

Company No. 3260052  
Registered Charity No. 1064020

**TOURISM CONCERN**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2018**

THURSDAY



A11 \*A7DX94FE\* #78  
06/09/2018  
COMPANIES HOUSE

**TOURISM CONCERN**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**Contents**

COMPANY INFORMATION .....	2
TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018 .....	3
Structure, Governance and Management .....	3
Public Benefit.....	3
Objectives and activities .....	3
Achievements and performance.....	4
Reserves policy and risk management .....	8
Trustees' Responsibilities .....	8
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF TOURISM CONCERN.....	9
Responsibilities and basis of report.....	9
Independent examiner's statement .....	9
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2016 .....	10
BALANCE SHEET AS AT 31 MARCH 2016.....	11
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016.....	12-18

**TOURISM CONCERN**  
**COMPANY INFORMATION**

Incorporated as a Company Limited by Guarantee on 13 February 1995

Company Registration No : 3260052

**Directors and Board of Trustees**

Chair : Kiran Gupta

Treasurer : Luca Patrignani (Appointed on 26 February 2018)

Directors : Mr Roger Goode  
Dr Albert Kimbu  
Ann Noon  
Whitney Jade Wilkinson  
Felipe Zalamea (Resigned on 19 February 2018)  
Dr Andrew Lyon (Appointed on 26 February 2018)  
Juan Marambio Morel (Appointed on 26 February 2018)

Registered Office : Unit 35, Centrale,  
Keeley Road,  
Croydon  
CR0 1TF

Bankers : The Co-operative Bank Plc  
National Westminster Bank Plc

Independent Examiner : Anthony Epton  
Goldwins  
Chartered Accountants  
75 Maygrove Road  
London NW6 2EG

## **TOURISM CONCERN**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

The trustees, who are also directors of the charitable company for the purposes of company law, submit their annual report and the financial statements of Tourism Concern for the year ended 31 March 2018. The trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and 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).

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Tourism Concern is registered as a charity in England and Wales and incorporated as a company limited by guarantee. It is governed by its memorandum and articles of association. The management of the company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles. The trustees are elected at the Annual General Meeting (AGM); or maybe co-opted during the year and elected at the subsequent AGM. The minimum number of trustees allowed is three, the maximum is nine. Tourism Concern's Board is its governing body and it meets approximately four times per year. New Council members are invited to apply according to the needs of the organisation, taking into account existing skills on the Board. Tourism Concern aims to have a diverse Council with a broad range of skills and experience including tourism, academia, finance, fundraising, human resources, communications, management and governance. The day to day management of the charity is delegated to the Executive Director and staff.

### **PUBLIC BENEFIT**

Tourism Concern's trustees have reviewed the Charity Commission guidance on public benefit and have prepared this report with that guidance in mind. The benefits provided by Tourism Concern clearly relate to its aims. No private benefits arise from its work. Those living in destinations all too often adversely affected by tourism benefit from the organisation's work to make sure that tourism is more equitably traded and also from working in partnership with Tourism Concern to help ensure that their views on tourism development are taken into account. This work is regularly undertaken together with often marginalised groups, such as those living in poverty or women. The holidaying public, the tourism industry, students in tourism-related education and statutory bodies dealing with tourism benefit from its educational, advocacy and outreach activities.

### **OBJECTIVES AND ACTIVITIES**

Our overarching objective is to ensure that tourism always benefits local people.

#### **Influencing**

We aim to change the way that tourism is traded and developed through collaborative work with industry, government, development and other human rights NGOs. We lobby government and challenge industry to be accountable and expose serious abuses through our campaigns.

We also encourage holidaymakers to challenge their own perceptions about the cultures they visit and the real impact of their holiday. We provide tourists with information so that they can ask the

## **TOURISM CONCERN**

right questions and make informed choices when booking their holidays. Our educational resources and publications are designed to influence critical thinking and stimulate ideas.

### **Creating alternatives**

We create approaches and tools to maximise tourism benefits to local communities. We develop tools to improve industry practice and work with community-based tourism initiatives to strengthen and promote their operations.

## **ACHIEVEMENTS AND PERFORMANCE**

Over the year we continued to work on a range of educational and awareness-raising activities, which included producing reports, regular features on our website, holding events, working with industry, attending international / national conferences and lecturing at universities. We recruited new members, increased our newsletter list and increased both web visits and social media interaction. One of our key objectives is to help tourists make better decisions about their holidays by providing advice and information via our websites and social media channels. Over the year we have increased our reach further

- Web Visits
- Tourism Concern - 138,030 visitors
- Ethical Travel - 20,083 visitors
- Pageviews - Total 456,191
- Newsletter subscribers - 7380 subscribers
- Twitter followers - 5654
- Facebook likes - 10987
- Individual Members - 415
- Ethical Tour Operators Group - 28 Members
- Academic Network - 21 Members
- Volunteering Group - 5 Members
- Ethical Travel Guide listings - 212

We also developed our strategies and aims through rigorous research and consultation and produced an extensive report on Animals In Tourism, which was launched at the House of Commons; assisted in the production of a short film about Over Tourism in Barcelona; launched our workers' rights petition; and undertook research to develop our code of conduct for tour operators working with indigenous people.

It is clear that Tourism Concern is needed now more than ever. The negative impacts of tourism remain largely unchecked and are increasing – this was evident in the numerous negative media stories over the summer - from Skye to Barcelona - from Venice to Thailand over-tourism is now becoming an issue. As one of the largest industries in the world, tourism's influence is staggering. However, like many international and globalised industries, tourism can undermine human rights and sadly it is often only possible to see the damage done when communities, livelihoods and environments have already been irreparably damaged. We consistently challenge the tourism industry, tourists and the UK government to become aware of their impacts and to ensure that tourism always benefits local communities. Last year challenged the industry to improve its operations both

## **TOURISM CONCERN**

at the UNWTO and the World Travel Market as well as participating in roundtable events with those in the industry who are trying to improve their operations. We have also worked with the industry, both at large scale events such as WTM and the Responsible Travel Awards but also via our network of Ethical Tour Operators, to improve their operations and found ways to influence their supply chains to create long-term dividends to local communities as well as ensuring that their relations with their suppliers and clients are beneficial, sustainable and equal.

Over the last year we have continued to focus on making tourism better by producing and promoting our Ethical Travel Guide ([www.ethical.travel](http://www.ethical.travel)), which has a country by country guide to ethical travel issues. This is now the top of organic search in Google for anyone searching for ethical travel. We have also provided advice and information to tourists via our newsletter, and both the tourism concern and ethical travel websites. We have also arranged meetings and events that have been open to the public, such as our Sherpa film and Animals In tourism event at the House of Commons. Our focus is on practical solutions, such as the code of conduct for tour operators working with indigenous people and providing advice and support to tourists in order that they can have better and more informed choices about their holidays.

Equally, we have undertaken education and outreach by providing lectures to the 21 universities within our Academic Network - from Plymouth to York - reaching hundreds of students. We have also organised film nights and discussion evenings, conferences and social events. We also now have four active professional membership groups, the Ethical Tour Operators Group, Ethical Volunteering Organisations, Ethical Travel Partners and our Academic Network. Additionally over the year we attended or organised the following:

- **June 2017 – International Conference on Human Rights in Tourism:** Tourism Concern was among 40 international experts who organized The Roundtable Human Rights in Tourism – an international conference on Human Rights in Tourism in Frankfurt.
- **July 2017:** Tourism Concern had a strong media presence with more coverage on the issues of over tourism and the negative impacts of tourism than ever before. There have been demonstrations and grievances against tourism, not only in the major honeypots such as Barcelona and Venice but also in places such as Skye.
- **August 2017 - Unethical London:** Tourism Concern has launched its petition demanding that London hotels treat their staff decently and pay them at least the London Living Wage. The charity has been supporting and campaigning with the London Hotel Workers Branch (Unite the Union).
- **October 2017 - On the Road: the spirit of travel from the Beats to the Millennials:** In this event, the focus was on the Millennials generation and how heavily marketed the ethical gap years are. Gap-year volunteering is undertaken by many more people than ever before and it is an increasing concern. Tourism Concern spoke on the event and discussed the issues around volunteering in general.
- **November 2017 - WTM – Berlin Declaration:** At the London - World Travel Market, Tourism Concern joined a panel discussion with the world's leading tourism campaigners and professionals who contributed to launching the Berlin Declaration earlier in April.
- **November 2017 - Progress in Responsible and Sustainable Tourism for Development (Manchester):** The event was organised by Manchester Metropolitan University to celebrate the United Nations' declaration of 2017 as the 'International Year of Sustainable Tourism for

## **TOURISM CONCERN**

Development', this symposium also marks twenty-five years' provision of Tourism Management higher education at Manchester Metropolitan University. Tourism Concern was invited to spoke about it online Ethical Travel Guide.

- **December 2017 - Animals in Tourism Report:** In December Tourism Concern successfully launched the Animals in Tourism Report at the House of Commons with over 70 people in attendance. The evening was hosted by Steve Reed MP and speakers included industry leaders who emphasised the need for a greater understanding of the issues and why the work of Tourism Concern was so important.
- **March 2018 - II Global Forum on Sustainable Tourism**

## **ACTIVITY PLANNED FOR 2018/19**

Promote our film "Casas sin familias". With 30 million tourists descending on Barcelona each year, vastly outnumbered, 1.6 million residents face increasing challenges. Renowned for its' warm welcome, Barcelona wrestles with this complex issue, caught between a desire to receive tourists and a fierce determination to preserve the daily way of life. But with residents facing intimidation to leave their homes to make way for tourist apartments, frustrations are increasing. 'Casas sin familias' follows the story of Santi who works tirelessly to protect the housing rights of others while facing his own imminent eviction.

Seminário Internacional Turismo e Direitos num Mapa de Contradições: Tourism Concern will be at The "Seminário Internacional Turismo e Direitos num Mapa de Contradições" next week (12 & 13 June) in São Paulo, Brazil. The focus will be to discuss the relationship between tourism and human rights. The event brings together experts not only from tourism but from areas such as sociology, psychology, education, diversity, public policy and urbanism.

### **Reports planned for 2018/19**

The impacts of Airbnb business model on sustainable tourism development - Following concerns expressed by both partner organisations and members, Tourism Concern has identified an urgent need to understand better how the Airbnb model impacts the tourism industry. The growing prevalence of Airbnb in the global accommodation market, it is vital to understand better how this business model supports sustainable tourism development.

Proper practice guidelines - Indigenous Peoples and Tourism Code of Conduct: Businesses, including tour operators, remain unaccountable when working with Indigenous Communities and on their territories. Tourism Concern has therefore identified the pressing need to produce proper practice guidelines to be used by UK tour operators internationally to support in navigating the cultural, social, economic and political complexities associated with developing and operating tourism initiatives that are on or near indigenous land, or which otherwise impact on indigenous communities. This document highlights good practice principles and discusses the challenges in applying these principles in practice.

Campaigns: Worker's Right – Unethical London, Anti-Slavery in the Hospitality Sector, and Modern Slavery & Human Rights in tourism supply chains.

## **TOURISM CONCERN**

### **TREASURER'S REPORT**

Despite charity giving dropping across the sector, Tourism Concern increased both Membership income and income from donations, resulting in revenue of £73,254, which was similar to previous years. However, we reduced our support costs by around 50%, which resulted in a surplus of £3,419, compared to a loss of £16,483 in the previous year. This leaves us with £9,184 in balances, which is per our reserves policy.

The attached report has more detail but key points are:

- Total Income - £73,254 (up 1.3%)
  - Individual Membership (not including any gift aid claimed) - £28,097 (up 1%)
  - Ethical Tour Operators Group - £10,465 (down 34%)
  - Grant income - £12,900 (down 26%)
  - Donations - £17,262 (up 115%)
- Expenses - £69,835 (down 18%)
  - Staff costs (inc consultancy) £53,781 (down 6%)
  - Support costs £5,963 (down 44%)
  - Governance costs £1,670 (down 3%)
  - Fundraising costs £992 (down 52%)
  - Executive Director costs (including NI and pension) £34,635 (down 17%)

For part of the year, we employed the Campaigns Manager via a consultancy, Nudge Factory, who also supply office space and support costs. This enabled us to reduce both staffing and support costs considerably. This arrangement was in place until the end of the financial year, but will cease in 2018/19 when staff will be employed directly; although Tourism Concern will still have office space provided by Nudge Factory in Croydon.

Raising funds for Tourism Concern has always been difficult and attracting grant funding for our work is tough. We are therefore particularly grateful to the *Margaret Hayman Charitable Trust* and the *Morel Trust*, who funded us in the year. Growing the Membership has always been the aim; however it is unlikely that the charity will ever get to a point where it can be solely funded via Members. However the charity does start 2018/19 in a good position - we have replenished our reserves, reduced liabilities and now have dedicated office space, which enables us to utilise volunteers and interns better. The website manages the memberships automatically, reducing admin cost further. Our work programme for 2018/19 can be delivered within budget, and we expect to end the next year with a surplus.

To save costs both the Tourism Concern and Ethical Travel websites were built in-house and whilst both function very well, it is clear that if we are to grow the Ethical Travel website this needs to be built professionally so that the administration and management of listings is automated further. This is expected to cost on the region of £20,000 and we are currently seeking sponsorship to help with this.



## **TOURISM CONCERN**

### **RESERVES POLICY AND RISK MANAGEMENT**

The Trustees recognise that control and management of risks is of crucial importance in ensuring the organisation's future. The Trustees have deemed it prudent to have unrestricted funds (free reserves) held by the charity of at least three months of resources expended (including fixed salary costs), which equates to approximately £9,000.

### **TRUSTEES' RESPONSIBILITIES**

Company and charity 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 surplus or deficit of the company for that period.

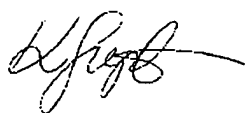
In preparing those financial statements, the trustees have:

- selected suitable accounting policies and apply them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

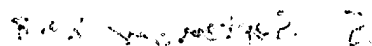
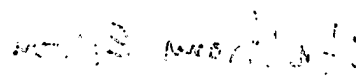
The trustees have overall responsibility for ensuring that the company has an appropriate system of controls, financial or otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees on 17th June 2018 and signed on its behalf, by:



.....  
Kiran Gupta  
**CHAIR**



## **TOURISM CONCERN**

### **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF TOURISM CONCERN**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2018.

#### **Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

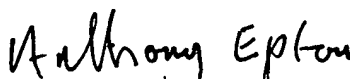
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

  
**Anthony Epton BA FCA CTA FCIE**  
Goldwins  
Chartered Accountants  
75 Maygrove Road  
London NW6 2EG

*5 September 2018*

**Tourism Concern**  
**Statement of financial activities**  
**For the year ended 31 March 2018**

	Note	Unrestricted £	Restricted £	2018 Total £	2017 Total £
<b>Income from:</b>					
Donations and legacies	3	17,262	-	17,262	8,016
Charitable activities	4	40,997	-	40,997	45,497
Other trading activities	5	14,994	-	14,994	18,772
Investments	6	-	-	-	3
<b>Total income</b>		<b>73,254</b>	<b>-</b>	<b>73,254</b>	<b>72,288</b>
<b>Expenditure on:</b>					
Raising funds	7	1,130	-	1,130	2,780
Charitable activities		68,705	-	68,705	85,999
<b>Total expenditure</b>		<b>69,835</b>	<b>-</b>	<b>69,835</b>	<b>88,780</b>
<b>Net income / (expenditure) before net gains / (losses) on investments</b>		<b>3,419</b>	<b>-</b>	<b>3,419</b>	<b>(16,493)</b>
Net gains / (losses) on investments		-	-	-	-
<b>Net income / (expenditure) for the year</b>	8	<b>3,419</b>	<b>-</b>	<b>3,419</b>	<b>(16,492)</b>
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>3,419</b>	<b>-</b>	<b>3,419</b>	<b>(16,492)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		5,765	-	5,765	22,257
<b>Total funds carried forward</b>		<b>9,184</b>	<b>-</b>	<b>9,184</b>	<b>5,765</b>

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The attached notes form part of these financial statements.

**Tourism Concern**  
**Balance sheet**  
**As at 31 March 2018**

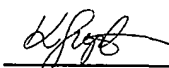
	Note	2018 £	2018 £	2017 £	2017 £
<b>Fixed assets:</b>					
Tangible assets	10		-		-
			-		-
<b>Current assets:</b>					
Debtors	11	3,309		3,054	
Cash at bank and in hand		6,655		4,986	
		<u>9,964</u>		<u>8,040</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	12	<u>780</u>		<u>2,275</u>	
<b>Net current assets / (liabilities)</b>			<u>9,184</u>		<u>5,765</u>
<b>Total assets less current liabilities</b>			<u>9,184</u>		<u>5,765</u>
Creditors: amounts falling due after one year			-		-
<b>Total net assets / (liabilities)</b>			<u><u>9,184</u></u>		<u><u>5,765</u></u>
<b>The funds of the charity:</b>	14				
Restricted funds			-		-
Unrestricted funds:					
General funds		<u>9,184</u>		<u>5,765</u>	
Total unrestricted funds			<u>9,184</u>		<u>5,765</u>
<b>Total charity funds</b>			<u><u>9,184</u></u>		<u><u>5,765</u></u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 and members have not required the charitable company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and 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).

Approved by the trustees on 17th June 2018  
and signed on their behalf by:



Name: Kiran Gupta

Trustees

Company registration no. 3260052

The attached notes form part of the financial statements.

**Tourism Concern**  
**Notes to the financial statements**  
**For the year ended 31 March 2018**

---

**1 Accounting policies**

**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) and the Companies Act 2006.

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

**b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was not required. The transition date was 1 April 2016.

**c) Going concern**

The trustees consider that there are no material uncertainties about Tourism Concern's ability to continue as a going concern. Key judgements that the charitable company has made which have a significant effect on the accounts include [estimating the liability from multi-year grant commitments]. 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 amounts of assets and liabilities within the next reporting period.

**d) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that 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. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

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.

**e) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation 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), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, 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.

**f) 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.

**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.

**Tourism Concern**  
**Notes to the financial statements**  
**For the year ended 31 March 2018**

---

**1 Accounting policies (continued)**

**h) Expenditure and irrecoverable VAT**

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:

- Costs of raising funds comprise of trading costs and the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**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 and governance costs which support Tourism Concern's charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

**j) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**k) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £200. 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:

Office equipment	33% straight line
------------------	-------------------

**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 bank 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.

**p) Pensions**

The charity operate stakeholder pension schemes.

**Tourism Concern**  
**Notes to the financial statements**  
**For the year ended 31 March 2018**

**2 Detailed comparatives for the statement of financial activities**

	2017 Unrestricted £	2017 Restricted £	2017 Total £
<b>Income from:</b>			
Donations and legacies	8,016	-	<b>8,016</b>
Charitable activities	45,497	-	<b>45,497</b>
Other trading activities	18,772	-	<b>18,772</b>
Investments	3	-	<b>3</b>
<b>Total income</b>	<b>72,288</b>	<b>-</b>	<b>72,288</b>
<b>Expenditure on:</b>			
Raising funds	2,780	-	<b>2,780</b>
Charitable activities	85,999	-	<b>85,999</b>
<b>Total expenditure</b>	<b>88,780</b>	<b>-</b>	<b>88,780</b>
<b>Net income / expenditure before gains / (losses) on investments</b>	<b>(16,492)</b>	<b>-</b>	<b>(16,492)</b>
Net gains / (losses) on investments	-	-	-
<b>Net income / expenditure</b>	<b>(16,492)</b>	<b>-</b>	<b>(16,492)</b>
Transfers between funds	-	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>	<b>(16,492)</b>	<b>-</b>	<b>(16,492)</b>
<b>Net movement in funds</b>	<b>(16,492)</b>	<b>-</b>	<b>(16,492)</b>
Total funds brought forward	22,257	-	<b>22,257</b>
<b>Total funds carried forward</b>	<b>5,765</b>	<b>-</b>	<b>5,765</b>

**Tourism Concern**  
**Notes to the financial statements**  
**For the year ended 31 March 2018**

**3 Income from donations and legacies**

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Donations	17,262		17,262	8,016
	17,262	-	17,262	8,016

**4 Income from charitable activities**

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Joffe Foundation		-	-	1,000
CAFOD		-	-	5,000
Margaret Hayman Trust	10,000	-	10,000	10,000
Morel Trust	2,000		2,000	-
Maple Trust		-	-	1,000
Buckingham Trust	900	-	900	500
Memberships	28,097	-	28,097	27,997
	40,997	-	40,997	45,497

**5 Income from other trading activities**

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Ethical Tour Operators Group Subscriptions	10,465	-	10,465	14,050
Educational	4,286	-	4,286	4,695
Other	244	-	244	27
	14,994	-	14,994	18,772

**6 Income from investments**

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Bank interest	-	-	-	3
	-	-	-	3



**Tourism Concern**  
**Notes to the financial statements**  
**For the year ended 31 March 2018**

**7 Analysis of expenditure**

	<b>Cost of raising funds</b>	<b>Charitable activities</b>	<b>Support costs</b>	<b>Governance costs</b>	<b>2018 Total</b>	<b>2017 Total</b>
	£	£	£	£	£	£
Staff costs (Note 9)	-	42,741	-	-	<b>42,741</b>	57,031
Consultancy	-	11,040	-	-	<b>11,040</b>	-
Fundraising and membership	992	-	-	-	<b>992</b>	2,081
<b>Direct costs</b>						
Travelling and subsistence	-	1,886	-	-	<b>1,886</b>	1,307
Postage	-	43	-	-	<b>43</b>	311
Volunteer Costs	-	158	-	-	<b>158</b>	703
GIVS	-	350	-	-	<b>350</b>	3,600
Campaigning costs	-	2,497	-	-	<b>2,497</b>	745
Ethical Travel Guide	-	300	-	-	<b>300</b>	3,600
Alleppey project	-	600	-	-	<b>600</b>	-
Education and Outreach	-	726	-	-	<b>726</b>	5,442
<b>Administration expenses</b>						
AGM / Annual Report	-	-	91	-	<b>91</b>	13
Bank charges	-	-	-	1,526	<b>1,526</b>	752
IT expenses	-	-	1,197	-	<b>1,197</b>	2,566
Legal & Insurance	-	-	351	-	<b>351</b>	445
Office Expenses	-	-	-	-	<b>-</b>	531
Printing, postage & stationery	-	-	1,620	-	<b>1,620</b>	5,210
Rent	-	-	295	-	<b>295</b>	984
Telephone & Internet	-	-	440	-	<b>440</b>	856
Travel	-	-	-	-	<b>-</b>	70
Trustee Expenses	-	-	-	223	<b>223</b>	222
Website	-	-	1,917	-	<b>1,917</b>	1,561
Independent examiner fees	-	-	-	780	<b>780</b>	750
Other	-	-	62	-	<b>62</b>	-
	<b>992</b>	<b>60,341</b>	<b>5,973</b>	<b>2,529</b>	<b>69,835</b>	<b>88,780</b>
Support costs	97	5,876	(5,973)	-	-	-
Governance costs	41	2488	-	(2,529)	-	-
<b>2018 total</b>	<b>1,130</b>	<b>68,705</b>	<b>-</b>	<b>-</b>	<b>69,835</b>	<b>88,780</b>
2017 expenditure	2,392	73,989	10,675	1,724		
Support costs	334	10,340	(10,675)	-		
Governance costs	54	1,670	-	(1,724)		
<b>2017 total</b>	<b>2,780</b>	<b>85,999</b>	<b>-</b>	<b>-</b>		

Support and governance costs were allocated pro rata to total direct costs.

Of the total expenditure, £69,385 was unrestricted (2017: £88,780) and £Nil was restricted (2017: Nil).

**Tourism Concern**  
**Notes to the financial statements**  
**For the year ended 31 March 2017**

**8 Net income / (expenditure) for the year**

This is stated after charging / (crediting):

	<b>2018</b>	2017
	<b>£</b>	<b>£</b>
Independent examiner fee	<u>780</u>	<u>750</u>

**9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management**

Staff costs were as follows:

	<b>2018</b>	2017
	<b>£</b>	<b>£</b>
Salaries and wages	39,589	52,159
Social security costs	546	2,085
Employer's contribution to defined contribution pension schemes	<u>2,605</u>	<u>2,787</u>
	<u><b>42,741</b></u>	<u><b>57,031</b></u>

No employee earned more than £60,000 during the year (2017: nil).

The total employee benefits including pension and national insurance contributions of the key management personnel were £34,635 (2017: £42,031).

The trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2017: £nil). No trustees received payment for professional or other services supplied to the charity (2017: £nil).

**10 Tangible fixed assets**

	Office equipment £	<b>Total £</b>
<b>Cost</b>		
At the start of the year	24,510	<b>24,510</b>
Additions in year	-	-
Disposals in year	-	-
At the end of the year	<u>24,510</u>	<u><b>24,510</b></u>
<b>Depreciation</b>		
At the start of the year	24,510	<b>24,510</b>
Charge for the year	-	-
Eliminated on disposal	-	-
At the end of the year	<u>24,510</u>	<u><b>24,510</b></u>
<b>Net book value</b>		
At the end of the year	<u>-</u>	<u>-</u>
At the start of the year	<u>-</u>	<u>-</u>

All of the above assets are used for charitable purposes.

**Tourism Concern**  
**Notes to the financial statements**  
**For the year ended 31 March 2017**

**11 Debtors**

	<b>2018</b>	2017
	<b>£</b>	£
Other debtors	3,309	3,054
	<b>3,309</b>	<b>3,054</b>

**12 Creditors: amounts falling due within one year**

	<b>2018</b>	2017
	<b>£</b>	£
Other creditors	780	2,275
	<b>780</b>	<b>2,275</b>

**13 Analysis of net assets between funds**

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	-	-	-
Net current assets	9,184	-	-	<b>9,184</b>
<b>Net assets at the end of the year</b>	<b>9,184</b>	<b>-</b>	<b>-</b>	<b>9,184</b>

**14 Movements in funds**

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
<b>Unrestricted funds</b>					
General funds	5,765	73,254	(69,835)	-	9,184
<b>Total unrestricted funds</b>	<b>5,765</b>	<b>73,254</b>	<b>(69,835)</b>	<b>-</b>	<b>9,184</b>
<b>Total funds</b>	<b>5,765</b>	<b>73,254</b>	<b>(69,835)</b>	<b>-</b>	<b>9,184</b>

**17 Operating lease commitments**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Equipment <b>2018</b>	2017
	<b>£</b>	£
Less than 1 year	-	2,808
1 - 5 years	-	-
	<b>-</b>	<b>2,808</b>

**18 Related party transactions**

The charity has no related party transactions during the year. (2017: Nil)