

**Company registration number: 2909098**  
**Charity registration number: 1036354**

**THE NATIONAL BOTANIC GARDEN OF WALES**  
**(A company limited by guarantee**  
**and not having any share capital)**

**REPORT OF THE TRUSTEES, STRATEGIC REPORT AND**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Azets Audit Services Limited**  
Chartered Accountants & Statutory Auditors  
Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
CF23 8AB

## **THE NATIONAL BOTANIC GARDEN OF WALES**

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**THE NATIONAL BOTANIC GARDEN OF WALES  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees are pleased to present their annual directors' report, which incorporates the strategic report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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 2019).

Unless stated otherwise, all matters reported upon relate to the group and all references to 'Trustees' in this report are to the Trustees of the parent charity.

### **OBJECTIVES AND ACTIVITIES**

The purposes of the charity as set out in its governing document are to promote for the public benefit:

1. The advancement of education in the science of plants and related subjects and the conservation of plant species of the world especially those of Wales, Great Britain and Western European Seaboard, in particular but not exclusively by:
  - (a) The establishment, development and maintenance of a national botanic garden for Wales open to the public;
  - (b) The establishment of a national conservation asset of local, national and international plant species;
  - (c) The development of a Centre for research in plant biodiversity and the creation of an exemplar of good horticultural practice;
  - (d) The provision of formal and informal education and interpretation experiences for people of all ages and abilities particularly to enhance understanding of the interaction of people, plants, landscape and the environment in a sustainable future;AND
2. The advancement of public appreciation of Welsh culture and historical heritage by the restoration of the historic landscaped environment and building at the site of the national botanic garden.

The Garden's vision is:

*Conservation, Education, Inspiration - playing for Wales on the world stage.*

The Garden's mission is:

The Garden is dedicated to the research and conservation of biodiversity, to sustainability, lifelong learning and the enjoyment of the visitor.

The main activities undertaken to achieve the purposes above are:

1. operate a botanic garden open to the public as a visitor destination
2. conduct educational activities
3. conduct science and research
4. operate horticultural activities, conserve plants & encourage biodiversity

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The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity. Significant activities that were undertaken during the year demonstrate public benefit and are set out in the attached pages.

**The contribution of volunteers during the year.**

The Garden is extremely grateful for the tremendous efforts of the volunteers who are involved in so many ways in the charity's activities including operational duties (horticultural, science research, bee-keeping, library, talks, buggy driving, commercial support, archaeological work and many more), administration and marketing support. The Garden has over 200 active volunteers (including Trustees) and many come to assist the Garden on a weekly basis, though the Covid pandemic significantly reduced this during 2020 and 2021. This has resulted in a total of over 21,214 hours (2021:4,254 hours) of voluntary input this year, the equivalent of 11 (2021: 2) full time staff.

**STRATEGIC REPORT**

**ACHIEVEMENTS AND PERFORMANCE**

**The main achievements and performance of the charity during the year.**

The operation of the Garden during the financial year 2020-21 was significantly disrupted by the Covid pandemic. However, following full reopening in late March 2021, the response from visitors has been overwhelming, with record visitor numbers attending for 2021-22. The bounce back from the pandemic and the opening of the historic landscape both combined to give the second largest visitor attendance in 22 years of 192k. This has had a consequential impact on the financial performance of the garden with a good surplus achieved. As a result, the Garden has been able to increase its free reserves to a positive position for the first time in many years, placing it in a much sounder financial position.

The Garden successfully launched its new 10-year strategic plan 2021-2031 with a key vision of a world that values biodiversity, protects plants and the planet. Its six key strategic objectives are listed below and will drive all the work of the Garden over the next 10 years:

- Be an internationally renowned centre for biodiversity conservation and research.
- Develop and maintain the horticultural and other collections to the highest curatorial and presentational standards.
- Deliver inspirational informal and accredited education and training in horticulture, plant sciences, conservation, ecology, sustainability, and related STEM subjects, to all ages and abilities, to promote a greater understanding of the importance of the environment in our sustainable future.
- Be a successful visitor destination of international standing that contributes to the economic, social, environmental and cultural well-being of Wales.
- As an iconic Welsh institution, contribute to promoting the status and recognition of Wales at an international level.
- Continue to build and secure a financially sustainable organisation to maximise delivery of the core mission activity of the Botanic Garden.

The Garden is so much more than a tourist attraction, though the vast majority of visitors see the Botanic Garden as such. The mission and vision of the Garden far outreach this simple aim and the very special horticultural assets, the scientific research work and educational endeavours provide a platform to propel the message far beyond mere footfall metrics.

Our world is facing an unprecedented environmental crisis to which an urgent response is needed. The impact of industrial development and the consequent climate change has become increasingly evident in recent years, resulting in a global decline in biodiversity. Human beings are part of the Earth's intricate ecosystem processes. We belong in a community of living things with which we share our world.



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But in the current geological epoch, the Anthropocene, humans, have become the single most destructive species on the planet. As a result, the world is facing a climate and biodiversity crisis of unprecedented magnitude, with long-lasting, potentially irreversible changes to the Earth's life support systems and its inhabitants.

The National Botanic Garden of Wales strives to create a better future by being at the forefront of plant research, education, and horticulture. Realising our full potential will deliver high-quality scientific evidence to inform action, maximise the national and global value of the National Botanical Collection, and enrich and empower individuals and communities through learning and engagement.

There is a heightened awareness of the connections between humans and the natural world. Nature provides the foundation of recovery from the crisis. Given that plants and fungi underpin the functioning of almost all the world's ecosystems, better understanding and enhanced conservation is essential. The need for the skills, ambition and ingenuity of botanic gardens has never been greater.

Our Garden is a place of beauty, pleasure, and contemplation for our 160,000 plus visitors each year. The landscapes and plants are internationally renowned and their value to society goes far beyond the visitor experience.

The National Botanical Collection includes a world-class herbarium of 33,000 preserved plant specimens, an internationally significant living plant collection of 3,157 species of plant and 7,735 accessions in total and an extensive botanical library and archive.

These collections and our international collaboration form a strong foundation for our research programmes ranging from the diversity and distribution of species and the threats they face, to how they can be best conserved and sustainably used. The programmes enrich our knowledge of key ecosystems that support biodiversity, regulate climate and benefit humanity. They also advance the sharing of important botanical data around the world, and harness technological innovation including improved DNA sequencing technologies.

The specialist horticulture teams continued to care for the internationally important plant collections. During the year, the team propagated and cultivated a wide range of Welsh flora with recent successful acquisition of further endemic *Sorbus* into the collection and successful germination of *S.domestica* of Welsh provenance. Further work is being undertaken on our 'Conserving Welsh Natives' display with a view to moving this to a more prominent position in the Garden during 2022-23. The horticulture team utilises its specialist expertise to support conservation and bio-diversity projects in Wales on a commercial basis. In one project, in partnership with Ricardo Energy & Environment and Dŵr Cymru, the Garden provides *ex situ* conservation services for two rare hybrids of *Potamogeton*.

The team continue to review and improve processes for labelling and recording and are pleased to announce the development of a new Plant Health facility. Our horticultural apprenticeship scheme goes from strength to strength with continued funding from private funders and the National Garden Scheme. We have apprentices graduating annually with an RHS Level 2 qualification, and moving into full time work.

The Conservation and Research team continued their ground-breaking research into pollinators, and had a number of Scientific papers published during the year, which have had international coverage. These include:

- Seasonal progression and differences in major floral resource use by bees and hoverflies in a diverse horticultural and agricultural landscape revealed by DNA metabarcoding. *Journal of Applied Ecology*.
- Using DNA Metabarcoding to Identify Floral Visitation by Pollinators. *Diversity* 14:236.
- Our biological flora account of the UK native species *Salvia pratensis*
- *Biological Flora of the British Isles: Salvia pratensis*. *Journal of Ecology*.

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- Our UK DNA barcoding resources has been included in a new paper for the UK flora - A taxonomic, genetic and ecological data resource for the vascular plants of Britain and Ireland.  
*Scientific Data 9*

Our 'Grasslands for Life' project is yielding interesting preliminary results for the plants and fungi detected using DNA in the soils. Of the 10 critically endangered waxcap fungi recorded in our national nature reserve over the last 22 years, 7 were also detected in the DNA. The total biodiversity will be assessed and compared with environmental variables such as carbon storage and moisture. This DNA barcoding research is using innovative approaches to develop techniques for monitoring grassland biodiversity in Wales. This will put the Botanic Garden at the forefront of conservation research and develop a new method which we can demonstrate to national and international institutions.

The team collaborate on many projects including Welsh Government's Pollinator Taskforce, Roadside Grass Verges & Amenity Grasslands, as well as providing valuable placement opportunities for undergraduate and postgraduate students.

The Growing the Future (GTF) project has continued previous good progress through 2021-22, building on what was achieved in previous years. The Project has delivered against its associated indicators for Gardens for Health and Wellbeing – having established the infrastructure and resources necessary to deliver horticultural training courses for both adults and children and to run public engagement activities. Between May 2017 and May 2022, 61,908 unique participants have been engaged in training through the Project, both in person and remotely, focusing on the themes of food production, wildlife, pollinators and gardening. The results of the Project highlight an overall positive impact on promoting horticulture in Wales, and successful knowledge transfer and acquisition of new knowledge. With the Project sharing research findings, providing greater awareness and networking among commercial growers, and providing new knowledge of growing local wildflowers from a Welsh provenance, there is support in place for fostering pollinators in the future.

Over the course of the project, the final Strategic Return on Investment (SROI) report on the GTF project, prepared by Social Impact Consulting Ltd., shows that the project has delivered £19m of value to Wales, from a spend to date of £2m. This value was delivered as environmental, health and wellbeing, and community cohesion benefits, and included a reduction in carbon emissions of 3,500 tonnes due to behavioural change of those people engaged with the project.

The Biophilic Wales project completed its work in March 2022. This project worked to improve the wellbeing of people, wildlife and the environment throughout Wales. It was funded through the Enabling Natural Resources and Wellbeing scheme (ENRaW) of the Rural Development Programme (RDP). Its key themes were:

**Inspiring Spaces** - To transform amenity grasslands and underutilised outdoor areas into spaces that are full of wildlife where people can enjoy and be restored by the natural world.

**Grasslands for Life** – To develop resilient grassland ecosystems by revolutionising monitoring and strengthening restoration activities. The project used innovative techniques such as soil DNA barcoding to determine the biosphere of grasslands.

**Plants for People** – Celebrating Wales' natural heritage by protecting our most threatened plants for the people of Wales.

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A key partner of this Project was the Swansea Bay University Health Board, working with Health Board Estates team to improve biodiversity on various health board sites with the creation/improvement of grassland areas. In parallel to this, the project undertook research working on 16 Welsh National Nature Reserves to develop new and improved site monitoring techniques, using the latest DNA barcoding expertise pioneered at the Botanic Garden. The team has also been collecting seeds from some of Wales' rarest and most threatened plants, to store in the National Seed Bank of Wales, operated by the Botanic Garden, and protect them for future generations.

This year also saw the end of the Dyffryn Tywi – Hanes Tirwedd Ein Bro partnership project, run by the Botanic Garden, which covers the middle part of the Tywi Valley between Llandeilo and Carmarthen. The Dyffryn Tywi project was aimed at facilitating sustainable landscape management amongst network partners in the Tywi Valley in response to the nature and climate emergency. The network partnership represented key interests for the natural and cultural environments in this area, and included Cadw, Carmarthenshire County Council, Campaign for the Protection of Rural Wales, Dyfed Archaeological Trust, Gelli Aur Trust, local farmers, Keep Wales Tidy, National Trust at Dinefwr, Natural Resources Wales, Tywi Centre, Tywi Gateway Trust, Welsh Historic Gardens Trust and the Wildlife Trust of South and West Wales. Funded through the Welsh Government's Sustainable Management Scheme, the project shared best practice amongst the partnership and more widely amongst landowners and managers, on caring for our local landscape, for the benefit of the valley's biodiversity, its people and the economy.

Our education provision stalled during the pandemic period only to see this start to return during 21-22. We increased our home education provision for local authorities during this period with great success. We also received funding from the RHS Flourish Fund to help build on our existing education, training and apprenticeship opportunities. The project builds links with schools, communities and audiences who don't traditionally engage with horticulture or a botanic garden, and seeks to develop new pathways and opportunities for them.

**Investment performance against the investment objectives.**

The Trustees, having regard to the liquidity requirements of the Charity, have kept available funds in interest-bearing deposit accounts and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index. Due to wider economic circumstances deposit rates have been depressed and so this aim was not achieved in the year.

The invested funds held on deposit achieved an average rate of 0.20% (2021: 0.22%) against the retail price index of 9.3% (2021: 1.5%) for the year.

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**FINANCIAL REVIEW**

**The group's financial position at the end of the year ended 31 March 2022:**

The financial position of the group at 31 March 2022 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows: -

	2022	2021
	£	£
<b>Net income</b>	<b>877,540</b>	<b>623,037</b>
Unrestricted revenue funds available for the general purposes of the group	748,011	(689,581)
Unrestricted fixed assets	5,049,717	4,514,214
<b>Total unrestricted funds</b>	<b>5,797,728</b>	<b>3,824,623</b>
Designated revenue funds	275,000	-
<b>Total designated funds</b>	<b>275,000</b>	<b>-</b>
Restricted revenue funds	324,535	738,300
Restricted fixed asset funds	20,790,032	21,746,832
<b>Total restricted funds</b>	<b>21,114,567</b>	<b>22,485,132</b>
<b>Total funds</b>	<b>27,187,295</b>	<b>26,309,755</b>

**Financial review of the position at the reporting date, 31 March 2022**

The financial year ending 31 March 2022 was an excellent trading year despite the challenges of economic uncertainty arising from BREXIT and the impact of the Covid pandemic. The higher visitor numbers, good summer weather and reduced VAT rate brought significant benefits resulting in an operating surplus of £328k (2021: £659k). This is in direct comparison to the 2021 results which saw good results during Covid with effective cost management, Job Retention Scheme benefits and Covid Emergency Funding.

In the year, total resources of £6.1m (2021: £5m) were received comprising £3.5m (2021: £2.3m) of unrestricted funds and £2.6m (2021: £2.6m) of restricted income. Total expended resources in the year amounted to £5.3m (2021: £4.4m). £3.2m (2021: £1.7m) was expended from unrestricted funds leaving an unrestricted fund balance carried forward of £6m (2021: £3.8m). £2m (2021: £2.7m) was expended from restricted funds leaving a restricted fund balance carried forward of £21.1m (2021: £22.5m). Total fund balances at 31 March 2022 were £27.1m (2021: £26.3m).

Specific changes in fixed assets are detailed in the notes to the accounts. Tangible fixed assets at cost or valuation decreased to £25.8m (2021: £26.2m) representing £24.4m (2021: £24.9m) of land, buildings, plant and machinery and £1.4m (2020: £1.4m) in estate vehicles, fixtures and fittings and plants and planting.

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**Policies on reserves & going concern**

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The Trustees consider that the ideal level of reserves should be around £800,000.

The Garden's reserves policy is informed by:

- forecasts for levels of income in future years;
- forecasts for expenditure in future years on planned activity;
- analysis and assessment of future needs, opportunities, contingencies and risks.

Unrestricted reserves increased by £2.2m from £3.8m to £6m. These are funds which are expendable at the Board's discretion in furtherance of the objects or administration of the Charity. The Garden saw a swing in its free reserves from a deficit of £689k to a positive balance of £748k as at 31<sup>st</sup> March 2022. This has been a welcome achievement with the Garden making a significant advance towards achieving its reserves target. The Garden aims to continue to build its reserves in the future to ensure financial sustainability.

The consolidated balance sheet remains sound with net current assets of £1.4m and the ownership of a long leasehold interest. During the year, the Garden also obtained the freehold interest in its four farm properties which will enable it to develop these in the future. The Trustees have reviewed the circumstances of the Garden and group and consider that adequate resources continue to be available to fund the activities of the Garden and group for the foreseeable future. The Trustees are of the view that the Garden and group are a going concern.

The cash inflows from operating activities of £1.9m in 2022 reflect the surplus and additional capital grant funding for the year. However, the Trustees are aware of likely difficult trading conditions for 2022-23. The current economic backdrop will provide a challenging environment in the year to come. The Trustees will monitor costs and activities during the year and aim to continue to increase free reserves where possible.

**Availability and adequacy of assets of each of the funds**

The Board of Trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

**The major risks to which the Charity is exposed and reviews and systems to mitigate them**

The Trustees have a risk management strategy which comprises:

1. a bi-annual review of the principal risks and uncertainties that the charity and its subsidiary face;
2. the establishment of policies, systems and procedures to mitigate those risks identified in the bi-annual review; and
3. the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is a financial risk for both the charity and its subsidiary. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, and active management of trade debtors and creditors balances to ensure sufficient working capital is available to the Charity and its subsidiary company.



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Attention has also been focused on non-financial risks arising from fire, health and safety of staff, volunteers and the public. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff and volunteers working in operational areas.

The Garden has the following strategies for managing the principal risks:

1. The Garden continues to explore new and profitable revenue streams to enhance the Garden's reach and offering as well as reduce its dependency on public sector funding.
2. The Garden acknowledges the significant value to partnering with other organisations to deliver its mission on a financially sustainable basis and is committed to working to develop these relationships to the benefit of all.
3. The Garden is now 22 years old and the need to maintain infrastructure across the 550 acres represents a long-term commitment. WG and other capital funding is integral to meeting the costs of repairs and development.
4. The Garden is aware that its commercial income is related to the economic climate and factors such as available disposable income, public sector spending and the economy in Wales and further afield, and regularly reviews market trends to identify likely impacts on the Garden.
5. The Garden has received EU grant support in previous years and is actively working to secure alternative funding.

## **PLANS FOR THE FUTURE**

**Summary of plans for the future and the Trustees' perspective of the future direction of the charity.**

Despite the high performing year for 2021-22, recovering from the pandemic and rebuilding earned income continues, with certain parts of the business still not reaching pre-pandemic levels of activity. The Garden has developed a five-year plan in order to drive the organisation forward and meet its 10-year strategic objectives.

The economic environment with a looming cost of living crisis will make trading conditions difficult. Increasing interest rates, higher energy costs, and inflation running in excess of 9% is likely to result in a recession in the UK over the foreseeable future, with the travel and tourism sector likely to suffer. The Garden plans to address this through not only good cost management and improving returns from its assets, but to provide our visitors with a great experience as well as value for money.

This focus will include the following:

1. Encourage visitors to enjoy the wider estate for health and wellbeing benefits. Paths will be reinstated and new ones created throughout the national nature reserve. This will increase the path network and nature walks throughout the estate.
2. Our larger events will be reinstated as well as introducing new events and attractions. These will include heritage events and exhibitions, science festivals, play areas and on-farm activities.
3. Education and learning opportunities at the Garden are recovering following the pandemic with a new school programme, focussing on wildlife, history, farming and the environment in development. It will seek to use the biodiversity of the NNR and farm as a learning resource and increase our school engagement within the wider landscape. Introducing new and innovative ways of learning are planned to include improving accessibility and experiences via virtual reality.

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4. New plant successions continue to be sourced with a new exhibition planned for the Tropical House in 2023-24. We continue to work with Swansea Bay University Health Board on increasing engagement with green space and biodiversity and our Seed Bank for Wales has received funding from Royal Botanic Garden Kew to increase the rare seed collection.

New biosecurity and plant health measures will be introduced to complement our new plant health centre built in 2022 and we look forward to redeveloping and enhancing our Welsh Heritage Apple Orchard in Autumn 2022.

5. We will be introducing our new Public Engagement strategy demonstrating our ambition to create a welcoming, inclusive, culturally diverse and inspirational place that offers opportunities to all. We will strengthen, enhance, streamline and support our existing organisational culture of public engagement through developing a '**Call to Action**' – a clear and compelling message about the Garden's role in a sustainable future for Wales, supported by a series of key Public Engagement 'themes' intended to help mobilise common purpose and alignment across the Garden amongst staff, Trustees, members, volunteers, visitors to the site and wider communities:

***For Plants, for People, for the Planet*** – putting the Garden at the centre of Wales's conversations about the relationship between plants, people and the environment.

***Wales Welcoming the World*** – being a National Botanic Garden that represents all of Wales's diverse communities and reflects our commitment to welcoming the wider world.

***Living with the land, learning from the land*** - supporting the environment through conservation of Wales's plants and landscape heritage, showing how we care for the land sustainably with a focus on traditional land management techniques, typical of Wales and the local area.

6. In 2023 we will be increasing our public engagement with our Science by opening our Science building to the public to demonstrate our work with interactive and informative displays. Our Grasslands for Life research project will continue to monitor and report on the plant and fungi biodiversity in Wales and scientific papers on this research project are expected.
7. Further investment in late 2022 in our hospitality is planned in order to provide an enhanced and modern offering.
8. Our asset base will be reviewed during 2022-23 with a view to improving usage, upgrading as necessary and maximizing returns.
9. Major works will be undertaken in Winter 2022 on two of our reservoir dams to safeguard and enhance the lakes & landscape.
10. Our website will receive a revamp in the next 12 months with a more up to date visual feel.

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Legal structure of the charity**

The Charity is constituted as a company limited by guarantee. The governing document of the parent charity is the Memorandum and Articles of Association establishing the company under company legislation.

By operation of law, all Trustees are directors under the Companies Act 2006 and all directors are Trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The Trustees of the charity are all individuals and unpaid.

The Company Members of the National Botanic Garden of Wales appoint the Board in accordance with the Garden's constitution at the annual general meeting. Trustees retire by rotation at the Annual General Meeting and may be re-elected. Any vacancy is advertised openly and the Nominations Committee consider all applications and make recommendations to the Board.

The Trustees developed and approved a new Governance Manual during 2018, to ensure best practice in line with the Nolan Principles for standards in public life, Charity Commission guidance and the Companies Act. The Manual will be provided to all prospective and new Trustees as part of an induction pack during any future Trustee recruitment process.

**The charity's organisational structure**

The Board of Trustees administers the charity. The Board agreed to reduce the number of full Board meetings to four annually, whilst increasing the frequency of sub-committees covering nominations, remuneration, finance and audit. A Chief Executive (known as the Director) is appointed by the Trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees within the Governance Manual, for operational matters including finance, employment and operations.

**Governance Review**

During 2020 the Board of trustee implemented a Governance review, to consider any changes the Board needed to make to improve overall performance of the organisation. Ongoing review is undertaken to assess performance.

**The Chief Executive Officer and other senior management personnel to whom day to day management is delegated:**

The senior management personnel of both the Charity and trading subsidiary at the date of approval of the report and during the accounting period were as follows:

**Executive Senior Management Team:**

H Francis	Chief Executive Officer (Director), left 8 <sup>th</sup> March 2022
Dr N De Vere	Head of Science, Conservation and Research, left 31 August 2021
W Ritchie	Curator, left 28 <sup>th</sup> December 2021
A Summers	Curator, appointed 1 November 2021
SC Evans	Interim Director (from 8 <sup>th</sup> March 2022) & Head of Finance
D Cattell	Head of Facilities, left 28 December 2021
D Hardy	Head of Marketing and Communications
M Ward	Head of Trading and Admissions, left 28 December 2021
C Williams	Head of Hospitality



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**Setting pay and remuneration of key management personnel**

The Board of directors, who are the Charity's Trustees, and the senior management team, comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. There were no directors' expenses or material related party transactions in the year under review.

The pay of the senior staff is reviewed periodically. In view of the nature of the charity, the directors benchmark against pay levels in other regional charities of a similar nature.

**The charity as a part of a wider network**

The Garden works in partnership with a large number of partner organisations throughout Wales and the wider international community. The areas of partnership include those from horticulture, education, sustainability, conservation, science and research as well as historic landscape, arts and Welsh culture. The Garden is particularly grateful for the support of the European Union, Welsh Government (WG), the Waterloo Foundation, Colonel Patrick Daniell, National Garden Scheme, the National Heritage Lottery Fund and The Richard Broyd Charitable Trust, whose financial contributions and wider input are much valued.

**The charity's relationships with related parties.**

None of our Trustees receive remuneration. Any connection between a trustee or senior manager of the charity must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party. In the current year no material related party transactions were reported.

The charity's wholly owned subsidiary, Middleton Garden Limited, was established to operate the commercial catering, conferencing and retail facilities at the Garden. Middleton Garden Limited has a license from the charity to operate those facilities and distributes its profits to the charity (see note to the accounts).

**REFERENCE AND ADMINISTRATIVE DETAILS**

The legal name of the charitable group is: The National Botanic Garden of Wales

The charity is also known by its operating name, The National Botanic Garden of Wales

**Details of the group:**

The parent charity is The National Botanic Garden of Wales. The subsidiary is Middleton Garden Limited.

**The charity's areas of operation and UK charitable registration:**

The charity is registered with the Charity Commission for England & Wales with charity number 1036354 and with Companies House with registration number 2909098.

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

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**The principal operating address, telephone number, email and web address of the charity is:**

Middleton Hall, Llanarthne, Carmarthen, Carmarthenshire, SA32 8HG

Telephone: 01558 667149

Email Address: [info@gardenofwales.org.uk](mailto:info@gardenofwales.org.uk)

Web address: [www.botanicgarden.wales](http://www.botanicgarden.wales)

The registered office of the charity for Companies Act purposes is the same as the operating address shown above.

**The Trustees in office on the date the report was approved were**

Mr D G Davies (Chair)

Mrs J James (Vice Chair)

Mrs M Davies OBE

Professor I Donnison

Mr D Howell (Reappointed 15 December 2021)

Mr D Jenkins (Reappointed 15 December 2021)

Sir R Jones (Resigned November 2021)

Mr T Jones

Ms S Jennings

Dr S Matthews

Mrs E Parrott (Reappointed 15 December 2021)

Dr P Smith

Mr R Glyn Thomas

Mr S Williams (Reappointed 15 December 2021)

Mr M Woods (Reappointed 15 December 2021)

Ms E Whittle

Professor P Wall

At the Annual General Meeting four of the Trustees are due to retire and will be eligible for re-election. All the Trustees are also members of the charity.

**Bankers:**

NatWest Bank, 59 King Street, Carmarthen

**Solicitors:**

Acuity Legal, 3 Assembly Bay, Cardiff

Morgan De La Roche Solicitors, Carmarthen

**Auditor:**

Azets Audit Services, Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff, CF23 8AB

**Statement as to disclosure of information to auditors**

The Trustees state that so far as each of the Trustees at the time this report was approved are aware:

- a. There is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the auditors are unaware, and
- b. The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and establish that the auditors are aware of that information.

**THE NATIONAL BOTANIC GARDEN OF WALES  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

**RESPONSIBILITIES OF THE BOARD OF TRUSTEES**

The Trustees (who are also directors of The National Botanic Garden Of Wales) for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and the directors' report) and the financial statements in accordance with 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).

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 the group and of the income and expenditure, of the charitable group 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

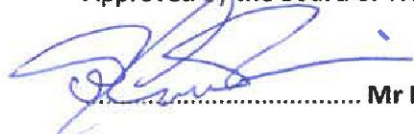
The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group 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; and
- 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.

Approved by the Board of Trustees on ..... 25/11/22 ..... and signed on behalf of the Board



..... Mr D G Davies - Chair

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
THE NATIONAL BOTANIC GARDEN OF WALES  
FOR THE YEAR ENDED 31 MARCH 2022**

**Opinion**

We have audited the financial statements of The National Botanic Garden of Wales (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31<sup>st</sup> March 2022 which comprise the consolidated Statement of Financial Activities, the consolidated and parent Balance Sheet, the consolidated Statement of Cash Flows and notes to the financial statements, including 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 group's and parent charitable company's affairs as at 31<sup>st</sup> March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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 group and parent 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**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report<sup>6</sup>. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
THE NATIONAL BOTANIC GARDEN OF WALES  
FOR THE YEAR ENDED 31 MARCH 2022**

**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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the parent 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 groups and parent 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 group or parent 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 auditor under the Companies Act 2006 and report in accordance with this Act. 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.



**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
THE NATIONAL BOTANIC GARDEN OF WALES  
FOR THE YEAR ENDED 31 MARCH 2022**

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
THE NATIONAL BOTANIC GARDEN OF WALES  
FOR THE YEAR ENDED 31 MARCH 2022**

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, for our audit work, for this report, or for the opinions we have formed.



**Sarah Case FCA DChA**  
Senior Statutory Auditor  
For and on behalf of  
**Azets Audit Services**  
Chartered Accountants and Statutory Auditors  
Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
CF23 8AB

Date 08-12-2022

Azets Audit Services is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**THE NATIONAL BOTANIC GARDEN OF WALES**  
**STATEMENT OF FINANCIAL ACTIVITIES - CONSOLIDATED**  
**FOR THE YEAR ENDED 31 MARCH 2022**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
<b>Income and endowments from:</b>					
Donations and legacies	3	748,755	24,220	772,975	1,029,547
Charitable activities	4	1,652,675	2,558,196	4,210,871	3,536,183
Investment income	5	2,737	-	2,737	3,135
Other trading activities	6	1,150,933	4,380	1,155,313	407,244
<b>Total income and endowments</b>		<b>3,555,100</b>	<b>2,586,796</b>	<b>6,141,896</b>	<b>4,976,109</b>
<b>Expenditure on:</b>					
Raising funds	7	1,075,336	-	1,075,336	317,207
Charitable activities	7	2,151,300	2,037,720	4,189,020	4,035,865
<b>Total expenditure</b>		<b>3,226,636</b>	<b>2,037,720</b>	<b>5,264,356</b>	<b>4,353,072</b>
<b>Net income/(expenditure)</b>	8	<b>328,464</b>	<b>549,076</b>	<b>877,540</b>	<b>623,037</b>
<b>Transfers between funds</b>	19,21	<b>1,919,641</b>	<b>(1,919,641)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>2,248,105</b>	<b>(1,370,565)</b>	<b>877,540</b>	<b>623,037</b>
<b>Reconciliation of Funds</b>					
Total funds brought forward	19,21	3,824,623	22,485,132	26,309,755	25,686,718
<b>Total funds carried forward</b>	21,22	<b>6,072,728</b>	<b>21,114,567</b>	<b>27,187,295</b>	<b>26,309,755</b>

All of the net incoming/ (outgoing) resources are from continuing activities.  
The company has no recognised gains or losses other than the above.

The notes on pages 22 to 45 form part of the financial statements



**THE NATIONAL BOTANIC GARDEN OF WALES**  
**BALANCE SHEET - CONSOLIDATED**  
**AS AT 31 MARCH 2022**

		2022		2021	
	Note	£	£	£	£
<b>Fixed assets:</b>					
Tangible assets	12		25,839,749		26,261,036
<b>Current assets:</b>					
Stocks	14	124,597		100,507	
Debtors	15	441,137		721,418	
Cash at bank and in hand		1,887,707		1,424,911	
		<u>2,453,441</u>		<u>2,246,834</u>	
<b>Liabilities:</b>					
Creditors: Amounts falling due within one year	16	<u>(1,020,210)</u>		<u>(749,432)</u>	
<b>Net current assets</b>			<u>1,433,231</u>		<u>1,497,404</u>
<b>Net assets</b>			<u>27,272,980</u>		<u>27,758,440</u>
 Creditors: Amounts falling due after one year	 17	 (85,685)		 (1,448,685)	
<b>Total net assets</b>			<u>27,187,295</u>		<u>26,309,755</u>
 <b>The funds of the charity:</b>					
Restricted income funds	19		21,114,567		22,485,132
Unrestricted funds					
General funds	21	5,797,728		3,824,623	
Designated funds	20	<u>275,000</u>		<u>-</u>	
			<u>6,072,728</u>		<u>3,824,623</u>
<b>Total charity funds</b>	22		<u>27,187,295</u>		<u>26,309,755</u>

These financial statements were approved by the Board of Directors/Trustees on ..... 25/11/22 .....

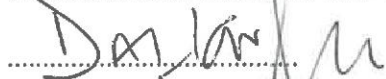
  
D Howell – Trustee & Chair of the Audit & Finance Committee

The notes on pages 22 to 45 form part of the financial statements

**THE NATIONAL BOTANIC GARDEN OF WALES**  
**BALANCE SHEET - CHARITY**  
**AS AT 31 MARCH 2022**

		2022	2021
	Note	£	£
<b>Fixed assets:</b>			
Tangible assets	12	25,832,166	26,252,269
Investments	13	<u>1</u>	<u>1</u>
		<b>25,832,167</b>	<b>26,252,270</b>
<b>Current assets:</b>			
Stocks	14	16,262	21,479
Debtors	15	493,109	788,502
Cash at bank and in hand		<u>1,885,276</u>	<u>1,422,006</u>
		<b>2,394,647</b>	<b>2,231,987</b>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	16	<u>(960,801)</u>	<u>(734,630)</u>
Net current assets		<b>1,433,846</b>	<b>1,497,357</b>
<b>Total assets less current liabilities</b>		<b>27,266,013</b>	<b>27,749,627</b>
Creditors: Amounts falling due after one year	17	<u>(85,685)</u>	<u>(1,448,685)</u>
<b>Total net assets</b>		<b><u>27,180,328</u></b>	<b><u>26,300,942</u></b>
<b>The funds of the charity:</b>			
Restricted income funds	19	21,114,567	22,485,132
Unrestricted funds			
General funds	21	5,790,761	3,815,810
Designated funds	20	<u>275,000</u>	<u>-</u>
		<b>6,065,671</b>	<b>3,815,810</b>
<b>Total charity funds</b>	22	<b><u>27,180,328</u></b>	<b><u>26,300,942</u></b>

These financial statements were approved by the Board of Directors/Trustees on 25/11/22



D Howell – Trustee & Chair of the Audit & Finance Committee

The notes on pages 22 to 45 form part of the financial statements

**THE NATIONAL BOTANIC GARDEN OF WALES  
STATEMENT OF CASH FLOWS - GROUP  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
Net cash provided by operating activities	25s	<u>2,412,319</u>	<u>1,794,812</u>
<b><i>Cash flows from investing activities:</i></b>			
Dividends, interest and rents from investments	5	2,737	3,135
Purchase of property plant and equipment	12	(582,299)	(1,128,772)
Proceeds from disposal of fixed assets		5,500	-
<b>Net cash used in investing activities</b>		<u>(574,062)</u>	<u>(1,125,637)</u>
<b><i>Cash flows from financing activities:</i></b>			
New finance	25	-	3,000
Repayments of borrowing	25	(1,375,460)	(6,230)
<b>Net cash (used in)/ from financing activities</b>		<u>(1,375,460)</u>	<u>(3,230)</u>
 <b>Change in cash and cash equivalents in the reporting period</b>		 <b>462,797</b>	 <b>665,945</b>
 Cash and cash equivalents at the beginning of the reporting period		 <b>1,424,911</b>	 <b>758,966</b>
 <b>Cash and cash equivalents at the end of the reporting period</b>	 25	 <u><b>1,887,708</b></u>	 <u><b>1,424,911</b></u>

The notes on pages 22 to 45 form part of the financial statements

**THE NATIONAL BOTANIC GARDEN OF WALES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**1. ACCOUNTING POLICIES**

**Legal form and address**

The National Botanic Garden of Wales is a private company limited by guarantee incorporated in England and Wales. The registered office is Neuadd Deg, Middleton Hall, Llanarthne, Carmarthenshire, SA32 8HG.

**Basis of preparation**

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

**Group financial statements**

The financial statements consolidate the results of the charity and its wholly owned subsidiary Middleton Garden Limited on a line by line basis.

No separate statement of financial activities and income and expenditure account has been presented for the Charity alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the Statement of Recommended Practice: Charities SORP (FRS 102).

**Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 31 March 2023, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. The Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

**THE NATIONAL BOTANIC GARDEN OF WALES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**1. ACCOUNTING POLICIES (continued)**

**Fund accounting**

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

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

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

**Income recognition**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Income from 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 from charitable activities and trading income is recognised in the period to which the service relates with any amounts received in advance being deferred.

Retail, café and plant sales are recognised at the date of sale.

No amounts are included in the financial statements for services and time donated by volunteers. Interest on funds 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.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

**THE NATIONAL BOTANIC GARDEN OF WALES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**1. ACCOUNTING POLICIES (continued)**

**Expenditure recognition**

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 the costs in relation to generating income such as fundraising and events, marketing and publicity and certain costs associated with the charity's trading subsidiary.
- Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the Trustees' report

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

An analysis has been provided for the charitable activities on a departmental basis.

Costs where possible are attributed directly to the activity to which they relate. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

**Taxation**

As a registered charity The National Botanic Garden of Wales is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects' purposes only.

**Fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses, or in cases where fixed assets have been donated to the charity, at valuation at time of acquisition.

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold premises and leasehold land	0%	% straight line
Leasehold premises	2%	% straight line
Plant and machinery	4% - 33%	% straight line
Motor vehicles	10% - 25%	% straight line

A regular annual review of the likelihood of asset impairment is undertaken.

**THE NATIONAL BOTANIC GARDEN OF WALES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**1. ACCOUNTING POLICIES (continued)**

**Plant Collection**

No depreciation is provided on the plant collection because it is the practice to maintain and renew the plants on a continual basis. Accordingly, the life is so long and the residual value so high that the Trustees consider that depreciation calculated in accordance with accepted accounting standards would be immaterial.

**Accounting for capital grants and fixed asset funds.**

Where the terms of the gift require the charity to hold the asset on an ongoing basis for a specific purpose, then the fixed asset fund so created is categorised as a restricted fixed asset fund, and the relevant restrictions are noted in the fixed asset note in the financial statements.

Where the terms of the gift are met once the asset is acquired, so allowing the charity to use the asset on an unrestricted basis, including the right to receive the proceeds of any future sale of the asset on an unrestricted basis, then the fixed asset is transferred to unrestricted funds.

As the related assets are depreciated, in accordance with the depreciation policy, in order to reflect the diminution in the asset, a transfer is made from the relevant fixed asset funds to either unrestricted or restricted revenue funds, as appropriate to the terms of the original gift, if any.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

**Investments**

Investments relate to 100% of the share capital of the charity's wholly owned trading subsidiary and is recognised at cost.

**Stocks**

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on the estimated selling price after taking into account all further costs and excess stocks that are slow moving.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.



**THE NATIONAL BOTANIC GARDEN OF WALES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**1. ACCOUNTING POLICIES (continued)**

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**Employee Benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**Pensions**

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due and are allocated against unrestricted funds.

**Operating Leases**

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



**THE NATIONAL BOTANIC GARDEN OF WALES**  
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**2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**3. INCOME FROM DONATIONS AND LEGACIES**

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donations	109,532	24,220	133,752	130,083
Legacy	5,958	-	5,958	4,988
Grants	633,265	-	633,265	894,476
	<u>748,755</u>	<u>24,220</u>	<u>772,975</u>	<u>1,029,547</u>

Grants were received from the following sources:

	Total 2022 £	Total 2021 £
Welsh Government (Core)	594,000	834,000
Welsh Government – Rural Development Wales	39,265	60,476
	<u>633,265</u>	<u>894,476</u>

**THE NATIONAL BOTANIC GARDEN OF WALES**  
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**4. INCOME FROM CHARITABLE ACTIVITIES**

<u>Group</u>	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Admission fees	1,102,839	-	1,102,839	365,107
Educational and contract income	86,187	4,769	90,956	38,683
Grants	-	2,553,155	2,553,155	2,811,702
Membership income	273,143	-	273,143	213,388
Other income	22,290	272	22,562	40,582
Plant and seed sales	168,216	-	168,216	66,721
	<u>1,652,675</u>	<u>2,558,196</u>	<u>4,210,871</u>	<u>3,536,183</u>

**Grants were received from the following sources:**

<u>Group</u>	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Apprenticeship Fund		23,000	23,000	-
European Regional Development Fund	-	178,208	178,208	734,515
RHS Flourish Fund	-	14,500	14,500	-
Welsh Government Landfill Tax Community Scheme	-	39,920	39,920	-
HMRC Job Retention Scheme	-	14,140	14,140	285,488
The National Lottery Heritage Fund	-	138,058	138,058	978,725
The Waterloo Foundation	-	-	-	111,000
Welsh Government Capital Funds	-	1,725,000	1,725,000	195,000
Welsh Government COVID-19	-	-	-	148,293
Welsh Government Enabling Natural Resources and Wellbeing	-	355,181	355,181	358,681
Welsh Government Visit Wales – Brilliant Basics	-	65,148	65,148	-
	<u>-</u>	<u>2,553,155</u>	<u>2,553,155</u>	<u>2,811,702</u>

**5. INVESTMENT INCOME**

<u>Group and charity</u>	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Bank interest	2,737	-	2,737	3,135
	<u>2,737</u>	<u>-</u>	<u>2,737</u>	<u>3,135</u>

**THE NATIONAL BOTANIC GARDEN OF WALES**  
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**6. OTHER TRADING ACTIVITIES**

<b>Group</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Corporate and wedding income	36,834	-	36,834	1,787
Event income	4,741	-	4,741	567
Food and drink sales	726,231	-	726,231	211,647
Other sales	1,392	-	1,392	700
Renewable income	41,952	-	41,952	70,680
Rental income	42,367	-	42,367	6,679
Sale of goods	297,416	4,380	301,796	115,184
	<u>1,150,933</u>	<u>4,380</u>	<u>1,155,313</u>	<u>407,244</u>

**TOTAL INCOME**

Income has been generated from the following categories:

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Middleton Garden Limited	1,265,830	445,391
Horticulture	43,928	29,581
Education	63,022	10,082
Admission and membership	1,468,903	650,578
Operations and central	704,134	1,207,991
Fundraising and events	4,543	767
Science	4,741	2,447
Restricted funds	2,586,795	2,629,272
	<u>6,141,896</u>	<u>4,976,109</u>

**THE NATIONAL BOTANIC GARDEN OF WALES**  
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**7. EXPENDITURE ON CHARITABLE ACTIVITIES**

	Raising funds £	Direct £	Support £	Governance £	Total 2022 £	Total 2021 £
Advertising and marketing	46,849	22,194	120	-	69,163	49,303
Audit fees	-	-	-	12,028	12,028	12,500
Bad debt	-	-	1,878	-	1,878	(1,445)
Catering consumables	28,773	104	-	-	28,877	6,650
Cleaning and waste management	1,044	34,007	3	-	35,054	20,620
Depreciation	3,574	966,623	19,426	-	989,623	979,476
Educational and research expenditure	52	27,326	-	-	27,378	22,366
Equipment hire, repairs and maintenance	18,178	121,556	378	-	140,112	78,186
Event and attraction expenses	18,686	921	18	-	19,625	408
Farm expenses	12,473	999	-	-	13,472	11,787
Health and safety	5	2,908	-	-	2,913	6,532
Horticulture costs	678	83,435	-	-	84,113	150,518
Insurance	-	72,346	-	-	72,346	53,533
Interest, card and bank charges	11	248	34,581	-	34,883	19,214
IT costs	2,450	32,863	26,749	-	62,062	59,955
Lease costs	-	505	5,557	-	6,062	5,944
Legal and professional fees	2,539	117,096	33,122	-	152,757	103,981
Light, heat, power	1,206	215,535	49	-	216,790	176,691
Loss on sale of asset	-	8,463	-	-	8,463	-
Other costs	100	8,154	1,418	-	9,629	3,465
Other staff and volunteer costs	4,979	60,728	55,239	-	120,946	68,036
Printing, postage, stationery	5,420	28,659	777	-	34,856	33,372
Premises repairs and maintenance	31,111	201,290	-	-	232,401	236,089
Purchases	410,343	92,359	-	-	502,702	147,635
Rent, rates and water	-	16,246	25	-	16,271	10,162
Subscriptions and licenses	9,364	11,420	2,109	-	22,893	16,378
Telephone and mobiles	127	17,533	701	-	18,361	16,605
Translation and interpretation	150	36,659	-	-	36,809	15,492
Travel and subsistence	561	17,206	146	-	17,913	6,417
Wages and salaries	476,663	1,494,563	302,750	-	2,273,976	2,043,201
	<u>1,075,336</u>	<u>3,691,946</u>	<u>485,046</u>	<u>12,028</u>	<u>5,264,356</u>	<u>4,353,072</u>

**THE NATIONAL BOTANIC GARDEN OF WALES**  
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**7. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)**

Costs have been expended from the following categories:

	2022	2021
	£	£
Middleton Garden Limited	1,184,602	426,545
Horticulture	459,159	321,726
Education	74,795	56,332
Admission and membership	146,640	63,678
Operations and central	1,088,770	617,003
Fundraising and events	145,133	74,272
Science	94,864	86,529
Interpretation	32,673	30,054
Restricted funds	2,037,720	2,676,933
	<u>5,264,356</u>	<u>4,353,072</u>

**8. NET INCOME FOR THE YEAR**

Net income for the period was stated after charging:

	2022	2021
<u>Group</u>	£	£
Auditors remuneration:		
Audit fees	11,028	11,500
Accountancy services	1,000	1,000
Depreciation	989,624	979,476
Operating leases	<u>10,505</u>	<u>11,175</u>

**9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL**

	Total 2022	Total 2021
	£	£
Wages and salaries	2,015,002	1,781,194
Freelance and contracted labour	60,460	80,394
Social security costs	128,359	119,335
Pension costs (defined contribution scheme)	70,156	62,278
	<u>2,273,977</u>	<u>2,043,201</u>

**THE NATIONAL BOTANIC GARDEN OF WALES  
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**9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL (continued)**

The number of employees whose annual remuneration was £60,000 or more were:

	Total 2022 £	Total 2021 £
£70,000 - £79,999	1	1
	<u>1</u>	<u>1</u>

Number of staff to whom benefits are accruing:

	Total 2022 £	Total 2021 £
Key management personnel	1	1
	<u>1</u>	<u>1</u>

Employer pension contributions for the above employee totalled £4,789 (2021: £3,750).

**Key management personnel**

The key management personnel of the charity and the group as noted in the Trustees' report received benefits (including gross salary, employer's national insurance contributions and employer's pension contributions) of £397,197 (2021: £380,473).

**Redundancy and termination payments**

During the year termination payments totalling £23,206 (2021: £10,624) were made to 4 members of staff. There were no amounts outstanding at the current or prior year end.

**Transactions with Trustees.**

No trustee was remunerated or was reimbursed for expenses during the current or prior year.

**Transactions with Trading Subsidiary**

Middleton Garden Limited is the charity's wholly owned subsidiary.

The following transactions between the two organisations are noted below:

**Related Party transactions:**

During the year the charity charged Middleton Garden Limited £114,914 (2021: £70,953) in management fees.

During the year Middleton Garden Limited gifted the charity £84,879 (2021: £18,256).

As at 31 March 2022 Middleton Garden Limited owed the charity £51,972 (2021: £67,084).

**THE NATIONAL BOTANIC GARDEN OF WALES**  
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**10. STAFF NUMBERS**

**Group**

The average number of staff employed by the group during the year was as follows:

	<b>2022</b>	2021
	<b>No.</b>	No.
	<b>113</b>	102
	<b>113</b>	102

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

	<b>2022</b>	2021
	<b>No.</b>	No.
Charitable activities	<b>78</b>	73
Fundraising activities	<b>1</b>	-
Management and administration	<b>12</b>	13
	<b>91</b>	86

**11. DEFINED CONTRIBUTION PENSION SCHEMES**

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The charge to the profit or loss in respect of defined contribution schemes was £70,156 (2021: £62,278).

There were amounts outstanding of £nil during the year (2021: £ nil).

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**12. TANGIBLE FIXED ASSETS**

<u>Group</u>	Land and buildings £	Plant and machinery £	Fixtures, fittings, vehicles and plants £	Total £
<b>Cost</b>				
At 1 April 2021	29,849,567	9,347,350	2,446,964	41,643,881
Additions	229,993	255,959	96,348	582,300
Disposals	(1,445)	(28,810)	(202,486)	(232,741)
At 31 March 2022	<u>30,078,115</u>	<u>9,574,499</u>	<u>2,340,826</u>	<u>41,993,440</u>
<b>Depreciation</b>				
At 1 April 2021	9,767,755	4,533,677	1,081,413	15,382,845
Charge for the year	495,326	410,597	83,701	989,624
Disposals	(405)	(27,778)	(190,595)	(218,778)
At 31 March 2022	<u>10,262,676</u>	<u>4,916,496</u>	<u>974,519</u>	<u>16,153,691</u>
<b>Net book value</b>				
At 31 March 2022	<u>19,815,439</u>	<u>4,658,003</u>	<u>1,366,307</u>	<u>25,839,749</u>
At 31 March 2021	<u>20,081,812</u>	<u>4,813,673</u>	<u>1,365,551</u>	<u>26,261,036</u>
<b>Charity</b>				
<b>Cost</b>				
At 1 April 2021	29,849,567	9,336,249	2,443,452	41,629,268
Additions	229,993	254,712	96,348	581,053
Disposals	(1,445)	(28,810)	(202,486)	(232,741)
At 31 March 2022	<u>30,078,115</u>	<u>9,562,151</u>	<u>2,337,314</u>	<u>41,977,580</u>
<b>Depreciation</b>				
At 1 April 2021	9,767,755	4,528,244	1,081,000	15,376,999
Charge for the year	495,326	408,165	83,702	987,193
Disposals	(405)	(27,778)	(190,595)	(218,778)
At 31 March 2022	<u>10,262,676</u>	<u>4,908,631</u>	<u>974,107</u>	<u>16,145,414</u>
<b>Net book value</b>				
At 31 March 2022	<u>19,815,439</u>	<u>4,653,520</u>	<u>1,363,207</u>	<u>25,832,166</u>
At 31 March 2021	<u>20,081,812</u>	<u>4,808,005</u>	<u>1,362,452</u>	<u>26,252,269</u>



**THE NATIONAL BOTANIC GARDEN OF WALES**  
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**12. TANGIBLE FIXED ASSETS (continued)**

	2022	2021
	£	£
NBV of assets under finance leases	3,539,200	3,808,000
Depreciation on the above	268,800	268,800
Total of assets funded by restricted reserves	<u>20,790,032</u>	<u>21,915,389</u>

**13. TRADING SUBSIDIARY**

<b>Name of subsidiary:</b>	Middleton Garden Limited
<b>Company Number:</b>	3080697
<b>Company Registration:</b>	England and Wales
<b>Registered Office:</b>	Same as parent charity
<b>Activities:</b>	Trading enterprise encompassing: Livestock sales, retail sales, restaurant, café, plant sales, corporate hire and hospitality
<b>Investment Value:</b>	£1
<b>Holding:</b>	100%
<b>Share Type:</b>	Ordinary

	2022	2021
	£	£
<b>Profit and Loss Account</b>		
Turnover	1,267,665	445,391
Expenditure	(1,184,589)	(426,545)
Operating profit	<u>83,076</u>	<u>18,846</u>
<b>Statement of Changes in Equity</b>		
Balance brought forward	8,769	8,179
Profit and total comprehensive income for the period	83,076	18,846
Distributions to parent charity under gift aid	(84,879)	(18,256)
Balance carried forward	<u>6,966</u>	<u>8,769</u>
<b>Capital and Reserves:</b>		
Reserves	6,965	8,768
Share capital	1	1
	<u>6,966</u>	<u>8,769</u>

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**14. STOCK**

	Total 2022 £	Total 2021 £
<b><u>Group</u></b>		
Stock	124,597	100,507
	<u>124,597</u>	<u>100,507</u>
<b><u>Charity</u></b>		
Stock	16,262	21,479
	<u>16,262</u>	<u>21,479</u>

**15. DEBTORS**

	Total 2022 £	Total 2021 £
<b><u>Group</u></b>		
Trade debtors	22,266	9,183
Prepayments	107,823	57,554
Other debtors	311,048	654,681
	<u>441,137</u>	<u>721,418</u>
<b><u>Charity</u></b>		
Trade debtors	22,266	9,183
Prepayments	107,823	57,554
Other debtors	311,048	654,681
Amounts owed by group undertakings	51,972	67,084
	<u>493,109</u>	<u>788,502</u>

**THE NATIONAL BOTANIC GARDEN OF WALES**  
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**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Total 2022 £	Total 2021 £
<b><u>Group</u></b>		
Bank loans and overdrafts	13,000	25,460
Trade creditors	452,270	332,273
Deferred income	40,040	466
Accruals	502,511	389,703
Other creditors	12,389	1,530
	<u>1,020,210</u>	<u>749,432</u>
<b><u>Charity</u></b>		
Bank loans and overdrafts	13,000	25,460
Trade creditors	392,861	317,995
Deferred income	40,040	466
Accruals	502,511	389,179
Other creditors	12,389	1,530
	<u>960,801</u>	<u>734,630</u>

***Deferred Income relates to:***

Deferred income relates to wedding, education, rental income and grants received in advance relating to the 2022/23 financial year.

**Movement in deferred income**

	2022 £	2021 £
<b><u>Group</u></b>		
Balance at the start of the reporting period	466	139,221
Amounts added in current period	81,941	-
Amounts released to income from previous periods	(42,367)	(138,755)
Balance at the end of the reporting period	<u>40,040</u>	<u>466</u>
<b><u>Charity</u></b>		
Balance at the start of the reporting period	466	136,745
Amounts added in current period	81,941	-
Amounts released to income from previous periods	(42,367)	(137,211)
Balance at the end of the reporting period	<u>40,040</u>	<u>466</u>

**THE NATIONAL BOTANIC GARDEN OF WALES**  
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**17. CREDITORS: AMOUNT FALLING DUE AFTER ONE YEAR**

	Total 2022 £	Total 2021 £
<b><u>Group &amp; Charity</u></b>		
Loans	<u>85,685</u>	<u>1,448,685</u>
	<u>85,685</u>	<u>1,448,685</u>

The balance can be broken down as follows:

Less than one year	13,000	25,460
Between 2 and 5 years	<u>85,685</u>	<u>1,448,685</u>
	<u>98,685</u>	<u>1,474,145</u>

Loans included in the above include £80,000 due to Welsh Government which is due to be repaid in 2027 and has no interest attached to it and £18,685 (2021: £31,145) due to The Esme Fairburn Foundation which is due to be repaid in 2023 and carries a 6% interest charge.

**18. ASSETS OF THE CHARITY CHARGED TO MEET ITS LIABILITIES**

A legal mortgage is in place on the company's freehold land and leasehold buildings in favour of The National Lottery Communities Fund to secure all monies and liabilities advanced by the Fund to the company. This mortgage restricts the use of the assets to that of a botanical garden. The Welsh Government and Lombard Property Facilities Limited also have legal charges over part of the leasehold and freehold land of the company. NatWest Bank has a registered debenture, but there are currently no borrowings outstanding.

	Total 2022 £	Total 2021 £
Amount secured is estimated to be:	<u>19,815,439</u>	<u>21,915,389</u>

The garden entered into a legal charge in 2018 with The National Lottery Heritage Fund to secure all monies and liabilities owed to it at any one time, up to £3.6m.

**THE NATIONAL BOTANIC GARDEN OF WALES**  
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**19. RESTRICTED FUNDS**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
<b><u>Group and charity</u></b>					
Apprenticeship Scheme	107,307	47,000	(49,712)	-	104,595
Brilliant Basics Fund	-	65,148	-	(49,655)	15,493
Caru Natur Cymru'/Biophilic Wales Project	44,900	355,181	(240,859)	(9,018)	150,204
Coronavirus Job Retention Scheme	-	14,140	(14,972)	832	-
Fixed Asset Fund	21,746,832	1,725,000	(954,716)	(1,727,084)	20,790,032
Flourish fund	-	14,500	(2,182)	-	12,318
Grantscape	-	39,920	-	(41,836)	(1,916)
Growing the Future	461,281	(31,355)	(372,158)	(3,030)	54,738
Postcode Lottery	17,801	-	(4,842)	-	12,959
Regency Restoration	(56,781)	138,228	(168,651)	(47,050)	(134,254)
Sustainable Management Scheme	158,802	219,034	(229,628)	(37,810)	110,398
The Waterloo Foundation / Borneo	2,240	-	-	(2,240)	-
Welsh Government - Sundry	2,750	-	-	(2,750)	-
	<u>22,485,132</u>	<u>2,586,796</u>	<u>(2,037,720)</u>	<u>(1,919,641)</u>	<u>21,114,567</u>

**Apprenticeship Scheme** – This scheme funds three apprenticeship placements for horticultural trainees. It is supported by a combination of restricted donations, the National Garden Scheme and Ernest Cook Trust.

**Brilliant Basics Fund**

This is a grant received from Visit Wales via Welsh Government to fund improved visitor facilities through the provision of Changing Places toilets, improving existing and installing new accessible family toilet/changing facilities.

**Caru Natur Cymru'/Biophilic Wales Project** - Our 'Caru Natur Cymru'/Biophilic Wales project is funded by the Welsh Government Enabling Natural Resources and Well-being Grant. It aims to increase the well-being of people, biodiversity and the environment, throughout Wales, using three interconnected work packages: Inspiring Spaces, Grasslands for Life and Plants for People.

**Coronavirus Job Retention Scheme** – The Charity received support under this scheme to meet the costs of wages & salaries of those employees furloughed following a reduction in operations due to the impact of the coronavirus pandemic.

**Fixed Asset Fund** - The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds. Restricted fixed asset fund relates to the purchase, development and maintenance of the botanic garden. The Millennium Commission supported the project by approving grants for £22.3m and the European Regional Development Fund by £6.3m. The Welsh Government (including funds from Welsh Development Agency and Wales Tourist Board) also provided restricted grant funding of £4.8m.

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**19. RESTRICTED FUNDS (continued)**

**Flourish Fund**

This award from the RHS helps us to build on our existing education, training and apprenticeship opportunities, in particular developing a new pathway into our horticulture apprenticeship scheme whilst linking with new and diverse audiences.

**Grantscape Fund**

This grant is from Welsh Government 's Landfill Disposal Tax Community Scheme 2020-21 and will enable the Garden to improve the condition of its hay meadow habitat on the Waun Las National Nature Reserve and showcase how nature and farming can work in harmony.

**Growing the Future** – This is a five-year Welsh Government Rural Communities – Rural Development Programme 2014-2020 project designed to promote Welsh horticulture, plants for pollinators, protection of wildlife and the virtues of growing food for health and well-being. It is funded by the European Agricultural Fund for Rural Development and Welsh Government.

**Postcode Lottery Fund**– This project delivers therapeutic day care for young people in South Wales who have eating disorders and related co-morbidities, especially anxiety. A component of this is a parental support group that meet to address prime carer issues.

**Regency Restoration** – This project aims to restore the Garden's historic parkland to its original 19<sup>th</sup> century Regency waterpark landscape. When completed, the Garden will feature a necklace of seven lakes, cascades, falls and weirs created more than 200 years ago together with a Regency planting scheme which formed the heart of its parkland. It is funded by the Heritage Lottery Fund, Garfield Weston Foundation, Monument Trust, The Mercers' Company, Welsh Government, Esmee Fairbairn Trust, Patsy Wood Trust and other generous donations.

**Sustainable Management Scheme** – This is a Welsh Government Rural Communities – Rural Development Programme 2014 – 2020 funded project. Known as the Dyffryn Tywi – Tirwedd Hanes Ein Bro project it aims to establish a strategic, landscape-scale collaborative approach to sustainable management of the historic landscape character of the Tywi Valley. It will establish interventions and measures to increase the resilience of the Tywi Valley's ecosystems, which will deliver measurable socio-economic benefits to the Valley's residents and businesses, build a circular economy and contribute significantly to the well-being of local and national communities.

**The Waterloo Foundation / Borneo** - This represents funding received to research rainforest regeneration within secondary and replanted sites using DNA barcoding, located in the Kinabatangan Rainforest, Borneo.

**Welsh Government - Sundry** - This relates to the balance of funding received to investigate and survey buildings.

**Transfers** – relate to capital movement on the fixed asset fund comprising restricted fund capital expenditure and other items allocated to unrestricted funds.

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**19. RESTRICTED FUNDS (continued)**

*Previous year*

	Balance at 1 April 2020	Income	Expenditure	Transfers	Balance at 31 March 2021
<u>Group and charity</u>	£	£	£	£	£
Fixed Asset Fund	21,640,510	195,000	(939,741)	851,063	21,746,832
Growing the Future	463,007	545,715	(533,956)	(13,485)	461,281
Regency Restoration	158,900	741,025	(247,102)	(709,604)	(56,781)
Apprenticeship Scheme	131,522	38,260	(62,475)	-	107,307
The Waterloo Foundation / Borneo	2,265	-	(25)	-	2,240
Welsh Government - Sundry	2,750	-	-	-	2,750
Caru Natur Cymru'/Biophilic Wales Project	-	358,681	(313,781)	-	44,900
Postcode Lottery	18,470	-	(669)	-	17,801
Sustainable management scheme	104,398	206,403	(123,082)	(28,917)	158,802
Coronavirus Job Retention Scheme	-	285,488	(285,488)	-	-
IMS	-	11,000	(15,025)	4,025	-
Heritage Lottery Emergency Fund	-	247,700	(155,589)	(92,111)	-
	<u>22,521,822</u>	<u>2,629,272</u>	<u>(2,676,933)</u>	<u>10,971</u>	<u>22,485,132</u>

**20. DESIGNATED FUNDS**

	Balance at 1 April 2021	Income	Expenditure	Transfers	Balance at 31 March 2022
<u>Group and Charity</u>	£	£	£	£	£
General fund	-	-	-	125,000	125,000
Property asset development fund	-	-	-	54,835	54,835
Project development fund	-	-	-	95,165	95,165
	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,000</u>	<u>275,000</u>

**General fund** – this fund has been set aside to meet additional costs arising from the cost of living crisis.

**Project development fund** -this has been established in order to meet the costs of future feasibility studies, provide initial project seed money, including providing match funding for new and/or ongoing projects.

**Property asset development fund** – this has been created to contribute towards planned capital infrastructure costs with an aim of improving the facility and/or increasing commercial returns.



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**21. UNRESTRICTED FUNDS**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
<b><u>Group</u></b>					
General unrestricted funds	3,824,623	3,555,100	(3,226,636)	1,644,641	5,797,728
Designated funds	-	-	-	275,000	275,000
	<u>3,824,623</u>	<u>3,555,100</u>	<u>(3,226,636)</u>	<u>1,919,641</u>	<u>6,072,728</u>
<b><u>Charity</u></b>					
General unrestricted funds	3,815,810	2,374,147	(2,043,837)	1,644,641	5,790,761
Designated funds	-	-	-	275,000	275,000
	<u>3,815,810</u>	<u>2,374,147</u>	<u>(2,043,837)</u>	<u>1,919,641</u>	<u>6,065,761</u>
<b><u>Previous year</u></b>					
	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
<b><u>Group</u></b>					
General unrestricted funds	3,164,896	2,346,837	(1,676,139)	(10,971)	3,824,623
	<u>3,164,896</u>	<u>2,346,837</u>	<u>(1,676,139)</u>	<u>(10,971)</u>	<u>3,824,623</u>
<b><u>Charity</u></b>					
General unrestricted funds	3,156,718	1,918,577	(1,248,514)	(10,971)	3,815,810
	<u>3,156,718</u>	<u>1,918,577</u>	<u>(1,248,514)</u>	<u>(10,971)</u>	<u>3,815,810</u>

**THE NATIONAL BOTANIC GARDEN OF WALES**  
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**22. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds	Designated funds	Restricted funds	Total 2022
<u>Group</u>	£	£	£	£
Fixed assets	5,049,717	-	20,790,032	25,839,749
Net current assets	833,696	275,000	324,535	1,433,231
Long term liabilities	(85,685)	-	-	(85,685)
	<u>5,797,728</u>	<u>275,000</u>	<u>21,114,567</u>	<u>27,187,295</u>

**Charity**

Fixed assets	5,042,134	-	20,790,032	25,832,166
Investments	1	-	-	1
Net current assets	834,311	275,000	324,535	1,433,846
Long term liabilities	(85,685)	-	-	(85,685)
	<u>5,790,761</u>	<u>275,000</u>	<u>21,114,567</u>	<u>27,180,328</u>

**Previous year**

	Unrestricted funds	Restricted funds	Total 2021
<u>Group</u>	£	£	£
Fixed assets	4,514,204	21,746,832	26,261,036
Net current assets	759,104	738,300	1,497,404
Long term liabilities	(1,448,685)	-	(1,448,685)
	<u>3,824,623</u>	<u>22,485,132</u>	<u>26,309,755</u>

**Charity**

Fixed assets	4,505,437	21,746,832	26,252,269
Investments	1	-	1
Net current assets	759,057	738,300	1,497,357
Long term liabilities	(1,448,685)	-	(1,448,685)
	<u>3,815,810</u>	<u>22,485,132</u>	<u>26,300,942</u>

**23. ULTIMATE CONTROLLING PARTY**

The charity is under the control of its legal members.

Every member of the charity is obliged to contribute such amount as may be required not exceeding £1 to the assets of the company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

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**24. OPERATING LEASE COMMITMENTS**

The following operating leases were in place as at 31 March 2022:

<u>Group</u>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Within one year	10,505	11,175
Within two to five years	11,284	16,835
	<u>21,789</u>	<u>28,010</u>
<u>Charity</u>		
Within one year	-	5,474
Within two to five years	-	669
	<u>-</u>	<u>6,143</u>

**25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

<u>Group</u>	<b>2022 £</b>	<b>2021 £</b>
Net income for the reporting period	877,540	623,037
<i>Adjustments for:</i>		
Depreciation charges	989,624	979,477
Loss/(gain) on disposal	8,463	3,550
(Increase) / decrease in stocks	(24,090)	7,846
(Increase) / decrease in debtors	280,281	303,283
Decrease in creditors	283,238	(119,246)
Dividends, interest and rents from investments	(2,737)	(3,135)
Net cash provided by operating activities	<u>2,412,319</u>	<u>1,794,812</u>
<u>Analysis of Cash and Cash Equivalents</u>		
Cash in hand	<u>1,887,707</u>	<u>1,424,911</u>
Total Cash and Cash Equivalents	<u>1,887,707</u>	<u>1,424,911</u>

Analysis of changes in net funds

	<b>At 1 April 2021 £</b>	<b>New finance £</b>	<b>Cash flows £</b>	<b>As at 31 March 2022 £</b>
Cash	1,424,911	-	462,796	1,887,707
Loans falling due within one year	(25,460)	-	12,460	(13,000)
Loans falling due after more than one year	(1,448,685)	-	1,363,000	(85,685)
	<u>(49,234)</u>	<u>-</u>	<u>1,838,256</u>	<u>1,789,022</u>

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**26. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds 2021 £
<b>Income and endowments from:</b>			
Donations and legacies	981,287	48,260	1,029,547
Charitable activities	964,203	2,571,980	3,536,183
Investment income	3,135	-	3,135
Other trading activities	398,212	9,032	407,244
<b>Total income and endowments</b>	<b>2,346,837</b>	<b>2,629,272</b>	<b>4,976,109</b>
<b>Expenditure on:</b>			
Raising funds	317,207	-	317,207
Charitable activities	1,358,932	2,676,933	4,035,865
<b>Total expenditure</b>	<b>1,676,139</b>	<b>2,676,933</b>	<b>4,353,072</b>
<b>Net income/(expenditure)</b>	<b>670,698</b>	<b>(47,661)</b>	<b>623,037</b>
<b>Transfers between funds</b>	<b>(10,971)</b>	<b>10,971</b>	<b>-</b>
<b>Net movement in funds</b>	<b>659,727</b>	<b>36,690</b>	<b>623,037</b>
<b>Reconciliation of Funds</b>			
Total funds brought forward	3,164,896	22,521,822	25,686,718
<b>Total funds carried forward</b>	<b>3,824,623</b>	<b>22,485,132</b>	<b>26,309,755</b>

**27. RESULTS OF THE PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the income and expenditure of the parent company is not presented as part of these financial statements. The parent company's surplus for the financial period was £330,310 (2021: surplus of £622,447).

