KEEP BERMUDA BEAUTIFUL

Inspiring Community



ANNUAL REPORT 2023

GRASS ROOTS

KBB was formed as a sub-committee of the Garden Club of Bermuda sixty years ago and became a registered charity in 1966.
KBB is one of the oldest environmental non-profit organisations in Bermuda and, thanks to the community's support, our impact reaches far and wide.

OUR MISSION

To engage individuals to take greater responsibility in reducing waste and eliminating litter through action and education.

OUR VISION

KBB is Leading the way to a cleaner, greener and healthier Bermuda for all.

OUR FOCUS

KBB endeavours to change behaviour and improve the community through a focus on litter prevention, waste reduction and beautification. As a leader in community improvement, KBB is guided by the principles of education, individual responsibility, community partnerships and volunteer action.

OUR OBJECTIVES & CAMPAIGNS

To work collaboratively with multiple stakeholders to achieve our mission and objectives; address Bermuda's littering issues, illegal dumping and ocean pollution; and bring about positive change.

SOMPO INTERNATIONAL

THANK YOU TO SOMPO INTERNATIONAL FOR PRINTING THE 2023 ANNUAL REPORT



KBB litter lessons and activities with students increased by 50% in 2023. Good waste management habits and positive attitudes towards caring for the environment can last a lifetime when instilled from an early age.

Traci Burgess, Executive Director

2023 BOARD OF DIRECTORS

Stefan Smith - President
Marcia Browne - Vice President
Cassy Blake - Treasurer
Amy Shillingford - Secretary
Susan Black - Garden Club Representative
Michael Darrell - Director
Annette Fitzmaurice - Director
Vanese Flood - Waste Management Representative
Sonia Thomas - Parks Department Representative

2023 STAFF

Traci Burgess - Executive Director (full-time)
Abby Stuart - Office Coordinator (part-time)
Ashleigh Holland - Education & Community Outreach Coordinator (part-time)

PROGRAMME DELIVERY PARTNER

Education & Community Outreach Coordinator (Rendell Metellus part-time independent sub-contractor)



EXECUTIVE SUMMARY

Sixty years ago, members of the Garden Club of Bermuda had the foresight to form the Keep Bermuda Beautiful committee with a mission to combat the growing amount of litter produced by the advent of a throw-away society. Today, Keep Bermuda Beautiful continues the legacy with a vision for a greener, cleaner and more beautiful Bermuda for all.

But we cannot achieve this alone; it is only with the support of an army of volunteers, committed donors and sponsors, dedicated employees, committee members, board of directors, and like-minded nonprofits and friends, that KBB can serve the community and preserve our island's beauty.

We are proud of our achievements over the past year in our quest to engage everyone on this island to think about their impact on the environment - both land and sea - and consider the personal changes they can make to reduce their footprint and contribute to a sustainable future.

A few highlights include the growth of KBB's Adopt-a-Spot Programme which saw the Railway Project reach capacity with all 17 zones of the Trail adopted, cleaned and maintained, and the introduction of the We Love Our Parks & Beaches Project. KBB's green events waste management partnerships expanded to include popular annual events including the Chubb Bermuda Triangle Challenge, Cup Match, Eastern County Games and the Butterfield Bermuda Championship. Our Oceans Art Show and launch of KBB's Bermuda Ocean Plastics Project documentary drew crowds to City Hall and helped raise awareness as well as vital funds to support our work.



KBB's latest undertakings: The Abandoned Boat Project, a joint initiative with the Government of Bermuda, has met with public support and discussion around a permanent solution for the island's abandoned boat problem. KBB is delighted to have removed 80 sunken vessels from locations across the island. However, this project comes at a price - $180,000 to date - and is only possibly with the generous funding of our individual and corporate donors. The project continues in 2024 with another 30 vessels in our sights for removal. Beyond Plastic Bermuda, a joint initiative with BEST, continues to spread the important message about reducing Bermuda's reliance on single-use plastic and assisting individuals and businesses to transition to more sustainable practices.

In looking forward to the year ahead, we are excited to be able to celebrate 60 years of bringing our anti-litter campaign to the community and we look forward to your continuing support as we do all that we can to reduce littering and dumping, increase recycling, and remind each of us what we can do to make a difference. Remember to ***Rethink*** your habits, ***Refuse*** single-use plastic, ***Reduce*** your waste, ***Reuse*** whenever possible and ***Recycle*** tin, aluminium and glass.

MARCIA BROWNE

Vice-President, KBB Board of Directors

AMY SHILLINGFORD

Secretary, KBB Board of Directors

2023 AT A GLANCE

237
CLEANUPS IN 2023

4,648
VOLUNTEERS

8,584
VOLUNTEER HOURS

155,016
POUNDS OF LITTER REMOVED FROM ACROSS BERMUDA

70.31
METRIC TONNES OF LITTER (CONVERSION FROM POUNDS)

4,185
STUDENTS INTERACTIONS LITTER LESSONS & CLEANUPS

LITTERING & ILLEGAL DUMPING

Roadside littering, illegal dumping and ocean pollution continue to plague our beautiful island. KBB's cleanup and educational activities are contributing to the solutions - consistently providing waste management education and expanding community engagement is key to creating systemic changes in behaviours and attitudes towards waste management. Enforcement action by the relevant authorities can also help reduce littering and illegal dumping.

DESPITE 2023 BEING THE SECOND WETTEST YEAR ON RECORD, KBB'S CLEANUP EFFORTS RESULTED IN AN 88% INCREASE OVER 2022 FOR POUNDS OF LITTER, ILLEGAL DUMPING & OCEAN POLLUTION REMOVED THROUGHOUT BERMUDA.

OCEAN POLLUTION

Ocean pollution is fuelled, in large part, by single-use plastics and careless littering. Ocean plastics are accelerating the global climate crisis and damaging Bermuda's delicate ecosystem. Our island's unique position in the Atlantic Gyre puts Bermuda at a greater risk of environmental damage caused by ocean pollution.
KBB's education and awareness programmes, special initiatives such as the Abandoned Boat Project, Bermuda Ocean Plastics documentary, Beyond Plastic Bermuda, and close connection with Ocean Conservancy and its International Coastal Cleanup, are contributing to local and global solutions to combat the toxic impacts of ocean pollution.



KBB continues to grow from strength-to-strength because of the generosity of our sponsors, members, programme delivery partners and volunteers. We are grateful for the community's support and thank everyone who is taking action to keep Bermuda beautiful.

Traci Burgess, Executive Director

FINANCIAL ANALYSIS

Abacus Ltd. is pleased to deliver the Annual Financial Statements of Keep Bermuda Beautiful (KBB) on behalf of the Board of Directors. This analysis provides an overview of the income and financial position statements for the year ending December 31, 2023, along with a comparison to December 31, 2022, highlighting key aspects of income and expenses. Please note that these statements are in DRAFT form and have not undergone AUDIT.

Summary of Income and Expenses
As shown on the Statement of Income, 2023 was a successful fundraising year for KBB with total donations of $574,980 compared to $414,998 (increase of 39% from 2022).

Government Grants: In 2023, KBB was once again supported by the Government of Bermuda with two government grants totaling $80,000 from $60,000 in 2022, indicating a positive trend and potentially stronger governmental support for KBB's clean-up activities and education programmes.

Corporate Grants: Corporate grants surged to $198,816 in 2023 from $165,498 in 2022, suggesting enhanced corporate partnerships and possibly increased corporate social responsibility initiatives.

Foundation Grants: Foundation grants saw a significant rise to $249,738 in 2023 from $74,750 in 2022, signalling expanded support from foundations, which could be due to improved project alignment and increased visibility.

Individual Gifts: As in prior years, KBB continued to receive donations from Bermuda community members. However, Individual gifts declined to $43,876 in 2023 from $112,881 in 2022, a significant noteworthy decrease, possibly due to shifts in donor behaviour or economic factors.

Overall, the substantial income increased $414,998 in 2022 to $574,980 in 2023, was primarily driven by significant boosts in corporate and foundation grants.

Total expenses decreased slightly from $384,723 in 2022 to $366,318 in 2023 (a 5% decrease), despite fluctuations in individual expense categories.

Office Expenses: Office expenses decreased significantly to $8,107 in 2023 from $29,638 in 2022, due to office renovation costs that were incurred in 2022.

Marketing Expenses: Marketing expenses surged to $41,278 in 2023 from $11,295 in 2022, indicating increased investments in promotional activities, aimed at expanding the organisation's reach and raising awareness.

FINANCIAL ANALYSIS (CONTINUED)

Salary & Benefits: Salary and benefits increased to $166,362 in 2023 from $156,603 in 2022, reflecting an increase in staffing levels.

Education & Awareness: Education programmes and awareness expenses increased significantly to $43,574 in 2023 from $673 in 2022, including costs for a part-time sub-contracted education coordinator and indicating a substantial investment in educational programmes and awareness campaigns.

Abandoned Boat Removal Costs: Abandoned boat removal costs decreased significantly to $51,267 in 2023 from $120,975 in 2022. As expected, there was a substantial upfront investment in this programme which was launched in 2022 and removals continued throughout 2023.

Community Clean-Ups: Community clean-up expenses increased to $34,589 in 2023 from $26,490 in 2022, due to intensified efforts in community community clean-up activities and increased engagement with KBB.

Nonsuch Island Project: Nonsuch Island Project expenses decreased to $4,248 in 2023 from $20,752 in 2022, due to project completion.

Net Income / (Loss): Overall KBB reported a significant increase in net income from $30,275 in 2022 to $208,662 in 2023, primarily driven by substantial growth in income streams coupled with effective cost management practices. KBB continues to be grateful for all new and existing donors who have enabled the organisation to continue to carry-out its mission of engaging individuals to take greater responsibility in reducing waste and eliminating litter through action and education. Restricted donations and related expenses in 2022 are reported in the Statement of Income / (Loss) - Externally Restricted Fund section of the report.

KBB's Financial Position as of December 31, 2023
As shown on the Statement of Financial Position, KBB ended the year with $509,172 of cash which was held in operating accounts at Butterfield Bank of Bermuda. Of this balance, $115,320 was held for restricted purposes. Additional details on the cash flows during the year and ending balances are reported in the Statement of Cash Flows. KBB has successfully built a level of reserve funds, with Net Assets totalling $433,684 to ensure the organisation will continue as a going concern for the foreseeable future.

LENNOX CUMBERBATCH

Director of Accounting Services for Abacus Ltd.
Submitted On Behalf Of KBB's Board Of Directors

FINANCIAL STATEMENTS

KEEP BERMUDA BEAUTIFUL
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED
DECEMBER 31, 2023
(Expressed in Bermuda dollars)

	Notes	31-Dec-23			31-Dec-22		
		Unrestricted Fund	Externally Restricted Fund	Total	Unrestricted Fund	Externally Restricted Fund	Total
Assets							
Current Assets							
Cash	(5)	393,852	115,320	509,172	160,933	149,379	310,312
Prepayments		18,635	-	18,635	-	-	-
Pledges Receivable	(7, 9)	289,834	-	289,834	13,630	-	13,630
Total Assets		702,321	115,320	817,641	174,563	149,379	323,942
Liabilities							
Current Liabilities							
Accounts Payable	(6)	5,000	-	5,000	9,600	16,976	26,576
Deferred Revenue	(7)	289,834	-	289,834	-	-	-
Deposits for Beyond Plastic Initiative	(4)	-	89,123	89,123	-	72,344	72,344
Total Liabilities		294,834	89,123	383,957	9,600	89,320	98,920
Net Assets		**407,487**	**26,197**	**433,684**	**164,963**	**60,059**	**225,022**
Surplus							
Opening Surplus		164,963	60,059	225,022	113,396	81,351	194,747
Net Income / (Loss)		242,524	(33,862)	208,662	51,567	(21,292)	30,275
Total Surplus		**407,487**	**26,197**	**433,684**	**164,963**	**60,059**	**225,022**

DRAFT - UNAUDITED

STATEMENT OF INCOME

KEEP BERMUDA BEAUTIFUL
STATEMENT OF INCOME
FOR THE YEAR ENDED
DECEMBER 31, 2023
(Expressed in Bermuda dollars)

	Notes	31-Dec-23			31-Dec-22		
		Unrestricted Fund	Externally Restricted Fund	Total	Unrestricted Fund	Externally Restricted Fund	Total
Income							
Government Grants		60,000	20,000	80,000	60,000	-	60,000
Corporate Grants		93,066	105,750	198,816	118,498	47,000	165,498
Foundation Grants		249,738	-	249,738	64,750	10,000	74,750
Individual Gifts		43,876	-	43,876	11,983	100,898	112,881
Miscellaneous Income		2,550	-	2,550	1,869	-	1,869
Total Income		**449,230**	**125,750**	**574,980**	**257,100**	**157,898**	**414,998**
Expenses							
Bank Charges		1,406	-	1,406	1,498	-	1,498
Office Expenses		8,107	-	8,107	29,638	-	29,638
Marketing Expenses		13,666	27,612	41,278	11,295	-	11,295
Rent, Utilities & Occupancy Tax		15,487	-	15,487	15,399	1,400	16,799
Salary & Benefits	(10)	166,362	-	166,362	121,213	35,390	156,603
Education & Awareness		-	43,574	43,574	-	673	673
Abandoned Boat Removal Costs		-	51,267	51,267	-	120,975	120,975
Community Clean ups		1,678	32,911	34,589	26,490	-	26,490
Nonsuch Island Project		-	4,248	4,248	-	20,752	20,752
Total Expenses		**206,706**	**159,612**	**366,318**	**205,533**	**179,190**	**384,723**
Net Income / (Loss)		**242,524**	**(33,862)**	**208,662**	**51,567**	**(21,292)**	**30,275**

UNAUDITED

STATEMENT OF INCOME
RESTRICTED FUNDS

KEEP BERMUDA BEAUTIFUL
STATEMENT OF INCOME –
EXTERNALLY RESTRICTED FUND

FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in Bermuda dollars)

	Education Awareness Project	Abandoned Boat Project	Marketing Project	Nonsuch Project	Clean Ups Project	Total Externally Restricted Fund	31-Dec-22
Income							
Government Grants	20,000	-	-	-	-	**20,000**	-
Corporate Grants	26,000	-	19,750	-	51,000	**96,750**	**47,000**
Foundation Grants	-	5,000	-	-	4,000	**9,000**	**10,000**
Individual Gifts	-	-	-	-	-	-	**100,898**
Miscellaneous Income	-	-	-	-	-	-	-
Total Income	46,000	**5,000**	**19,750**		**55,000**	**125,750**	**157,898**
Expenses							
Bank Charges	-	-	-	-	-	-	-
Office Expenses	-	-	-	-	-	-	-
Marketing Expenses	-	-	27,612	-	-	27,612	-
Rent, Utilities & Occupancy	-	-	-	-	-	-	1,400
Tax							
Salary & Benefits	-	-	-	-	-	37,728	35,390
Project Costs	43,574	-	-	4,248	32,911	43,005	21,425
Abandoned Boat Removal	-	51,267	-	-	-	51,267	120,975
Costs							
Community Clean ups	-	-	-	-	-	-	-
Total Expenses	**43,574**	**51,267**	**27,612**	**4,248**	**32,911**	**159,612**	**179,190**
Net Income / (Loss)	**2,426**	**(46,267)**	**(7,862)**	**(4,248)**	**22,089**	**(33,862)**	**(21,292)**
Opening Restricted Funds	506	55,305	-	4,248	-	60,059	81,351
Ending Restricted Surplus	**2,932**	**9,038**	**(7,862)**	-	**22,089**	**26,197**	**60,059**

NET - UNAUDITED

STATEMENT OF CASH FLOWS

KEEP BERMUDA BEAUTIFUL
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in Bermuda dollars)

	Notes	31-Dec-23	31-Dec-22
Cash flows used in operating activities			
Net income		208,662	30,275
Changes in assets and liabilities			
Change in receivables		(294,839)	(13,630)
Change in payables		268,258	26,006
Change in deposits payable		16,779	63,294
Net cash used in operating activities		**198,860**	**105,945**
Net increase in cash		198,860	105,945
Opening cash as at January 1		310,312	204,367
Ending cash as of December 31		**509,172**	**310,312**
Summary of ending cash:			
Unrestricted cash		393,852	160,933
Externally restricted cash			
Education & Awareness		2,932	506
Abandoned Boat Project		9,038	69,881
Non Such Project		-	4,248
Marketing		(8,612)	-
Community Clean ups		22,839	-
Beyond Plastic Initiative	(4)	89,123	74,744
Total restricted cash		115,320	149,379
Total cash as of December 31		**509,172**	**310,312**

DRAFT - UNAUDITED

PROJECT STATEMENT

KEEP BERMUDA BEAUTIFUL

BEYOND PLASTICS INITIATIVE – PROJECT STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in Bermuda dollars)

	31-Dec-23	31-Dec-22
Income		
Government Grants	-	-
Corporate Grants	131,503	140,800
Foundation Grants	-	11,000
Individual Gifts	-	24,060
Miscellaneous Income	-	-
Total Income	**131,503**	**175,860**
Expenses		
Bank Charges	162	60
Office Expenses*	(600)	4,200
Marketing Expenses	127,163	99,256
Total Expenses	**126,725**	**103,516**
Net deposits after payables	**4,778**	**72,344**

*includes reversal of $(2,400) over accrual (2022 $2,400)

UNAUDITED

NOTES TO THE FINANCIAL STATEMENTS

KEEP BERMUDA BEAUTIFUL
Notes to the Financial Statements
(amounts expressed in Bermuda dollars, unless otherwise indicated)
(unaudited)

Year ended December 31, 2023

1. GENERAL INFORMATION

Keep Bermuda Beautiful ("KBB") was established in 1964 as the Keep Bermuda Beautiful Committee as a member-based association. It became registered under The Charities Act (2014) as Charity No. 26 in 1966.

KBB operates from its principal office at 10 Princess Street, Hamilton, Bermuda.

KBB's mission is to engage individuals to take greater responsibility in reducing waste and eliminating litter through action and education.

2. GOING CONCERN AND FUNDING REQUIREMENTS

KBB's ability to continue its operations and its future development is dependent upon the continuing support from government funding, public donations and the commensurate management of costs in order to ensure that KBB does not incur recurring deficits.

The financial statements have been prepared in accordance CPA Canada Handbook - Part III, Accounting Standards for Not-for-Profit Organizations ("ASNPO") on a going concern basis. Under the going concern assumption, the Organization is able to realize its assets and discharge its liabilities in the normal course of operations.

3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook – Accounting; as issued by the Canadian Accounting Standards Board. The significant accounting policies are as follows:

a. Fund accounting and revenue recognition

In order to ensure observance of the limitations and restrictions placed on the use of resources available, KBB follows the restricted fund methods of accounting for contributions. Under this method, unrestricted contributions are recognized as revenue of the unrestricted fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are recognized as revenue of the externally restricted fund to which they relate. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the donors or in accordance with the directives issued by the Board of Directors (the "Board").

Transfers between funds are made when it is considered appropriate and authorized by the Board. To meet the objectives of financial reporting and stewardship over assets, certain fund transfers are necessary to ensure the appropriate allocation of assets and liabilities to the respective funds.

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NOTES TO THE FINANCIAL STATEMENTS

KEEP BERMUDA BEAUTIFUL
Notes to the Financial Statements
(amounts expressed in Bermuda dollars, unless otherwise indicated)
(unaudited)

Year ended December 31, 2023

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Fund accounting and revenue recognition (continued)

For financial reporting purposes, the accounts have been classified into the following funds:

(i) Unrestricted fund

The unrestricted fund comprises donations that are not specifically designated by donors, as well as any investment income or sales income earned that is not externally restricted by donors for a specific purpose.

(ii) Externally restricted fund

The externally restricted fund comprises funds for which the purposes have been specifically designated by donors. These funds include those which are restricted for use for a specific programme, project or event.

b. Financial instruments

Financial instruments are recorded at fair value on initial recognition.

c. Contributed materials and services

KBB recognizes contributions of materials in the financial statements at their fair market value when a market price is readily available. If a value cannot be determined, these materials are not recognized in the financial statements.

A substantial number of volunteers and corporate supporters contribute a significant amount of their time and services to KBB each year. Because of the difficulty in determining their fair value, the value of contributed services are not recognized in the financial statements.

d. Allocation of general and administrative expenses

All expenses related to general management, administrative activities, public relations and community awareness are expensed in the period in which they are incurred as general and administrative expenses.

e. Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. While management believes that the amounts included in the financial statements reflect KBB's best estimates and assumptions, actual results could differ from these estimates.

DRAFT

NOTES TO THE FINANCIAL STATEMENTS

KEEP BERMUDA BEAUTIFUL
Notes to the Financial Statements
(amounts expressed in Bermuda dollars, unless otherwise indicated)
(unaudited)

Year ended December 31, 2023

4. RELATED PARTY TRANSACTIONS AND BALANCES

On December 23, 2021 a Memorandum of Understanding was established between KBB and Bermuda Environmental Sustainability ("BEST") to create a working agreement to conduct the Beyond Plastics Bermuda initiative ("the Initiative"). The purpose of the Initiative is to support the Bermuda Government in their introduction of legislation to reduce single-use plastics in Bermuda. In addition, the Initiative is to engage the community through education and information to engender widespread support of the reduction in single-use plastics.

In accordance with the Memorandum of Understanding, the funds for the Initiative were jointly raised by KBB and BEST and expenses were jointly incurred for the Initiative by KBB and BEST. Also in accordance with the Memorandum of Understanding, the financial administration of the BPB initiative, including maintaining the bank account, acknowledging donations, paying expenses, and financial reporting was carried out by KBB. Funds are not dispersed without consultation with BEST.

As of December 31, 2023, KBB held funds of $89,123 for the Initiative (2022 - $74,744) which are reported in KBB's liabilities on the Statement of Financial Position.

Donations and expenses related to the Beyond Plastics Initiative are not included on KBB's Statement of Income.

For more information refer to the Beyond Plastics Initiative – Project Statement.

5. RESTRICTED CASH

Included in Cash is $115,320 (2022 - $149,379) which is restricted for a specific programme, project or event. For additional information refer to the Statement of Cash flows.

During the year ended December 31st, 2023, KBB received $125,750 of restricted donations (2022 - $157,898) in addition to $131,503 (2022 - $175,860) of restricted funds for the Beyond Plastics Initiative (refer to Note 5). For more information refer to the Statement of Income / (Loss) – Externally Restricted Fund.

6. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

	31-Dec-23	31-Dec-22
Abandoned boat project costs B/F	-	26,576
Audit fee	5,000	-
	5,000	26,576

NOTES TO THE FINANCIAL STATEMENTS

KEEP BERMUDA BEAUTIFUL
Notes to the Financial Statements
(amounts expressed in Bermuda dollars, unless otherwise indicated)
(unaudited)

Year ended December 31, 2023

7. PLEDGES RECEIVABLE & DEFERRED REVENUE

KBB is exposed to some credit risk on its pledges receivable, should the corresponding party decide to cancel their pledge. Unconditional pledges received are recognized as income in the year the pledge is received. Pledges receivable after more than 1 year are discounted to present value using a risk free rate. As of the issuance of these financial statements, the pledges receivable as of December 31st, 2023 are as follows:

	Date receivable	31-Dec-23	31-Dec-22
Current	June 2024	150,000	-
Long Term	June 2025	139,834	-
		289,834	-

There are no pledges receivable relating to restricted funds. It is management's opinion that KBB is not exposed to significant credit risk.

8. PENSION CONTRIBUTIONS

KBB operates a defined contribution pension plan for the benefit of its employees. Under this plan, the employees contribute 5% of their salary and KBB matches the contribution for each employee enrolled in the plan. The pension plan is administered by the Bermuda Life Insurance Company Limited., and all funds are segregated from the assets and liability of KBB. The total pension expense included in salaries and related expenses amounted to $15,560. As at December 31, 2023, $0 (2022 - $0) remained outstanding (note 6).

UNAUDITED

NOTES TO THE FINANCIAL STATEMENTS

KEEP BERMUDA BEAUTIFUL
Notes to the Financial Statements
(amounts expressed in Bermuda dollars, unless otherwise indicated)
(unaudited)

Year ended December 31, 2023

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Keep Bermuda Beautiful is exposed to various risks through its financial instruments. The Board has overall responsibility for the establishment and oversight of its risk management framework. KBB manages its risks and risk exposures through sound business practices.

a. Credit risk

Credit risk arises from cash held at the bank. The maximum exposure to credit risk is equal to the carrying value of these financial assets. The objective of managing counterparty credit risk is to prevent losses on financial assets. KBB deposits all of its cash with a Bermuda- based bank, Bank of N.T. Butterfield and Son Ltd., which has a long term BBB+ credit rating according to S&P.

KBB is exposed to some credit risk on its pledges receivable, should the corresponding party decide to cancel their pledge. (see note 7)

b. Liquidity risk

Liquidity risk is the risk that KBB will not be able to meet its financial obligations as they fall due and arises mainly from accounts payable balances. KBB aims to manage its

liquidity to ensure that it will always have sufficient liquidity to meet its commitments when due, without incurring unacceptable losses or risking damage to the organization's reputation. KBB manages exposure to liquidity risk by closely monitoring supplier and other liabilities, focusing on generating positive cash flows from operations and establishing and maintaining good relationships with various financial institutions. As at December 31, 2023, KBB had positive net working capital. KBB is currently able to meet its obligations when due, and therefore, liquidity risk is low.

c. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the fair value of recognized assets and liabilities or future cash flows of KBB's results of operations. KBB has minimal exposure to market risk.

KBB believes it is not exposed to significant foreign currency, market risk, or liquidity risk arising from its financial instruments since all cash or cash equivalents are held in liquid bank accounts in Bermuda dollars as at December 31st, 2023.

DRAFT - NOT FINALIZED

NOTES TO THE FINANCIAL STATEMENTS

KEEP BERMUDA BEAUTIFUL
Notes to the Financial Statements
(amounts expressed in Bermuda dollars, unless otherwise indicated)
(unaudited)

Year ended December 31, 2023

10. DIRECTOR REMUNERATION

As at 31st December 2023 KBB employed three persons (2022 – two). For the year ended December 31st, 2023 KBB paid total remuneration of $166,362 (2022 – $156,603), of which $110,000 (2022 – $102,316) was executive director remuneration.

Members of the Board of Directors of KBB serve without remuneration.

11. CAPITAL MANAGEMENT

KBB defines capital, for its own purposes, as the accumulated surplus of revenue over expenses. KBB's objective when managing capital is to hold sufficient unrestricted net assets to enable it to withstand negative unexpected financial events and continue as a going concern. KBB seeks to achieve this objective through receipt of operating grants from donors and excess of revenues over expenses. KBB is not subject to any externally imposed capital requirements.

12. CORRESPONDING FIGURES

Certain corresponding figures have been reclassified to conform to the current year financial statement presentation.

PROGRAMMES & OUTPUTS

KBB's impact is rooted in effective programmes that produce consistent outputs which can be accurately measured and reported. Our 2023 programme activities are noted below and divided into three main categories: clean-ups, education and community outreach.

Outputs demonstrate the intended results for each activity, which include how often the activity occurs, number of stakeholders engaged, anticipated measurables and impact.

Measurements and indicators are the ways in which we collect quantitative and qualitative data to report on the activity outputs.

Clean-Up Activities	Outputs	Measurements
Monthly Parish Clean-Ups	1/month; 25-50 vol; 1,500 – 5,000 lbs	✓ Pounds of Litter ✓ Pounds of Bulk Waste (Illegal Dumping) ✓ Pounds of Recycling ✓ % of Recycling Accuracy (TAG) ✓ Perceptions of Visual Improvements ✓ Perceptions of Improvements in Health ✓ Number of People Who Feel Their Community Was Positively Impacted
Other Monthly Clean-Ups	15/month; 150 – 250 vol; 6,500 – 10,000 lbs	
RR Trail Project (17 zones island-wide)	17 x 2/month; 35 vol; 750 – 2,500 lbs	
We Love Our Parks & Beaches	30/quarter; 300 vol 5,000 lbs; visual	
We Love Our Neighbourhoods	1/quarter; 15 – 50 vol; visual; community	
Great Big Bermuda Clean-Up (Spring – Land-Based)	1/year; 800+ vol; 10,000+ lbs; visual; community	
Island-Wide Coastal Clean-Up (Fall – Marine-Based)	1/year; 1,200 vol; 15,000+ lbs; visual; community	
Education Activities	**Outputs**	**Measurements**
Schools Education	Ongoing; 5,000+ students annually; ages 4+	✓ Surveys and assessments ✓ Programme delivery evaluations ✓ Sustainable changes in behaviours ✓ Improved visual appearance ✓ Improved waste management habits ✓ Reduction in waste and littering ✓ Improvements in recycling data ✓ Increased recycling accuracy data ✓ Perceptions of cleaner, healthier Bermuda
Adult Education, Public Awareness & Community Outreach	Quarterly & ongoing; all adults in Bermuda; annually; education & public awareness campaigns; events & community forums; special projects & collaborations	

Adopt-A-Spot collections data shows a decrease in total weights of litter and illegal dumping being removed over the past two years, which is confirmation that these programmes are achieving their intended outcomes. Thank you to the business partners, community organisations and volunteers who contribute to and participate in KBB's cleanups, education programmes and community outreach initiatives, including, but not limited to: Wilmot's Trucking, Bermuda Is Love, Lions Clubs of Bermuda, Rotary Clubs of Bermuda and The Duke of Edinburgh's International Award Bermuda.

PROGRAMMES, PROJECTS & COLLABORATIONS

ADOPT-A-SPOT PROGRAMME

Railway Trail Project: KBB launched the Railway Trail Project in 2021 in partnership with the Department of Parks and the Association of Bermuda International Companies (ABIC), with Cheyne Capital as the founding corporate partner. The historic trail, which is also Bermuda's largest national park, has been divided into 17 zones. 2023 saw all 17 zones adopted and being regularly maintained by project partners. Thank you to the Hon. Lt. Col. David Burch, Minister of Public Works, and Cynthia Cox for their significant contributions to developing and supporting this project from inception. We appreciate everyone involved with supporting this project and maintaining the Railway Trail.

We Love Our Neighbourhoods: This amazing project brings corporate and community partners together to identify and transform neighbourhoods, specifically where there are waste management challenges. In 2023, KBB worked in partnership with residents and the department of waste management to complete three neighbourhood projects, two of which had been subjected to significant littering and dumping. The project also cleared overgrowth from a long stretch of sidewalks on a busy secondary road that is used daily by school children and senior citizens, making the passage safer for pedestrians.

This neighbourhood transformation project is designed to empower the community and maintain pride in our neighbourhoods, keeping them clean; reducing littering and illegal dumping; making neighbourhoods safer for area residents; and encouraging positive social interactions amongst neighbours. Outcomes include litter prevention and beautification through general maintenance in neighbourhoods that commit to community action, regular maintenance and light landscaping.







We Love Our Parks & Beaches: In partnership with the Bermuda Government's Department of Parks, this project commenced in early 2023. Corporate and community partners adopt their favourite public parks and beaches with a commitment to clean them on a quarterly basis. The project's objectives are to reduce litter, beautify the island and help maintain Bermuda's public parks and beaches for the enjoyment of all. It is designed to reduce litter and keep public spaces clean, safe, beautiful and accessible.

EDUCATION

In 2022, KBB developed and began delivering a formal education curriculum to all public and private school students ages four years and up. The comprehensive and engaging waste management education framework includes school assembly presentations, tactile learning activities and age-appropriate interactive classroom lesson plans that provide support for teachers.

KBB recorded 4,185 student interactions in 2023, which is a 50% increase from 2022 numbers. We also secured restricted funding for more than two-thirds of the 2023 education budget, the rest of which was funded by unrestricted donations. KBB engages with a wide range of students through a variety of learning environments, including traditional and alternative schools, after school programmes and holiday camps. We also work with and provide support for Eco-Schools, Youth Climate Summit, The Duke of Edinburgh's International Award Bermuda, Girl Guides, Boys Brigade, Rotary Interactors and Leo Clubs.

Primary students learn the basics of litter prevention and the 3R's: reduce, reuse and recycle. Adolescents, teens and young adults are introduced to the UN's sustainability goals that tie into KBB's mission, vision and strategic goals. The education deliverables and learning objectives become more advanced based on students' ages and year levels.

KBB's adult education includes lunch 'n learn presentations, targeted awareness campaigns and community engagement at large public events to encourage individuals to take greater responsibility for reducing waste, eliminating litter and recycling TAG. In 2023, KBB completed a Bermuda Tourism Authority learning project on sustainable hospitality and the importance of caring for the environment. The education modules are accredited by the UK's Institute of Hospitality.



ABANDONED BOAT PROJECT

By the end of 2023, the Abandoned Boat Project had removed more than 80 abandoned and derelict marine vessels from local waters. The project is a joint initiative between KBB and the Government of Bermuda and is privately funded. Removal costs have exceeded $180,000, all of which has been generously donated by individual and corporate donors. Thank you to everyone who is supporting this enormous project that is tackling one of Bermuda's largest litter problems.

The project is improving the quality of Bermuda's delicate marine environment, making local waters safer to navigate and beautifying Bermuda's coastline. The next batch of approved removals will commence in early 2024.

KBB is continuing to research best practice for managing abandoned boats and preparing draft legislative recommendations for the Government's consideration to proactively tackle the problems associated with abandoned and derelict marine vessels. This phase of the project involves collaboration with volunteers from Bermuda Environmental Sustainability Taskforce (BEST) and Spar Yard.

BEYOND PLASTIC BERMUDA

BEST and KBB formed the Beyond Plastic Bermuda (BPB) working group in 2021. Nearly three years on, this joint initiative continues to provide student and community education and access to alternative resources in support of the Bermuda Government's proposed ban on single-use plastic (SUPs). KBB extends our sincere thanks and appreciation to the core group of volunteers who are leading this phenomenal campaign and championing the cause for Bermuda to say no to single-use plastic.

BPB is one of the most successful non-profit campaigns in recent years, having engaged with over 70,000 individuals. The group is consistently advocating for change, raising awareness about the perils of plastic and providing eco-friendly alternatives that are better for the environment, and better for human health. Special thanks goes to the 2023 BPB working group led by Katie Berry, Erich Hetzel, Lynne Matcham, Robin Mayor, Tony Prentis, Maclean Smith and Linda Tucker. We would also like to thank the thousands of individuals, retailers, community organisations, and corporate partners who are taking a stand against single-use plastic! #SNTSUP

FUN-RAISING

Thank you to the terrific team of volunteers and supporters who participated in KBB's Oceans Art Show in celebration of World Oceans Day on 8 June 2023. Opening night of the show included a highly successful live auction and fundraiser, a first for KBB! This signature KBB event included hundreds of pieces of ocean-themed artwork in varying styles from artists ranging from preschool students to award-winning professionals. The annual ocean plastics children's art workshop was held during the show dates and sponsored by Chubb.





GREEN EVENTS

With significant support from Aspen Bermuda, KBB has become increasingly involved in sustainability partnerships with a number of large sporting events. These collaborations are reducing the environmental footprint of local and international events that are hosted in Bermuda.

Green events are also a great opportunity for KBB to engage with the community and provide strategic awareness campaigns to encourage behaviour changes that will reduce waste, promote recycling and eliminate litter. 2023 green event waste management plans included the Chubb Bermuda Triangle Challenge, 2023 Convex End To End, the Bermuda Cricket Board, Eastern County Cricket Association, St. George's Cricket Club for Cup Match 2023 and the Butterfield Bermuda Championship, to name a few.

PROJECT & PROGRAMME SPONSORS

Abandoned Boat Project
Thank you to the 15 anonymous donors whose generosity maintained this project through 2023.

Beyond Plastic Campaign
Bacardi International
Lancashire Insurance Company Ltd.
OneCommunications

Cleanup Activities & Projects
BGA (Bermuda General Agency)
K. Margaret Carter Centre
Wilmot's Trucking

Education Programmes Support
Sompo International
The Ministry of Education
Union Bancaire Privee (Bermuda) Ltd.
Wafra Financial & Management Services

General Operating Support
Allan & Gill Gray Philanthropies
The Ministry of Public Works

Great Big Bermuda Cleanup
BF&M

Green Events Waste Management Partner
Aspen Bermuda

Island-Wide Coastal Cleanup
EY

Nonsuch Project
AXIS Capital

Oceans Art Show & Children's Workshops
All Artists, Donors & Supporters
Bermuda Society of Arts
Burrows Lightbourn Ltd.
Chubb Bermuda Ltd.
Take Five Ltd.

Railway Trail Project
ABIC & Friends
Allianz Risk Transfer
Aspen Insurance Ltd. (Bermuda)
BILTR & Wilton Re
Cheyne Capital (Founding Partner)
Conyers
Everen Group
KPMG Bermuda
Lancashire Insurance Company Ltd.
McGill & Partners
Mosaic Insurance & QBE Equator Re
MSD Bermuda
Renaissance Re
Sandy's Rotary Club
UBP Asset Management

We Love Our Parks & Beaches
Bermuda Commercial Bank
Carey Olsen Bermuda Ltd.
Deloitte Bermuda
Fidelis insurance
Hamilton Princess & Beach Club
HSBC Bermuda
Wafra Financial & Management Services

We Love Our Neighbourhoods
Aspen Insurance Ltd. (Bermuda)

CORPORATE DONORS & FOUNDATIONS

KBB is grateful for the financial support provided by our donor partners and members.

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BDA (Business Development Agency)
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Swan's Running Club
TGF Charitable Foundation
Union Bancaire Privee (Bermuda) Ltd.
Wafra Financial & Management Services
Wilmot's Trucking

FAMILIES & INDIVIDUALS

Thank you to the 99 families and individuals who chose to financially support Keep Bermuda Beautiful's activities, programmes and initiatives in 2023.









Thank You, Bermuda!

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