust (£5.5k), Seedbed (£5k) and Tesco (£9k) have supported Permaculture Scotland in continuing to establish this geographical group and taking forward their network of projects.
- £46k received from a number of donors, mainly members to fund permaculture projects throughout the world.
- Unrestricted funding of £148k was received from events (£52k), membership fees (£46k), Diploma fees (£22k), donations, legacies and affinities (£13k) and other smaller sources including sales, admin fees and consultancy, (£15k). Picking on events and diploma fees, events represent members coming together to network and further their learning about permaculture. Diploma fees represent the combined effort of hundreds of apprentices striving to achieve this recognition of their skill and knowledge.

Principal Risks & Uncertainties

The principal financial risk to the organisation is the uncertain funding environment in which we operate. The main steps to mitigate this are: maintaining a diverse stream of funding (earned income, donations, grants, etc); and ensuring that grant funded work only adds to the core in planned, sustainable ways. This means that our core costs are always close to our core funding.

Reserves

At the end of the period, the charity held a total of £448,952 of funds. These break down as:

- £15,130 unrestricted, undesignated reserves
- £38,750 designated funds
- £395,062 of restricted funds

Free reserves at the end of the period were £31,130 (General Fund plus designated contingency)

The reserves policy of the association is to aim for 6 months running costs, assessed as half the core budget. Reserves are held to ensure the continuation of the association in the event of a significant reduction in funding. This is calculated on the core budget, rather than the whole budget as there are many activities that would be undertaken by volunteer time alone, but at a slower pace. Half the core cost for the reporting period was £72,218 which means that we have less than our aim. This is due to a conscious decision to increase expenditure to move towards a model where more charitable activities earn sufficient income to cover some or all of their costs. Over the next few years, we expect to be able to increase reserves and we will be monitoring this carefully.

Plans for the future

The Permaculture Association will continue to deliver the aims as set out above, through its three core activities - **Charitable Trading**; **Grant Funded Projects**; and **Member Led Activities** - over the coming year as specified in the strategic plan and business plan.

In terms of **Charitable Trading**, our intention is to continue to consolidate and grow existing areas, and then add new learning services in partnership with Diploma Tutors

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and the educators network and continue to develop a series of new thematic, regional and national events.

Most of our **Grant Funded Projects** - Scottish LAND network, Permaculture Co-Lab, Children in Permaculture, Information for Action on Climate Change website and GROW project will continue for at least an additional 12 months, mostly 18- 30 months. We have plenty of work lined up and are only seeking to increase funded work in the areas already identified in our funding strategy - LAND network, Thriving Communities project, Scottish and Welsh development work, and the permaculture farming programme.

In **Member Led Activities** we will work to ensure all members understand how we can support them, and seek opportunities to encourage members to take the lead on a range of activities. Additionally we will be working to further develop our governance processes and online working platforms to create a truly dynamic and participatory membership organisation.

2018 will also see a special new initiative. As a result of 'Brexit' we are now working with a range of partners to set out a bold plan for how we can use the process as an opportunity to enhance social, environmental and economic well-being over the long term - to set out a permaculture vision of the future nations in which we are working. We will be hosting a major event in March 2018.

In terms of organisational development, we will: work on Impact measurement (social and environmental); review our aims and objectives as part of our work to further develop the Association's governance processes, to include using sociocratic approaches to review our Vision, Mission and Aims with working group volunteers and members.

Structure, governance and management

Recruitment, appointment and induction of new trustees is managed by the Board's Nominations Committee. Board Members are required to be members of the Charity. Prospective board members are identified and invited to attend board meetings prior to the election process in order to meet current trustees, find out about the roles, responsibilities and approach that we take to governance. Information is given about the general roles and responsibilities and training is offered to those that require it. Prospective trustees are then recommended (or not) by the Board during the election process, which includes online proxy voting. Details of election processes are detailed in full within the Memorandum and Articles of Association. Training requirements are assessed annually and support is given for trustees to attend local training courses. All members are invited to find out about and apply to become Board members via the newsletter and e-bulletin.

The Board uses the 'Policy Governance' approach. This details four key policies that are reviewed annually: 1. Aims; 2. Board self-management; 3. Board-executive relations; and 4. Executive limitations. Policy Governance is forward facing and strategic, and provides a rigorous approach to the task of governance. In addition to reviewing the policies, Board members also undertake a series of Major and Minor discussion topics (for Board self-education), receive regular reports from the executive (that provide information detailed in policy 3), and undertake stakeholder consultation.

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The Board delegates day-to-day responsibility to the Chief Executive, who seeks to deliver the charity's aims described in policy 1, within the limitations as set out in policy 4. The Chief Executive manages staff through a series of quarterly planning days, supervision sessions and weekly stand up meetings. The emphasis is on staff self-management, open reporting, and flexible team working using an 'agile development' approach. Staff work within three main teams - Delivery (most of the Charitable Trading), Development (mostly Grant Funded and internal projects) and Communications (sales, marketing, events and communications). Staff often work in more than one team as required. Each team has a leader who keeps track of progress.

Working groups are all supported by a staff member, who ensures that they work within the limitations and towards the aims of the organisation.

Strategy, business plans and budgets are prepared by the Chief Executive in consultation with staff, volunteers, working groups and other stakeholders, and then given to the board for consideration and approval. With a clear focus on specifying the four policies, and being well informed via discussion topics, progress reports and stakeholder engagement, the board are able to balance strategic direction with effective delegation.

The organisation is a charitable company limited by guarantee, incorporated on 17th August 2006 and registered as a charity on 8th November 2006 (having first established as an unincorporated charity in 1986). The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees at 30th June 2017 was 1434 (2016: 1403). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

The Permaculture Association has no subsidiaries, with Permaculture Scotland and Paramaethu Cymru and other working groups, working as integral parts of the organisation. The Permaculture Association works in partnership with the Growing Together initiative (led by the Federation of City Farms and Community Gardens), and is a founding member of both the European Permaculture Network and Ecolise (European network of permaculture, ecovillage and transition networks). We work informally with many other charities and organisations through our funded work, at events and for occasional workshops and seminars.

Remuneration policy for key management personnel

Pay for all staff is in the range of £21,000 - £26,000 pro-rata. CEO remuneration is not currently considered to reflect the post's responsibility and the Board seeks to move towards greater remuneration as soon as funds allow. Pay rates are set within the annual budget setting process and includes a participatory all-staff pay review.

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Risk management

The Permaculture Association maintains a risk register which was updated as part of the annual review of our business plan. During the year the CEO commissioned a health and safety audit for the organisation, including a review of home working and event delivery. Trustees are satisfied that adequate systems and procedures are currently in place for the Association's work.

Statement of responsibilities of the trustees

The trustees (who are also directors of Permaculture Association (Britain) for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Permaculture Association (Britain)
Trustees' Annual Report
for the year ended 30 June 2017

Auditors

Slade & Cooper Ltd resigned as the charitable company's auditors during the year and Third Sector Accountancy Limited were appointed in their place. Third Sector Accountancy Limited have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees onand signed on their behalf by

James Piers Taylor
Chair of the Board of Trustees

Independent auditor's report to the members and the trustees of
Permaculture Association (Britain)

Opinion

We have audited the financial statements of Permaculture Association (Britain) (the 'charitable company') for the year ended 30 June 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2017 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;
- have been prepared in accordance with the requirements of the Companies Act 2006 and 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the trustees report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Independent auditor's report to the members and the trustees of
Permaculture Association (Britain)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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.

Independent auditor's report to the members and the trustees of
Permaculture Association (Britain)

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.

Patrick Morrello (Senior Statutory Auditor)
For and on behalf of Third Sector Accountancy Limited, Statutory Auditor
Holyoake House
Hanover Street
Manchester
M60 0AS

Date

Permaculture Association (Britain)
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 30 June 2017

	Note	Unrestricted funds £	Restricted funds £	Total funds 2017 £	Total funds 2016 £
Income from:					
Donations and legacies	3	58,897	26,633	85,530	73,243
Charitable activities:	4				
Charitable Trading		82,540	-	82,540	322,802
Grant Funded Projects		500	488,521	489,021	118,307
Member Led Projects		25	19,766	19,791	25,656
Investments	5	902	-	902	753
Other income: exchange gains		5,507	-	5,507	8,845
Total income		148,371	534,920	683,291	549,606
Expenditure on:					
Charitable activities:	6				
Charitable Trading		147,502	-	147,502	349,030
Grant Funded Projects		21,930	152,117	174,047	90,279
Member Led Projects		12,867	66,772	79,639	29,910
Total expenditure		182,299	218,889	401,188	469,219
Net income/(expenditure) for the year	8	(33,928)	316,031	282,103	80,387
Transfer between funds		2,315	(2,315)	-	-
Net movement in funds for the year		(31,613)	313,716	282,103	80,387
Reconciliation of funds					
Total funds brought forward		85,503	81,346	166,849	86,462
Total funds carried forward		53,890	395,062	448,952	166,849

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Permaculture Association (Britain)
Company number 05908919

Balance sheet as at 30 June 2017

	Note	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	12		-		-
Current assets					
Stock		1,467		-	
Debtors	13	5,040		6,634	
Cash at bank and in hand		598,525		296,727	
Total current assets		605,032		303,361	
Liabilities					
Creditors: amounts falling due in less than one year	14	(156,080)		(136,512)	
Net current assets			448,952		166,849
Net assets			448,952		166,849
The funds of the charity:					
Restricted income funds	16		395,062		81,346
Unrestricted income funds	17		53,890		85,503
Total charity funds			448,952		166,849

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 23 to 34 form part of these accounts.

Approved by the trustees on and signed on their behalf by:

Mr James Piers Taylor (Chair)

Mr Philip Blandford (Treasurer)

Permaculture Association (Britain)

Statement of Cash Flows
for the year ending 30 June 2017

	Note	2017 £	2016 £
Cash provided by operating activities	21	300,896	6,601
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		902	753
Cash provided by investing activities		902	753
Increase in cash and cash equivalents in the year		301,798	7,354
Cash and cash equivalents at the beginning of the year		296,727	289,373
Cash and cash equivalents at the end of the year		598,525	296,727

Permaculture Association (Britain)

Notes to the accounts for the year ended 30 June 2017

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Permaculture Association (Britain) meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

Permaculture Association (Britain)

Notes to the accounts for the year ended 30 June 2017 (continued)

Incoming resources from tax reclaims are included in the SoFA at the same time as the gift to which they relate

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e 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 Bank.

f Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

g Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

h Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.

i Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

Permaculture Association (Britain)

Notes to the accounts for the year ended 30 June 2017 (continued)

i Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated to expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

j Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Equipment	25%
-----------	-----

k Stock

Stock is included at the lower of cost or net realisable value. In general, cost is determined on a first in, first out basis. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving, and defective stocks. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

l Debtors

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

m Cash at bank and in hand

Cash at bank and cash 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.

n Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The registered office address is disclosed on page 1.

Permaculture Association (Britain)

Notes to the accounts for the year ended 30 June 2017 (continued)

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2017 £	Total 2016 £
Donations	9,713	26,633	36,346	34,852
Affinities	2,488	-	2,488	1,281
Legacies	1,000	-	1,000	
Membership Fees	45,544	-	45,544	36,855
Raffle	152	-	152	255
Total	58,897	26,633	85,530	73,243
<i>Total by fund 30 June 2016</i>	<i>63,211</i>	<i>10,032</i>	<i>73,243</i>	

4 Income from charitable activities

	Charitable Trading £	Grant Funded Projects £	Member Led Projects £	Total 2017 £	Total 2016 £
Grants	-	489,021	19,766	508,787	142,503
Shop Income and Sales	4,576	-	75	4,651	21,447
Registration & Tutorials	21,966	-	-	21,966	15,519
Events	52,470	-	(50)	52,420	284,728
Consultancy	1,622	-	-	1,622	1,153
Administration Charges	1,906	-	-	1,906	1,415
Total	82,540	489,021	19,791	591,352	466,765
<i>Total by fund 30 June 2016</i>	<i>322,802</i>	<i>118,307</i>	<i>25,656</i>	<i>466,765</i>	
	Charitable Trading £	Grant Funded Projects £	Member Led Projects £	2017 £	2016 £
Restricted Income	-	488,521	19,766	508,287	120,512
Unrestricted Income	82,540	500	25	83,065	346,253
	82,540	489,021	19,791	591,352	466,765

Permaculture Association (Britain)

Notes to the accounts for the year ended 30 June 2017 (continued)

5 Investment income

All of the charity's investment income arises from money held in interest bearing deposit accounts. All investment income is unrestricted.

6 Analysis of expenditure on charitable activities

	Charitable Activities £	Grant Funded Projects £	Member Led Projects £	Total 2017 £	<i>Total 2016</i> £
Staff costs	48,203	105,347	25,965	179,515	<i>70,407</i>
Events	34,795	9,327	1,212	45,334	<i>192,286</i>
Premises Costs	-	-	-	-	<i>1,187</i>
Administration	19,997	12,677	1,272	33,946	<i>64,508</i>
Travel and Subsistence	3,635	25,167	1,899	30,701	<i>42,613</i>
Grants (note19)	-	-	47,935	47,935	<i>3,914</i>
Legal and professional	924	-	-	924	<i>2,509</i>
Support costs (see note 7)	35,077	21,529	1,356	57,962	<i>86,990</i>
Governance costs (see note 7)	4,871	-	-	4,871	<i>4,805</i>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	147,502	174,047	79,639	401,188	469,219
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total by fund 30 June 2016</i>	<i>349,030</i>	<i>90,279</i>	<i>29,910</i>	<i>469,219</i>	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	
	Charitable Trading £	Grant Funded Projects £	Member Led Projects £	2017 £	2016 £
Restricted expenditure	-	152,117	66,772	218,889	110,099
Unrestricted expenditure	147,502	21,930	12,867	182,299	205,288
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	147,502	174,047	79,639	401,188	315,387
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Permaculture Association (Britain)

Notes to the accounts for the year ended 30 June 2017 (continued)

7 Analysis of support and governance costs

	Basis of apportionment	Support £	Governance £	Total 2017 £	Total 2016 £
Staff costs	Time spent	47,096	-	47,096	77,383
Premises Costs	Floor area	10,866	-	10,866	9,607
Audit fees	Governance	-	2,700	2,700	3,000
Accountancy services	Governance	-	1,080	1,080	300
Board Costs	Governance	-	1,091	1,091	1,505
		<u>57,962</u>	<u>4,871</u>	<u>62,833</u>	<u>91,795</u>

8 Net income/(expenditure) for the year

This is stated after charging/(crediting):

	2017 £	2016 £
Auditor's remuneration - audit fees	2,250	2,500
Auditor's remuneration - accountancy fees	900	250
	<u>2,250</u>	<u>2,500</u>

9 Staff costs

Staff costs during the year were as follows:

	2017 £	2016 £
Wages and salaries	145,306	123,250
Social security costs	-	4,102
Freelance staff costs	81,306	20,438
	<u>226,612</u>	<u>147,790</u>
Allocated as follows:		
Charitable activities	179,516	70,407
Support costs	47,096	77,383
	<u>226,612</u>	<u>147,790</u>

No employees has employee benefits in excess of £60,000 (2016: Nil).

The average number of staff employed during the period was 6 (2016: 5).

The average full time equivalent number of staff employed during the period was 5.3 (2016: 5).

The key management personnel of the charity comprise the trustees and the Chief Executive Officer. The total employee benefits of the key management personnel of the charity were £16,865 (2016: £18,203).

Permaculture Association (Britain)

Notes to the accounts for the year ended 30 June 2017 (continued)

10 Trustee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration or reimbursed expenses during the year (2016: Nil).

5 members of the management committee received travel and subsistence expenses during the year of £1,091 (2016: £884).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2016: nil).

11 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12 Fixed assets: tangible assets

Cost	Equipment £
At 1 July 2016	1,940
	<hr/>
At 30 June 2017	1,940
	<hr/> <hr/>
Depreciation	
At 1 July 2016	1,940
	<hr/>
At 30 June 2017	1,940
	<hr/> <hr/>
Net book value	
At 30 June 2017	-
	<hr/> <hr/>
<i>At 30 June 2016</i>	-
	<hr/> <hr/>

Permaculture Association (Britain)

Notes to the accounts for the year ended 30 June 2017 (continued)

13 Debtors

	2017 £	2016 £
Trade debtors	1,597	4,022
Gift Aid	3,443	1,362
Prepayments and accrued income	-	1,250
	<hr/>	<hr/>
	5,040	6,634
	<hr/> <hr/>	<hr/> <hr/>

14 Creditors: amounts falling due within one year

	2017 £	2016 £
Accruals	29,353	16,381
Deferred income	126,727	118,781
Taxation and social security costs	-	1,350
	<hr/>	<hr/>
	156,080	136,512
	<hr/> <hr/>	<hr/> <hr/>

15 Deferred income

	2017 £	2016 £
Event tickets sold in advance	7,255	9,642
Diploma fees sold in advance	119,472	109,139
	<hr/>	<hr/>
Deferred grant carried forward	126,727	118,781
	<hr/> <hr/>	<hr/> <hr/>

Permaculture Association (Britain)

Notes to the accounts for the year ended 30 June 2017 (continued)

16 Analysis of movements in restricted funds

	Balance at 1 July 2016 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2017 £
Children in Permaculture	47,805	84,625	(76,446)	-	55,984
Lush Funding	5,724	-	(5,724)	-	-
Next Big Step project	1,183	30,000	(9,467)	-	21,716
GROW	-	246,173	(23,384)	-	222,789
Joseph Rowntree Charitable trust	-	30,000	(14,964)	-	15,036
I4A	-	78,223	(6,892)	-	71,331
Scotland					-
Robertson	-	5,500	(5,500)	-	-
Seedbed	-	5,000	(985)	-	4,015
Tesco's	-	9,000	(8,755)	-	245
Supported Projects	26,634	46,399	(66,772)	(2,315)	3,946
Total	81,346	534,920	(218,889)	(2,315)	395,062

Name of restricted fund

Description, nature and purposes of the fund

Children in Permaculture	EU funding towards a wide range of education services for children
Lush Funding	Funds donated by Lush, mostly used for research
Next Big Step project	Funding for this project from anonymous donor
GROW	European citizen observatory to grow soil, grow food, and grow science
Joseph Rowntree Charitable trust	Project cost to support permaculture ambassador programme
Information for Action on Climate Change	The information on action for climate change project (I4A): building a website of simple, practical solutions to climate change that anyone anywhere can use to transform homes, communities and landscapes
Scotland	
Robertson	A network of sites that demonstrate permaculture in Scotland enabling public engagement with Scottish permaculture
Seedbed	To create a children's permaculture forest
Tesco's	To create a children's permaculture forest
Supported Projects	Donations received to pass onto specific projects

Permaculture Association (Britain)

Notes to the accounts for the year ended 30 June 2017 (continued)

17 Analysis of movement in unrestricted funds

	Balance at 1 July 2016 £	Income £	Expenditure £	Transfers £	As at 30 June 2017 £
Unrestricted Funds					
General fund	38,079	148,242	(173,506)	2,315	15,130
Designated Funds					
Cuba Income Held	6,043	-	-	-	6,043
Contingency Funds	16,000	-	-	-	16,000
Permaculture Scotland	10,126	129	(1,363)	-	8,892
Paramaethu Cymru	14,448	-	(7,430)	-	7,018
Working Group Funds	807	-	-	-	807
Total designated funds	47,424	129	(8,793)	-	38,760
Total unrestricted funds	85,503	148,371	(182,299)	2,315	53,890

Name of unrestricted fund Description, nature and purposes of the fund

General fund	General unrestricted funds held by the charity
Contingency Funds	A designated fund for potential close down costs
Cuba Income Held	Money held on behalf of Cuban PA
Permaculture Scotland	Scottish working group
Paramaethu Cymru	Welsh working group
Working Group Funds	A designated fund for Working Group costs

18 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Net current assets	15,130	38,760	395,062	448,952
Total	15,130	38,760	395,062	448,952

Permaculture Association (Britain)

Notes to the accounts for the year ended 30 June 2017 (continued)

19 Grants made to institutions

Name of institution Purpose		2017 £	2016 £
Aranya Agricultural Alternatives	Bringing scholars to the IPC in India	4,000	-
Affinity Woodland Workers Co-op	Steward Community Woodland - Dartmoor permaculture project	1,781	-
HPG Nepal	Permaculture Association in Nepal	5,316	314
Organiclea	Volunteer development project	19,400	-
PermEZone	Kenya rural development	2,090	950
Marda Permaculture Project	Palestinian Permaculture project	332	250
Soned	Rural poverty eradication in Ghana	-	2,400
Landworkers Alliance	Network Development Project	15,016	-
		<hr/>	<hr/>
		47,935	3,914
		<hr/> <hr/>	<hr/> <hr/>

20 Gifts in Kind

Every year the association depends upon thousands of hours of volunteer time, which is not permitted to be reflected in our accounts.

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

	2017 £	2016 £
Net income/(expenditure) for the year	282,103	80,387
Adjustments for:		
Dividends, interest and rents from investments	(902)	(753)
Decrease/(increase) in stock	(1,467)	-
Decrease/(increase) in debtors	1,594	55,116
Increase/(decrease) in creditors	19,568	(128,149)
	<hr/>	<hr/>
Net cash provided by operating activities	300,896	6,601
	<hr/> <hr/>	<hr/> <hr/>

Permaculture Association (Britain)

Notes to the accounts for the year ended 30 June 2017 (continued)

22 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property	
	2017	2016
	£	£
Less than one year	-	3,624
One to five years	-	604
	<hr/>	<hr/>
	-	4,228
	<hr/>	<hr/>