

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

England & Wales · Charity number 1101348

Details

Other names NAFAS

Status Registered

Legal form Charitable company

Company number [04934904](#)

Registered 2004-01-05

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: 1. TO ADVANCE PUBLIC EDUCATION IN THE ART OF FLOWER ARRANGING AND RELATED SUBJECTS; AND2. TO FURTHER ANY OTHER CHARITABLE PURPOSE OR PURPOSES.

Activities: Administration of NAFAS Courses in Floral Art & Design Attending and exhibiting at major shows and floral events A National Show where affiliated members may enter competitions and where both members and the general public may enjoy the floral arrangements exhibitedAssessments of judges, demonstrators and speakersEncouragement to affiliated clubs to develop their memberships

Classification

- **How:** Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£589,426	£747,687	£3,766,580	5
2024-03-31	£636,935	£710,289	£3,907,603	5
2023-03-31	£3,186,525	£697,642	£3,838,681	5
2022-03-31	£438,015	£523,955	-	-
2021-03-31	£517,988	£485,989	£1,423,804	4

Trustees

Name	Role	Appointed
Ann Barbara Harding		2019-10-09
Dr PAULA MCALINDEN		2024-11-01
Elizabeth Janice Gordon		2023-09-15
Graham Weaver		2025-11-03
Janet Armitage		2026-05-15
Joan Elizabeth Magee		2023-09-15
Julie Carse		2026-05-15
Nicole Wylie		2020-10-06

Accounts

Charity Registration No. 1101348

Company Registration No. 04934904 (England and Wales)

**NATIONAL ASSOCIATION OF FLOWER
ARRANGEMENT SOCIETIES 2003**

(A COMPANY LIMITED BY GUARANTEE)

**TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025**



NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
(LIMITED BY GUARANTEED)
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NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
(LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

STATUS	The Association is a charitable company limited by guarantee incorporated on 16 October 2003 and registered as a charity on 5 January 2004.
GOVERNING DOCUMENT	The company was established under Memorandum and Articles which established the objects and powers of the charitable company. The Articles were amended by General Meeting on 20 January 2021.
COMPANY NUMBER	04934904
CHARITY NUMBER	1101348
REGISTERED OFFICE/OPERATING OFFICE	1 st Floor 42-44 Bishopsgate London EC2N 4AH
TRUSTEES:	Mrs Nicky Wylie, Vice Chairman Mrs Ann Harding Mrs Ellen Meaking Mrs Elizabeth Gordon Mrs Joan Magee Dr Paula McAlinden (appointed 01/11/2024) Mrs Mala Williams (retired 21/03/2025)
CHIEF EXECUTIVE OFFICER:	Mr Steven Lane
FINANCE OFFICER:	Mrs Helen Lund
AUDITORS:	TC Group The Courtyard Shoreham Road Upper Beeding West Sussex BN44 3TN
BANKERS:	National Westminster Bank PO Box 282 216 Bishopsgate London EC2M 4QB
FOUNDER PRESIDENT:	The late Mrs Mary Pope OBE VMH
NATIONAL PRESIDENT:	James Burnside
LIFE VICE-PRESIDENT:	Mr Robin Herbert CBE VMH

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 (LIMITED BY GUARANTEED) TRUSTEES' REPORT

REPORT FROM THE CHAIR OF TRUSTEES

With just over a year behind me and now halfway through my term as National Chairman, it feels like the right moment to reflect on how far we've come, and where we are headed. Since taking on the role in October 2023, it has been a rewarding and energising journey, full of opportunities to strengthen our organisation and celebrate the unique role NAFAS plays in so many lives.

I want to begin by thanking the Board for their continued energy and commitment to NAFAS. Their efforts underpin every step we take as an organisation. A heartfelt thanks must go to Steven, whose invaluable contributions and steady presence will be greatly missed. We also acknowledge Mala Williams, who stepped away from the Board for personal reasons, and warmly welcome Paula McAlinden as she begins her term as a new trustee.

I would also like to extend a sincere thank-you to James Burnside, our new National President, who has taken on the role with full gusto. His energy, enthusiasm, and commitment have been evident in the way he has travelled widely, visiting numerous clubs and Areas. His engagement with members on the ground is helping to strengthen connections across NAFAS, and we are truly grateful for the passion he brings to the role.

We are also delighted to welcome two new members of staff to the NAFAS team. Johanna O'Brien has joined us to support our expanding educational work. Helen Lund, our new Finance Officer, supporting Steven to ensure that our finances are carefully managed and clearly reported. We are pleased to have them on board.

At our core, NAFAS exists to inspire through education. Our guiding statement—"Sharing the creative use of flowers through education, to bring joy and inspiration to all"—remains the compass by which we measure our work.

Over the past year, we have sharpened our focus on educational delivery, exploring new opportunities to grow our reach. Plans to introduce fresh leisure classes, particularly by partnering with colleges, signals an exciting step forward. These initiatives are not only about learning floral techniques; they are about connection, creativity, and wellbeing.

As we continue building momentum, our efforts are concentrated around the following key themes:

1. Broadening Educational Access

We're working to deliver a wider range of learning opportunities, both in person and online. By making our education more flexible and inclusive, we hope to engage more learners from all backgrounds and every Area.

A notable highlight this year is the launch of our brand-new book, *Floral Design Innovation and Craft* by Julie Pearson. This beautifully curated publication showcases contemporary floral design and celebrates the skills, artistry, and forward-thinking creativity that define NAFAS today. It serves not only as inspiration but also as an educational tool, reflecting our commitment to evolving and enriching the learning experience.

2. Deepening Community Connections

A priority moving forward is to encourage collaboration and unity across our 21 Areas. Sharing ideas, knowledge and experiences will strengthen our collective impact and foster a more cohesive national community.

3. Supporting Mental Wellbeing Through Creativity

Flower arranging has long been associated with mental wellbeing, and we continue to promote its therapeutic benefits. By aligning with national wellbeing campaigns, we affirm the important role our art form plays in supporting emotional health.

Clear and consistent communication remains central to our work. We want members to feel informed, engaged, and heard. Our newsletter now reaches over 2,000 subscribers—an encouraging sign of the appetite for updates and connection.

Thanks to the foundations built by so many dedicated individuals—past and present—NAFAS stands ready to grow and evolve. The future is bright, and we move forward with clarity of purpose: to champion flower arranging as a creative, enriching pursuit that builds community and brings joy.

Nicky Wylie
National Chairman

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 (LIMITED BY GUARANTEED) TRUSTEES' REPORT

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

The Trustees present their report together with the audited financial statements for the year ended 31 March 2025. The financial statements have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS 102), applicable law and the Charity's governing document.

The Charity prefers to be known by the acronym "NAFAS" and is a UK registered trademark no. UK00003045302

Structure, Governance and Management.

The Trustees are also the Directors of the Company for the purpose of company law. The Charity is a charitable company limited by guarantee and without share capital. In the event of the Company being wound up the liability of each member is limited to £10. It was incorporated on 16th October 2003. The purpose of its formation was to acquire the assets and undertaking of National Association of Flower Arrangement Societies, an unincorporated charitable association first formed in 1959. It is governed by Articles of Association and its objectives are to advance public education in the art of flower arranging and related subjects. The membership of the Company is comprised of 21 unincorporated Area Associations providing geographical representation throughout the United Kingdom and represented at meetings through a single elected representative for each Area. A network of approximately 800 flower clubs are affiliated to the Area Associations and their members form the affiliated membership of the Charity.

The Voting Members of the Charity are made up of the 21 current Area Representatives and the current Trustees. The National Officers are appointed by the Board and comprise the Chair of Trustees and the Vice-Chairman. There shall be a minimum of 5 Trustees and a maximum of 10 Trustees. A minimum of 2 Trustees and a maximum of 5 Trustees to be elected by the Voting Members, additional Trustees can be appointed by the Board. The National President is a non-executive appointment selected by a panel. The day-to-day management of the Charity is the responsibility of the Chief Executive Officer. Salaries of all staff are reviewed annually by the Board of Trustees.

The Trustees, as stated on the legal and administrative information page, are eligible to serve two terms of three years. The Board meets monthly (virtually) and receives quarterly reports from the Charity's Standing Committees, who administer the operation of each facet of the Charity's objectives. One Trustee attends each meeting of the Standing Committees to ensure continuity within the reporting process. The Board of Trustees take direct responsibility for the management of the assets and liabilities. Financial management including control and monitoring of budgets, is overseen by the Finance Team.

The National Advisory Council meets 4 times a year and comprises a single representative from each of the 21 Area Associations. They represent the affiliated members and act as an advisory body and as a forum for the exchange of views and information between the Board of Trustees and the affiliated members.

Trustees Induction and Training

New Trustees are invited and encouraged to attend training courses and seminars to brief them on their legal obligations. They are also introduced to the Charity Commission's own booklets and information bulletins. Funds are available to facilitate Trustee training in undertaking their role.

Subsidiary Company

The Charity's wholly owned subsidiary, NAFAS Enterprises Limited (company No. 01829011), undertakes fundraising through the publishing and sale of books, leaflets and booklets relating to flower arranging and the publication of The Flower Arranger magazine. Profits are transferred to the Charity through Gift Aid. The Board of Directors comprises the National Chairman and two other Trustees of the Charity.

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Charitable Objectives and Activities

The Charity is established to:

- Advance public education in the art of flower arranging and related subjects
- Further any other charitable purpose or purposes

The Charity's Activities are:

- Administration of NAFAS Courses in Floral Art & Design
- Attending and exhibiting at major shows and floral events
- A National Show where affiliated members may enter competitions and where both members and the general public may enjoy the floral arrangements exhibited
- Training and assessments of judges, demonstrators and speakers
- Encouragement to affiliated clubs to develop their memberships

NAFAS Vision, Mission and Values

The new Vision, Mission and Values were adopted in 2021 by the Board.

NAFAS Vision Statement

To improve the lives of everyone through flowers.

NAFAS Mission Statement

Sharing the creative use of flowers through education, to bring joy and inspiration to all.

We achieve this through:

- Welcoming everyone to our Association, events and shows by removing barriers to access
- Sharing our artistry, creativity, skills, experience and innovation
- Encouraging creative use of flowers to aid mental health, well-being and social interaction
- Developing imaginative and accessible promotional programmes and publications
- Providing the highest quality educational and training schemes and upholding their quality
- Supporting opportunities to develop skills through competitions and exhibitions at all levels
- Ensuring excellent organisational and commercial support for affiliated clubs and societies
- Establishing a culture where collaboration and sharing best practice is the norm
- Working closely with horticultural, trade and educational bodies with similar goals
- Continuous improvement to everything we do by embracing incremental change
- Regular renewal of our representation and plans to capture new trends and voices
- Minimising our impact on the environment

Our Values

- Ensure a friendly welcome for all, that embraces equality and diversity
- Ensure open and positive behaviours at all times in delivering our goals
- Make full use of the knowledge, energy and commitment of all of our Association's members
- Seek positive environmental sustainability in all our activities

Public Benefit

In establishing the annual objectives and activities which fulfil NAFAS overall aims, the Trustees always have regard to the principles of public benefit. The Trustees are aware of and have received copies of the Charity Commission's guidance regarding Public Benefit and have taken it into account, where relevant, in their planning and decision making.

The Objectives set out clearly that the Charity is established to advance public education in the art of flower arranging and to further any other charitable purpose. It operates throughout the whole of the United Kingdom and strives to attract members from all age groups and ethnic backgrounds. The Association's exhibits at major floral and horticultural shows, including its own National Show, are seen and enjoyed by large numbers of the general public.

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TRUSTEES' REPORT

The Trustees are conscious that many of its affiliated members are elderly with some on low or fixed incomes. Although each club is autonomous with the ability to set its own membership fees, the Affiliation Fee to the Charity was increased in 2024 to £7.75 per member per annum.

The Association also provides direct membership at a cost of £45 per annum which includes a subscription to its quarterly magazine, The Flower Arranger. The cost of direct membership remains the same until such time as it is deemed appropriate to increase. The Trustees take its commitment to public benefit extremely seriously, exemplified by the fact that the Affiliation Fee remains very low not wishing to exclude any member on economic grounds.

The Trustees believe that entry fees to shows and events and Affiliation Fees to members are set at such a low level as to ensure that all members of the public can afford them and therefore benefit from full enjoyment of the Charity's services. The affiliated flower clubs play an important role in raising money for other charities.

The Charity's members and the Area Associations, provide services to the general public too numerous to mention fully but include workshops where the public are invited to try their own skills at flower arranging, similar workshops for school parties and children with special needs, assistance to local churches to hold flower festivals to encourage the public to support their local communities and floral demonstrations at flower shows and events throughout the year.

Risk Management

The Trustees acknowledge their responsibility to consider the risks faced by the Charity and to ensure that adequate controls are in place to identify, assess and mitigate such risks. Through the risk management processes established by the Charity, the Trustees are satisfied that the major risks have been identified and mitigated where necessary, and that systems and procedures have been put in place to provide reasonable assurance that major risks have been adequately managed.

The Trustees have identified the following key areas of risk:

1. Changes in external environment which result in there being an increase in costs of:
 - a. Transport costs
 - b. Flowers
 - c. Hall Hire, which directly affects clubs
 - d. Postage and Printing
2. Club closures affected by some of the issues listed above, and also:
 - a. Difficulty attracting members to sit on the club committee
 - b. Ageing membership
 - c. Difficulty in attracting new younger members

These risks and all other risks identified for the organisation are managed within a comprehensive risk register that identifies the likelihood of a risk, and the consequences should that risk come to fruition. This gives both the management and the Trustees the overview of the risk occurring. These mitigating management actions are kept under constant review.

Achievements and Performance

NAFAS launched a New Talent Competition with competitors competing at the Malvern Show in September 2024. The winner, Denise Jones from the Dorset and Guernsey Area went on to compete at RHS Chelsea in May 2025, winning a Gold Medal.

Staff and Trustees represented NAFAS on stalls at Harrogate Spring Flower Show, Malvern Autumn Show and Southport Show.

Two webinars were held in May 2024 and attracting over 250 members. This was an opportunity for NAFAS members to talk directly to the Board of Trustees and the CEO.

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The National President's weekend was held at the Golden Jubilee Hotel in Glasgow in July 2024. 130 members attended and enjoyed a talk by National Speaker Karen Frew on Christian Dior and a demonstration by National Demonstrator, Julia Loudon. Our thanks go to Liliás Hoskins (National President) and her team for organising a successful event.

NAFAS members arranged flowers at Westminster Abbey throughout the year, services included: Anzac Day, Florence Nightingale Service, RAF Battle of Britain Service and Commonwealth Service. Our thanks go to the Westminster Abbey Coordinators, Jilly Griffin and Linda O'Sullivan for their hard work and dedication.

NAFAS produced a new hardback book in 2024. Floral Design Innovation and Craft was launched in time for Christmas. Our thanks to author Julie Pearson and her associates for producing a stunning book. Leaf Techniques 2 and Elements and Principles of Design were reprinted. NAFAS increased its selection of handbooks by joining forces with Su Whale and selling her three books on Cut Flowers, Cut Foliage and Houseplants. A selection of two Jigsaws was launched in 2024.

A Trustee Information Meeting was held in August 2024 for those interested in joining the Board. The event provided more information about the responsibilities of a Trustee, skills required and time commitment.

NAFAS Articles of Association was updated in August 2024.

NAFAS collaborated with Celebrating Disability who provided guidance on policies and procedures. Thanks to Esi Hardy, Managing Director, for her support.

NAFAS News went from printed to digital at the end of 2024. This was a difficult decision, but the rise in print costs was the deciding factor.

The board agreed to increase affiliation fees, due in December 2026 from £7.75 to £10.00. This has caused a great deal of concern from members. The outcome is a review of the Affiliation and Membership Fees, with a meeting planned in November 2025 of all the Voting Members.

Reports from the NAFAS Standing Committees'

National Judges Committee

Alan Beatty, Chairman

A site visit to Gloucester Cathedral in June 2024 enabled an in-person committee meeting and the following day Accredited training was given to National Test candidates.

Two items dominated our work during this period – preparing for the National Show 2025 and for the National Judges Test.

National Show - Early in 2024 we gladly accepted being tasked with again producing the Show Schedule with all that entails. In advance of our visit to the Cathedral in June we had prepared lists of possible titles/staging with a focus very much on producing a 'different' Show to the one in 2023. This enabled a very productive time in the Cathedral. In the months that followed the Schedule was refined and it was previewed to delegates attending the National Advisory Council meeting in January, after which it was launched to favourable comment. Now that the entries are in, we can say we are pleased with the response. We continue to work on various aspects of the Show and are indebted to Vanessa Keys for the work she has done particularly in relation to entries.

National Judges Tests - The first Accredited training was in June 2024 at Shrewley and the second in April 2025 at Broughton. Other training sessions were held via Zoom with the candidates being given work for submission.

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Judges Conference 2026 - We were pleased to have the budget accepted in March 2025 for a conference in Tiverton in October 2026. Work on the programme for that is ongoing.

Judges Bulletin - In March we revived the circulation of a Judges Bulletin. This was sent to all National Judges and to the 21 Area Reps who were asked to circulate it to their Area Judges. It has been well received, and we hope to circulate at least one per year going forward as this helps keep everyone connected and is a means of addressing topical issues.

Area Judges Reps - In January 2025 we held what has become an annual meeting now that we can meet virtually. Most Reps were in attendance and good discussion on a variety of matters took place – again this helps keep the correct information flowing which is so important.

Adjudicators, Instructors and Assessors - In September 2024 we held meetings with the Adjudicators and Instructors and also with the Assessors. Good discussion and exchange of ideas took place at both meetings.

Trainee Adjudicators - In February a meeting was held with newly registered Trainee Adjudicators to provide an insight into what will be expected of them as they progress through the training. They had been asked to provide a question with an Answer Scheme as a lead into this aspect of the work and guidance was provided. It is hoped to follow this up later in the year. Following liaison with the Area Judges' Reps in the two Areas holding tests this year we have been able to place trainees as Observers and Co-Adjudicators which helps progress their training.

Judges Forms - In February work began on revising the entire set of Judges Forms – a formidable task.

National Demonstrators Committee

Beryl Cotton, Chairman

The National Demonstrators Committee consisting of Beryl Cotton (Chairman), Margaret Rumens (Vice-Chairman), Lucy Ellis, Delyth Price, Vanessa Wellock and Cherie Nummy met five times during the year on Zoom and face to face at the National Tests 2024 and Demonstrators Symposium 2025. The committee produced a 3-year plan for NAFAS and continue to work hard to maintain their aims and objectives and measure their achievements.

An Area Demonstrators Representatives meeting was held via Zoom in September 2024 when constructive conversation took place on a wide range of demonstrating matters.

Area Demonstrator Tests have taken place in South Midlands, Flower Clubs of Mercia & North Wales, Flower Clubs of Cheshire, SAFAS, East of England, Dorset & Guernsey, Berks, Bucks & Oxon, Kent Floral Art and North East Areas. Several Areas have conducted Demonstrator Refresher Days. We work closely with our Area Demonstrators' Representatives offering guidance and encouragement when approached.

Beryl Cotton represented NAFAS and attended an event with Director, Mala Williams, on plastics, packaging and waste in floriculture at Coventry Cathedral. Both Beryl Cotton and Margaret Rumens attending the Zoom presentation by Esi Hardy, Celebrating Disability.

A Zoom meeting was held for all Pre-National and National Test candidates offering advice and guidance along with a face-to-face day (self-funded) at Frodsham taken by two qualified NAFAS Demonstrator Adjudicators and trainers along with a trainee adjudicator. 11 candidates attended. These two events were followed by an open door to any further assistance/guidance required prior to taking the Test/Pre-National Assessment. The National Demonstrators Tests took place at Frodsham Community Centre, Fluin Lane, Frodsham on 30th and 31st October 2024. Jo Purdy was successful in passing her National Test. We look forward to seeing many of the Pre-National Assessment candidates at the next National Test in Spring 2026.

Alan Beatty and James Burnside qualified as Demonstrator Instructors. There are 4 new trainee demonstrator adjudicators – all at varying stages (Emily Broomhead, Christine Hughes, Cherie Nummy and Vanessa Wellock).

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A Christmas newsletter was produced by Margaret Rumens with input from all the National Demonstrators Committee.

A Demonstrators Symposium chaired by Beryl Cotton was held at the Telford Hotel, Golf and Spa Hotel, Telford from 28th February to 2nd March 2024. Sponsored by Smithers Oasis and Flower Vision, Birmingham and included:-

- Guest Speakers: Liam Beddall, Senior Rose Consultant at David Austin Roses, Shropshire and Dr Jill Timms, Associate Professor at Surrey University and a Fellow of the Institute of Sustainability.
- Workshops by Cherie Nummy and Vanessa Wellock particularly relating to giving ideas to adapt to delegates demonstrations.
- Ready Steady Cook organised by Delyth Price with Emily Broomhead, James Burnside, Mark Entwistle, Sioned Hughes, Andrew Key and Lynne Sharpe trialling the new Renewal floral foam from Smithers Oasis.
- Auction organised by Lucy Ellis assisted by auctioneer Pam Lewis
- The Demonstration was undertaken by Dawn Weaver
- Presentation by Lucy Ellis on Deadly, Dangerous and Risky to Hold
- Plant identification: Margaret Rumens

The D Forms have been brought up to date by Beryl Cotton and Margaret Rumens both working closely with Vanessa Keys, NAFAS who has reformatted the documents.

The National Demonstrators Committee are appreciative of the support from Committee Umbrella, Trustee Elizabeth Gordon.

Future plans:

Plans are well under way for the mini demonstrations undertaken by National Demonstrators at the National Show being held in Gloucester Cathedral. The Committee will be present at their stand in the Cloisters to meet and greet members of NAFAS and chat about demonstrating. There will be a plant identification quiz and a display of foam free mechanics. Designs created by the National Demonstrators will be on sale.

An Adjudicators & Instructors Zoom meeting will take place in June 2025 and an Area Reps Zoom meeting in September to update and keep in touch.

National Speakers Committee

Bronda Dosset, Chairman

This is my first report since taking over as Chairman of the National Speakers Committee.

It appears that PowerPoint presentations have become increasingly popular over the last few years, especially as they are also ideal for giving online talks during our cold and wet winter months. As a result, last September the National Speakers Committee provided a training day given by Peter Mathers and Tony Cleaver, on PowerPoint at NAFAS Head Office. Also, for the first time this September at the National Show all our Speakers will be giving fifteen-minute presentations using PowerPoint.

My first duty after becoming Chairman was to attend a meeting regarding the disability law, which was very informative and since then one of our committee members Irene Manson, is representing Speakers to develop a disability policy for NAFAS.

I am delighted to report the Committee have worked hard to update the guidelines over the last few months, which are now on the NAFAS website. We have tried to make it easier for members to find the document they need. Hopefully the index sheet at the beginning helpful.

The Committee is keen to increase the number of Area and National Speakers, as currently we are quite a small but friendly family. With this in mind, in February we organised a Zoom meeting for members who are interested in becoming Area Speakers, but don't have the opportunity to train within their own Area. The meeting was well attended, and we now have 9 members from 5 different Areas who are keen to start training. We are currently trying to organise online training and find a venue where they can take their Pre-Test and

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Test. This is not proving so easy as they all come from different parts of the country, especially as this has never been done before.

In March we had our Area Speaker's Representative meeting, which was attended by 15 representatives. It is disappointing that currently 6 Areas do not have a Speakers Rep. However, it was a productive meeting, and I am hoping that next year, there will be a representative from each of the 21 Areas. Since then, we have created a WhatsApp group for the Speakers Representatives which has proved helpful for sharing information.

Congratulations to North Midlands Area who have now completed their Speakers training and we have 8 new Area Speakers. It is an exciting time as three other Areas are also at different stages of training, the outcome of which I will report next year.

Over the next twelve months the Committee will be looking into the possibility of holding a National Speakers Test and a Symposium. This will give us the opportunity to get together and welcome our new speakers.

I'd like to take this opportunity to thank the Committee for their commitment in promoting Speakers over the last twelve months, and I look forward to working with them all next year.

National Education Committee

Jane Rickard, Chairman

During this period, the Education Committee have continued to put together all the documents required to offer new NAFAS Education Courses. We hope to launch these courses in the Autumn and be able to promote them at the National Show in Gloucester later this year.

We have noted all comments from Education Reps and National Teachers including those who have taught the courses and the moderators. We have adapted these courses so that all their concerns have been addressed. When completed, the Board of Directors will have to approve the documentation for these courses. These courses are also suitable to be taught in colleges, and we currently have a college that is very interested in teaching them. My sincere thanks go to the entire Committee who have all worked so hard on this so that we can move swiftly on to offering courses to our members and colleges.

The Education Committee is a committed group of teachers within NAFAS, who willingly give their time as a volunteer to the Association. Producing another set of courses has been a huge task, taken on with enthusiasm and commitment. We hope that these new courses will be well received by the members.

Looking to the future, we hope to encourage Areas to teach the Basic Teaching Manual to their members over one or two days. This will not be a qualification but will provide knowledge for the unqualified teachers in our Association who tutor workshops and classes. This would also be very helpful to demonstrators who also teach workshops. These tutors do a sterling job in passing on their skills in flower arranging and should be encouraged to continue teaching leisure classes in this manner.

We sadly had to say goodbye to Mala Williams who has been this Committee's Umbrella for such a long time. Her support to the Committee was always invaluable, sincere and helpful. Her role has been replaced by Nicky Wylie who has taken up this role until October 2025.

We also have Johanna O'Brien at Head Office who supports us with the administration and for this we thank her sincerely.

AGM

We will continue to present our AGM virtually as this attracts a larger audience compared to a physical meeting and allows access to the proceedings to all our membership. To ensure that all members have the opportunity to ask questions to the Board, the 2025 AGM will be in the form of a webinar to encourage member interaction.

Volunteer Involvement

The Charity relies on the support of its members who give many thousands of hours voluntarily to assist in the provision of services and activities. It is impossible to put a value on this support for which the Charity is very grateful and without which much of the work undertaken could not be achieved. The Trustees appoint functional and advisory committees, composed of experienced volunteers to assist in carrying out the work of the Charity.

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Fundraising

The Charity does not actively undertake any fundraising directly from the general public.

Membership

Affiliation Fees and the annual returns forms, which are completed by the 21 Area Executives, recorded the following details in December 2024:

- Individual Members: 29,593 (30,358 in 2023)
- Number of flower clubs: 764 (799 in 2023)

Future Planning

The CEO is retiring in December 2025. It will be the responsibility of the new CEO to work with the board to produce a new 3 year strategy, to include:

Growth and Strategy;

- Define long term vision and mission updates.
- Set measurable goals for member growth and retention.
- Expand member and club benefits.

Member Engagement

- Develop a year-round communication strategy.
- Organise consultation events (webinars) for club chairmen, members and Area Representatives.

Technology and Tools

- Expand existing database.
- Improve website and introduce member portal.
- Strengthen data privacy and GDPR procedures.

Leadership and Governance

- Outline succession plans for key roles.
- Review and refine Governance policies
- Explore trustee recruitment opportunities.

Finance and Sustainability

- Set up reserves and financial risk assessments.
- Strengthen Finance Team and Investment Team.
- Review internal financial procedures.

Marketing and Branding

- Grow online presence and activities.
- Review internal digital policies.
- Track metrics and analytics and report transparently to the board and members.

Powers of Investments

The Articles of Association authorise the investment of the Company's funds or any part thereof in the purchase of such stocks, shares, securities or other investment or property of whatsoever nature as the Trustees, may in their absolute discretion decide. All investments are held in accordance with these powers. The Trustees do not have specific target returns on investment income although generally they expect investment performance to reflect movement in the London Stock Exchange indices.

Financial Review

The Association has strict internal financial controls, which are overseen by the CEO, Finance Team and the Board of Trustees. All events are budgeted and closely monitored, and for this financial period have included:

Educational Events

- National Show (Education)
- National Judges Conference (Education)
- National Speakers Tests (Education)
- RHS Chelsea (Competition)
- Malvern Autumn Show (Marketing & Promotion)
- Harrogate Spring Flower Show (Marketing & Promotion)
- Southport Flower Show (Marketing & Promotion)

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEED)

TRUSTEES' REPORT

The Charity provides funding for its Standing Committees, Judges, Demonstrators, Speakers, and Education. It also commits funding to educational events as charitable activities.

Financial Review

At the end of the financial year, the Association recorded a deficit of £141,023 (2024: surplus of £68,922). However the Charity still has adequate reserves.

Consolidated income decreased by 7% from £636,935 to £589,426 (Largely due to a fall in show and assemblies income and trading income from NAFAS Enterprises Limited).

Consolidated expenditure increased by 5% to £747,687.

Enterprises (Trading Subsidiary)

Turnover decreased by 8% from £247,365 to £227,565

Cost of sales and administrative expenses increased by 1% to £257,484

Loss for the year was £29,471 versus a loss of £7,329 in 2024.

The results for the year ended 31 March 2025 are shown in this summary of income and expenditure:

	2025	2024
	£	£
Net movement in funds		
Unrestricted funds	(143,982)	65,884
Designated funds	2,959	3,038
Restricted funds	-	-
	-----	-----
	(141,023)	68,922
	=====	=====

Reserves

An analysis of funds is given under note 20. The maintenance of adequate reserves underpins the Trustees' Risk Management policy as a counter against risks identified in the regular Risk Review. In view of the general historical reliability of the Charity's income streams, the Trustees consider that the Charity's general reserve, excluding fixed assets but including the value of marketable investments, should be maintained at a level sufficient to cover six months charitable operations expenditure and governance costs. At 31st March 2025 the level of free reserves stands at £3,714,973 (2024: £3,855,828).

Subsidiary Undertaking

NAFAS Enterprises Limited is a wholly owned subsidiary. It undertakes all trading activities and transfers the whole of its profit to the Charity by gift aid. Due to a change in accounting rules, the gift aid payable is not recorded as a liability in these accounts.

Accounting Policies

Accounting policies are disclosed on pages 21 to 23 of the financial statements.

Auditors

A resolution proposing the appointment of Auditors to the Charity will be put to the Annual General Meeting.

The Trustees' Report was approved by the Trustees' on 14/10/2025

BY ORDER OF THE BOARD



Nicky Wylie, National Chairman

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
(LIMITED BY GUARANTEED)
STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of National Association of Flower Arrangement Societies 2003 for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the group and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

Opinion

We have audited the financial statements of National Association of Flower Arrangement Societies 2003 (the parent 'charitable company') and its subsidiary (the 'group') for the year ended 31 March 2025 on pages 17 to 32. 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 the parent charitable company's affairs as at 31 March 2025 and of its 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

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

We have nothing to report in this regard.

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 directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 set out on page 4, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

Auditor's responsibilities for the audit of the financial statements

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 for the audit of the financial statements is located on the Financial Reporting Council's website <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.

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees, directors and other management (as required by auditing standards), and discussed with the trustees, directors and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption; and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees, directors and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the charity and group's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity and group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those procedures and controls.

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT**

**TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT
SOCIETIES 2003**

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of TC Group
Statutory Auditor
Office: Steyning, West Sussex

Date: 20 November 2023

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2025

		General funds £	Designated funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income from:	Notes					
Donations and legacies	3	1,021	-	-	1,021	6,049
Charitable activities:						
Affiliation & direct membership fees	4	190,072	-	-	190,072	174,390
Shows and assemblies	4	88,481	-	-	88,481	118,280
Other trading activities:						
Trading income	10	228,013	-	-	228,013	247,812
Investment income						
Investment income		73,339	-	-	73,339	71,496
Interest income		2,734	-	-	2,734	3,955
Other		2,807	2,959	-	5,766	14,953
Total income		586,467	2,959	-	589,426	636,935
Expenditure on:						
Raising funds:						
Costs of trading subsidiary	10	257,488	-	-	257,488	255,141
Charitable activities:						
Operations	5	490,199	-	-	490,199	455,148
Total expenditure		747,687	-	-	747,687	710,289
Net gains on investments	13	17,238	-	-	17,238	142,276
Net income/(expenditure) and net movement in funds		(143,982)	2,959	-	(141,023)	68,922
Fund balances at 1 April 2024		3,864,037	37,466	6,100	3,907,603	3,838,681
Fund balances at 31 March 2025		3,720,055	40,425	6,100	3,766,580	3,907,603

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

All activities of the charity are classified as continuing. There are no recognised gains or losses other than those reported on the Statement of Financial Activities.

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
CONSOLIDATED BALANCE SHEET**

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	12	5,082		8,209	
Investments	13	<u>3,482,963</u>		<u>3,435,919</u>	
		3,488,045		3,444,128	
Current assets					
Stocks	14	27,982		19,679	
Debtors	15	49,958		116,228	
Cash at bank and in hand		<u>372,196</u>		<u>568,953</u>	
		450,136		704,860	
Creditors: amounts falling due within one year	16	<u>(171,601)</u>		<u>(241,385)</u>	
Net current assets		278,535		463,475	
Total assets less current liabilities		<u>3,766,580</u>		<u>3,907,603</u>	
Income funds					
Unrestricted funds:					
General funds	19	3,720,055		3,864,037	
Designated funds	19	40,425		37,466	
Restricted funds	19	<u>6,100</u>		<u>6,100</u>	
Total funds		<u>3,766,580</u>		<u>3,907,603</u>	

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 14th October 2025



Mrs Nicky Wylie (Chairman)

Company Registration No. 4934904

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

CHARITY BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	12	5,082		8,209	
Investments	13	<u>3,482,967</u>		<u>3,435,923</u>	
		3,488,049		3,444,132	
Current assets					
Debtors	15	87,100		148,914	
Cash at bank and in hand		<u>354,421</u>		<u>525,264</u>	
		441,521		674,178	
Creditors: amounts falling due within one year	16	<u>(157,205)</u>		<u>(234,397)</u>	
Net current assets		284,316		439,781	
Total assets less current liabilities		<u>3,772,365</u>		<u>3,883,913</u>	
Income funds					
Unrestricted funds:					
General funds	19	3,725,840		3,840,347	
Designated funds	19	40,425		37,466	
Restricted funds	19	<u>6,100</u>		<u>6,100</u>	
Total funds		<u>3,772,365</u>		<u>3,883,913</u>	

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 14th October 2025



Mrs Nicky Wylie (Chairman)

Company Registration No. 4934904

FOR THE YEAR ENDED 31 MARCH 2025

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NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Statutory information

National Association of Flower Arrangement Societies 2003 (NAFAS) is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found on the Legal and Administrative Information page.

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – Charities SORP (FRS102) and the Companies Act 2006.

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

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties about the group's ability to continue as a going concern.

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 £1.

2.2 Group financial statements

The financial statements consolidate the results of the charity, its wholly owned subsidiary, NAFAS Enterprises Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented as the group has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

2.3 Income

All income is recognised in the Statement of Financial Activities once the group has gained entitlement to them and the amounts can be quantified with sufficient reliability.

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Investment income is recognised in the financial statements when receivable.

2.4 Expenditure

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is included within the item of expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in pursuit of its charitable objectives. It includes both direct costs and support costs relating to such activities. Support costs, including salaries, are apportioned on the basis of the time involved on the activity.

Governance costs include those costs associated with meeting the statutory requirements of the group and include the audit fees and costs linked to strategic management of the group.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	Straight line – over four years
--------------------	---------------------------------

Furniture and fittings	Straight line – over four years
------------------------	---------------------------------

Freehold land is not depreciated. The freehold building is depreciated over 100 years from the year after purchase and is subject to an annual impairment review. The building carries a Grade 2 listing and its useful life is expected to exceed 100 years.

2.6 Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Gains and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2.7 Stock

Stocks are valued at the lower of cost and net realisable value.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The Trustees seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.10 Creditors and provisions

Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2.11 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

2.12 Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

The charity contributes to employees' personal pension schemes. The pension costs charged in the financial statements represent the contributions payable during the year.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Accounting policies (continued)

2.13 Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are funds provided for a specific purpose that must be spent in line with funder's requirements.

2.14 Critical accounting estimates and judgements

In the application of the group'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.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

3 Donations and Legacies

	General funds £	Designated funds £	Restricted funds £	Total 2025 £	Total 2024 £
Other	1,021	-	-	1,021	6,049
	<u>1,021</u>	<u>-</u>	<u>-</u>	<u>1,021</u>	<u>6,049</u>

4 Income from charitable activities

	General funds £	Designated funds £	Restricted funds £	Total 2025 £	Total 2024 £
Affiliation and direct membership	190,072	-	-	190,072	174,390
Shows and Assemblies	88,481	-	-	88,481	118,280
	<u>278,553</u>	<u>-</u>	<u>-</u>	<u>278,553</u>	<u>292,670</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

5 Analysis of group charitable activities

	Total 2025 £	Total 2024 £
Staff costs	91,367	110,388
WAFA	750	84
Westminster Abbey Flowers	5,496	6,132
National Show	-	41,901
National Flower Arranging Day	-	303
Interflora World Cup	-	10,800
Presidents event	32,599	-
Teachers conference	16,366	-
Demonstrators Symposium	18,960	-
Committees:-		
Judges Committee	-	3,165
Demonstrators Committee	-	2,141
Education Committee	2,378	6,191
Speakers Committee	-	734
Support and governance costs	289,933	262,805
Other activities	32,350	10,504
	<u>490,199</u>	<u>455,148</u>

Total staff costs of £194,398 as per note 11 are split as £91,367 charitable activities (2024: £110,388) and £103,031 support and governance (2024: £83,523).

6 Analysis of costs - 2025

	Direct costs £	Support costs £	Governance costs £	Total 2025 £	Total 2024 £
Charitable activities:-					
Operations	200,266	261,651	28,282	490,199	455,148
	<u>200,266</u>	<u>261,651</u>	<u>28,282</u>	<u>490,199</u>	<u>455,148</u>
Raising funds:-					
Costs of trading subsidiary	215,516	-	41,972	257,488	255,141
	<u>415,782</u>	<u>261,651</u>	<u>70,254</u>	<u>747,687</u>	<u>710,289</u>

Analysis of costs - 2024

	Direct costs £	Support costs £	Governance costs £	Total 2024 £
Charitable activities:-				
Operations	152,893	284,550	17,705	455,148
	<u>152,893</u>	<u>284,550</u>	<u>17,705</u>	<u>455,148</u>
Raising funds:-				
Costs of trading subsidiary	253,788	-	1,353	255,141
Total	<u>406,681</u>	<u>284,550</u>	<u>19,058</u>	<u>710,289</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 Governance costs

	Total 2025 £	Total 2024 £
Auditors' remuneration		
Audit	9,625	8,600
Other services	972	7,802
Legal and professional fees	17,685	2,656
Total	28,282	19,058

8 Net income for the year

	2025 £	2024 £
This is stated after charging:		
Auditors remuneration:		
Audit	9,625	8,600
Other services	972	7,802
Expenses reimbursed to Trustees	1,788	896
Depreciation	3,127	3,574

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

9 Comparative Statement of Financial Activities – Year ended 31 March 2024

		General funds	Designated funds	Restricted funds	Total 2024
	Notes	£	£	£	£
Income from:					
Donations and legacies	3	6,049	-	-	6,049
Charitable activities:					
Affiliation & direct membership fees	4	174,390	-	-	174,390
Shows and assemblies	4	118,280	-	-	118,280
Other trading activities:					
Trading income	10	247,812	-	-	247,812
Investment income		71,496	-	-	71,496
Interest income		3,955	-	-	3,955
Other		11,915	3,038	-	14,953
Total income		633,897	3,038	-	636,935
Expenditure on:					
Raising funds:					
Costs of trading subsidiary		255,141	-	-	255,141
Charitable activities:					
Operations	5	455,148	-	-	455,148
Total expenditure		710,289	-	-	710,289
Net gains on investments		142,276	-	-	142,276
Net Income / (expenditure)		65,884	3,038	-	68,922
Net movement in funds		65,884	3,038	-	68,922
Fund balances at 1 April 2024		3,798,153	34,428	6,100	3,838,681
Fund balances at 31 March 2024		3,864,037	37,466	6,100	3,907,603

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

10 Subsidiaries

The wholly owned subsidiary NAFAS Enterprises Limited is incorporated in England and Wales (company number: 1829011). The subsidiary donates all of its profits to NAFAS.

The summary financial performance of the subsidiary is as follows:

	2025 £	2024 £
Turnover	227,565	247,365
Cost of sales and administration costs	(257,488)	(255,141)
Interest receivable	310	390
Other operating income	138	57
Net loss	(29,471)	(7,329)

The current assets and liabilities of the subsidiary were:

Current assets	56,751	78,814
Current liabilities	(62,532)	(55,124)
Total net (liabilities) / assets	(5,781)	23,690
Aggregate share capital and reserves	(5,781)	23,690

11 Staff costs

Number of employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Charitable activities	5	5

Employment costs

	2025 £	2024 £
Wages and salaries	169,157	168,026
Social security costs	17,245	16,807
Other pension costs	7,996	9,078
	194,398	193,911

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

11 Staff costs (continued)

One employee received total employee benefits of £60,000 or more in 2025 (2024: One).

	2025	2024
	No.	No.
£60,000 - £69,999	1	1

The key management personnel of the charity comprise the Chief Executive Officer and the Administrative Secretary. The total employee benefits of key management personnel of the charity were £116,221 (2024: £116,108). This includes Employer's National Insurance and pension contributions.

None of the Trustees received any remuneration during the year.

There are no employees in the subsidiary company.

12 Tangible fixed assets

	Website design £	Furniture and equipment £	Total £
Cost			
At 1 April 2024 and 31 March 2025	12,977	11,748	24,725
Depreciation			
At 1 April 2024	12,448	4,068	16,516
Charge for the year	529	2,598	3,127
At 31 March 2025	12,977	6,666	19,643
Net book value			
At 31 March 2025	-	5,082	5,082
At 31 March 2024	529	7,680	8,209

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

13 Investments

	Group		Charity	
	£	£	£	£
	2025	2024	2025	2024
At beginning of the year	3,435,919	3,231,516	3,435,919	3,231,516
Additions	584,241	568,761	584,241	568,761
Disposals at opening fair value	(621,639)	(512,925)	(621,639)	(512,925)
Unrealised investment gains/(losses)	84,442	148,567	84,442	148,567
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2025	3,482,963	3,435,919	3,482,963	3,435,919
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Quoted investments				
Fixed interest	935,464	978,846	935,464	978,846
UK equities	509,739	686,036	509,739	686,036
Overseas equities	1,436,243	1,207,003	1,436,243	1,207,003
Alternatives	601,517	564,034	601,517	564,034
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2025	3,482,963	3,435,919	3,482,963	3,435,919
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Investment in subsidiary undertaking	-	-	4	4
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2025	3,482,963	3,435,919	3,482,967	3,435,923
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Note 10 provides further information regarding the investment in NAFAS Enterprises Limited.

Investment gains shown on the Statement of Financial Activities of £17,238 (2024: £142,276) include unrealised gains on investments of £84,442 (2024: gains of £148,567) and realised losses of £67,204 (2024: £6,291).

14 Stock

	2025		2024	
	Group	Charity	Group	Charity
	£	£	£	£
Goods for resale	27,982	-	19,679	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

15 Debtors	2025		2024	
	Group £	Charity £	Group £	Charity £
Trade debtors	10,638	3,376	23,818	17,486
Prepayments and accrued income	18,443	18,443	42,888	39,771
Amounts owed from subsidiary company	-	48,136	-	48,136
Other debtors	20,877	17,145	49,522	43,525
	<u>49,958</u>	<u>87,100</u>	<u>116,228</u>	<u>148,918</u>

16 Creditors: amounts falling due within one year	2025		2024	
	Group £	Charity £	Group £	Charity £
Trade creditors	17,848	7,577	60,670	58,732
Taxes and social security costs	3,617	3,617	4,541	4,541
Accruals and deferred income	149,531	145,406	175,823	170,773
Other creditors	605	605	351	351
	<u>171,601</u>	<u>157,205</u>	<u>241,385</u>	<u>234,397</u>

Deferred income analysis:	2025		2024	
	Group £	Charity £	Group £	Charity £
Deferred income at 1 April 2024	160,564	160,564	124,605	124,605
Released during year	(160,564)	(160,564)	(124,605)	(124,605)
Deferred in year	134,033	134,033	160,564	160,564
Deferred income at 31 March 2025	<u>134,033</u>	<u>134,033</u>	<u>160,564</u>	<u>160,564</u>

Deferred income is in relation to affiliation fees received in advance.

17 Operating lease commitments

At the year end, the following commitments were in place in respect of operating leases:

	2025		2024	
	Group £	Charity £	Group £	Charity £
Within one year	46,856	46,856	48,021	48,021
Within two to five years	<u>58,177</u>	<u>58,177</u>	<u>96,960</u>	<u>96,960</u>
	<u>105,033</u>	<u>105,033</u>	<u>144,981</u>	<u>144,981</u>

Lease payments recognised as an expense in the year totalled £47,390 (2025: £51,923).

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 Analysis of net assets – 2025 (consolidated)

	General funds £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	3,488,045	-	-	3,488,045
Current assets	403,611	40,425	6,100	450,136
Current liabilities	(171,601)	-	-	(171,601)
	<u>3,720,055</u>	<u>40,425</u>	<u>6,100</u>	<u>3,766,580</u>

Analysis of net assets – 2024 (consolidated)

	General funds £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	3,444,128	-	-	3,444,128
Current assets	661,294	37,466	6,100	704,860
Current liabilities	(241,385)	-	-	(241,385)
	<u>3,864,037</u>	<u>37,466</u>	<u>6,100</u>	<u>3,907,603</u>

19 Analysis of funds - 2025

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Net gains on investments £	Balance at 31 March 2025 £
Unrestricted funds:					
General funds	3,864,037	586,467	(747,687)	17,238	3,720,055
Designated funds:					
WAFA Special Fund	16,785	-	-	-	16,785
Overseas Travel Reserve	20,632	2,959	-	-	23,591
Remembrance Fund	49	-	-	-	49
Restricted funds:					
Workshop	5,000	-	-	-	5,000
Calligraphy & Engraving	1,100	-	-	-	1,000
	<u>3,907,603</u>	<u>589,426</u>	<u>(747,687)</u>	<u>17,238</u>	<u>3,766,580</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

19 Analysis of funds – 2024

	Balance at 1 April 2023	Incoming resources	Resources expended	Net losses on investments	Balance at 31 March 2024
	£	£	£	£	£
Unrestricted funds:					
General funds	3,798,153	633,897	(710,289)	142,276	3,864,037
Designated funds:					
WAFA Special Fund	16,785	-	-	-	16,785
Overseas Travel Reserve	17,594	3,038	-	-	20,632
Remembrance fund	49	-	-	-	49
Restricted funds:					
Workshop	5,000	-	-	-	5,000
Calligraphy & Engraving	1,100	-	-	-	1,100
	<u>3,838,681</u>	<u>636,935</u>	<u>(710,289)</u>	<u>142,276</u>	<u>3,907,603</u>

Designated funds

The WAFA Special Fund was opened to enable “Best in Show” prize winners at future NAFAS National Shows to represent the charity at forthcoming WAFA World Shows.

The Overseas Travel Reserve provides for officials’ travel costs to the World Association of Flower Arrangers (WAFA) World Show, held every three years and for the charity’s annual subscription to WAFA. It is funded by an annual transfer from the General Reserve at the rate of 10p for each affiliated member.

The Remembrance Fund consists of donations received in memory of members to be recorded in the book of remembrance.

Restricted funds

The Workshop Fund consists of a donation received for the refurbishment of a room at Head Office for floral workshops to members and the general public.

The Calligraphy & Engraving Fund has arisen as a result of donations received toward the engraving of the Associations trophies, showing winners of various competitions, and the calligraphy of framed pictures listing the Associations National Officers and Presidents.

20 Taxation

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 1 of the Corporation Tax Act 2010.

21 Related party transactions

The charity has taken advantage of Paragraph 33.1A of FRS 102 not to disclose transactions with wholly owned subsidiaries.

During the year the charity paid expenses of £1,788 to six trustees (2024: £896 to six trustees).

Accounts

Charity Registration No. 1101348

Company Registration No. 04934904 (England and Wales)

**NATIONAL ASSOCIATION OF FLOWER
ARRANGEMENT SOCIETIES 2003**

(A COMPANY LIMITED BY GUARANTEE)

**TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024**



NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEE)

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**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION**

STATUS	The Association is a charitable company limited by guarantee incorporated on 16 October 2003 and registered as a charity on 5 January 2004.
GOVERNING DOCUMENT	The company was established under Memorandum and Articles which established the objects and powers of the charitable company. The Articles were amended by General Meeting on 20 January 2021.
COMPANY NUMBER	4934904
CHARITY NUMBER	1101348
REGISTERED OFFICE/OPERATING OFFICE	1 st Floor 42-44 Bishopsgate London EC2N 4AH
TRUSTEES:	Mrs Nicky Wylie, Vice Chairman Mrs Mala Williams Mrs Ann Harding Mrs Ellen Meaking Mrs Philida Irving (retired 14 th June 2024) Mrs Linda Wales (retired 3 rd May 2024) Mrs Elizabeth Gordon (appointed 15 September 2023) Mrs Joan Magee (appointed 15 September 2023) Mrs Katherine Kear MDPF (retired 4 October 2023) Mr Peter Mathers (retired 4 October 2023)
NATIONAL PRESIDENT:	Lilias Hoskins
CHIEF EXECUTIVE OFFICER:	Mr Steven Lane
FINANCE MANAGER:	Mr Michael Osman
AUDITORS:	TC Group The Courtyard Shoreham Road Upper Beeding West Sussex BN44 3TN
BANKERS:	National Westminster Bank PO Box 282 216 Bishopsgate London EC2M 4QB

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEE)

TRUSTEES' REPORT

REPORT FROM THE CHAIR OF TRUSTEES

As your new National Chairman since October 2023, it is my privilege to present this report for our annual audit.

Firstly, I would like to acknowledge those Board members who make everything happen at NAFAS. My thanks go to former Chairman, Katherine Kear who played an enormous role in turning the fortunes of the Association around, taking over at a difficult time and ending up organising the hugely successful 2023 National Show. Peter Mathers for 6 dedicated years on the Board, and also to Philida Irving and Lynn Wales who, for personal reasons retired from the Board earlier than planned.

While it is tempting to reflect on the accomplishments of the past year, detailed extensively in the reports of our Board meetings, I believe our energy is best spent looking forward. We are an educational charity, and it is crucial to keep this at the forefront of our efforts. Our Mission, Vision & Values Statement encapsulates our purpose: "Sharing the creative use of flowers through education, to bring joy and inspiration to all." This guiding principle is the heart of our organisation, and it directs everything we do. To fulfil this mission, we must continuously seek ways to promote our leisure classes and module courses. These programmes are not just about teaching the technical skills of flower arranging; they are about inspiring creativity, fostering a sense of community, and bringing happiness to people's lives. By expanding and enhancing these educational opportunities, we can reach more individuals and spread the joy of flower arranging even further.

A significant goal for us is to achieve national recognition for our qualifications. Our pursuit of an accreditation remains a top priority. Achieving this will not only validate the quality and rigor of our educational programmes but also elevate the status of flower arranging as a respected and valued art form. This recognition will open new doors for our students, providing them with credentials that are acknowledged and respected nationwide. As we move forward, let's focus on the following key initiatives:

1. **Expanding Educational Outreach:** We need to broaden our reach to ensure more people have access to our leisure classes and module courses. This involves not only increasing the number of classes but also exploring new delivery methods, such as online courses, to make our programmes more accessible.
2. **Strengthening Community Engagement:** Building stronger connections within our 21 Areas is essential. By fostering collaboration and sharing best practices, we can create a more cohesive and supportive network that enhances the impact of our educational efforts.
3. **Pursuing Accreditation:** This involves meeting stringent standards and demonstrating the quality and effectiveness of our educational programmes.
4. **Promoting Mental Health and Well-Being:** We will actively promote the benefits of flower arranging for mental health and well-being. By aligning our efforts with national movements towards mindfulness and mental health awareness, we can position our programmes as valuable tools for personal and communal well-being.

Effective communication with our grassroots members is a top priority for me. I want every member to feel valued, informed, and connected to our organisation. Our members are the heart and soul of this charity, and without them, we would not be the vibrant, thriving community we are today. We are committed to continuously prioritising communication efforts to ensure everyone stays updated on our activities.

To enhance communication, the Board is actively exploring new and improved ways to keep everyone in the loop. We've recently updated our website to make it more user-friendly and informative. Additionally, we now offer a monthly newsletter, which you can easily subscribe to for the latest updates and news. The Board members will continue to reach out by attending Area Council meetings. Please continue to invite us. Together, we can build an even stronger, more connected community, united by our shared passion for flower arranging.

Our organisation is poised for a bright and impactful future, standing on solid ground and ready to advance our shared passion for flower arranging. Now, more than ever, we must unite our 21 Areas, working together to promote the joy and beauty that flower arranging brings to people's lives. Together, with passion and determination, we can elevate our organisation to new heights. Let's embrace the future with enthusiasm, knowing that our work brings joy, creativity, and inspiration to countless individuals. The art of flower arranging has the power to transform lives, and as a united organisation, we will make a lasting, positive impact.

Nicky Wylie
National Chairman

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEE)

TRUSTEES' REPORT

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

The Trustees present their report together with the audited financial statements for the year ended 31 March 2024. The financial statements have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS 102), applicable law and the Charity's governing document.

The Charity prefers to be known by the acronym "NAFAS" and is a UK registered trademark no. 2109171.

Structure, Governance and Management.

The Trustees are also the Directors of the Company for the purpose of company law. The Charity is a charitable company limited by guarantee and without share capital. In the event of the Company being wound up the liability of each member is limited to £10. It was incorporated on 16th October 2003. The purpose of its formation was to acquire the assets and undertaking of National Association of Flower Arrangement Societies, an unincorporated charitable association first formed in 1959. It is governed by Articles of Association and its objectives are to advance public education in the art of flower arranging and related subjects. The membership of the Company is comprised of 21 unincorporated Area Associations providing geographical representation throughout the United Kingdom and represented at meetings through a single elected representative for each Area. A network of more than 800 flower clubs are affiliated to the Area Associations and their members form the affiliated membership of the Charity.

The Voting Members of the Charity are made up of the 21 current Area Representatives and the current Trustees. The National Officers are appointed by the Board and comprise the Chair of Trustees and the Vice-Chairman. There shall be a minimum of 7 Trustees and a maximum of 10 Trustees. A minimum of 5 Trustees to be elected by the Voting Members, additional Trustees can be appointed by the Board. The National President is a non-executive appointment selected by a panel. The day-to-day management of the Charity is the responsibility of the Chief Executive Officer. Salaries of all staff are reviewed annually by the Board of Trustees.

The Trustees, as stated on the legal and administrative information page, are eligible to serve two terms of three years. The Board meets monthly (virtually) and receives quarterly reports from the Charity's Standing Committees, who administer the operation of each facet of the Charity's objectives. One Trustee attends each meeting of the Standing Committees to ensure continuity within the reporting process. The Board of Trustees take direct responsibility for the management of the assets and liabilities. Financial management including control and monitoring of budgets, is overseen by the Finance Team.

The National Advisory Council meets 4 times a year and comprises a single representative from each of the 21 Area Associations. They represent the affiliated members and act as an advisory body and as a forum for the exchange of views and information between the Board of Trustees and the affiliated members.

Trustees Induction and Training

New Trustees are invited and encouraged to attend training courses and seminars to brief them on their legal obligations. They are also introduced to the Charity Commission's own booklets and information bulletins. Funds are available to facilitate Trustee training in undertaking their role.

Subsidiary Company

The Charity's wholly owned subsidiary, NAFAS Enterprises Limited (company No. 1829011), undertakes fundraising through the publishing and sale of books, leaflets and booklets relating to flower arranging and the publication of The Flower Arranger magazine. Profits are transferred to the Charity through Gift Aid. The Board of Directors comprises the National Chairman and two other Trustees of the Charity.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEE)

TRUSTEES' REPORT

Charitable Objectives and Activities

The Charity is established to:

- Advance public education in the art of flower arranging and related subjects
- Further any other charitable purpose or purposes

The Charity's Activities are:

- Administration of NAFAS Courses in Floral Art & Design
- Attending and exhibiting at major shows and floral events
- A National Show where affiliated members may enter competitions and where both members and the general public may enjoy the floral arrangements exhibited
- Training and assessments of judges, demonstrators and speakers
- Encouragement to affiliated clubs to develop their memberships

NAFAS Vision, Mission and Values

The new Vision, Mission and Values were adopted in 2021 by the Board.

NAFAS Vision Statement

To improve the lives of everyone through flowers.

NAFAS Mission Statement

Sharing the creative use of flowers through education, to bring joy and inspiration to all.

We achieve this through:

- Welcoming everyone to our Association, events and shows by removing barriers to access
- Sharing our artistry, creativity, skills, experience and innovation
- Encouraging creative use of flowers to aid mental health, well-being and social interaction
- Developing imaginative and accessible promotional programmes and publications
- Providing the highest quality educational and training schemes and upholding their quality
- Supporting opportunities to develop skills through competitions and exhibitions at all levels
- Ensuring excellent organisational and commercial support for affiliated clubs and societies
- Establishing a culture where collaboration and sharing best practice is the norm
- Working closely with horticultural, trade and educational bodies with similar goals
- Continuous improvement to everything we do by embracing incremental change
- Regular renewal of our representation and plans to capture new trends and voices
- Minimising our impact on the environment

Our Values

- Ensure a friendly welcome for all, that embraces equality and diversity
- Ensure open and positive behaviours at all times in delivering our goals
- Make full use of the knowledge, energy and commitment of all of our Association's members
- Seek positive environmental sustainability in all our activities

Public Benefit

In establishing the annual objectives and activities which fulfil NAFAS overall aims, the Trustees always have regard to the principles of public benefit. The Trustees are aware of and have received copies of the Charity Commission's guidance regarding Public Benefit and have taken it into account, where relevant, in their planning and decision making.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEE)

TRUSTEES' REPORT

The Objectives set out clearly that the Charity is established to advance public education in the art of flower arranging and to further any other charitable purpose. It operates throughout the whole of the United Kingdom and strives to attract members from all age groups and ethnic backgrounds. The Association's exhibits at major floral and horticultural shows, including its own National Show, are seen and enjoyed by large numbers of the general public.

The Trustees are conscious that many of its affiliated members are elderly with some on low or fixed incomes. Although each club is autonomous with the ability to set its own membership fees, the Affiliation Fee to the Charity was increased in 2023 to £7.50 per member per annum. The Trustees agreed not to increase the Fee in 2024.

The Association also provides direct membership at a cost of £45 per annum which includes a subscription to its quarterly magazine, The Flower Arranger. The cost of direct membership remains the same until such time as it is deemed appropriate to increase. The Trustees take its commitment to public benefit extremely seriously, exemplified by the fact that the Affiliation Fee remains very low not wishing to exclude any member on economic grounds.

The Trustees believe that entry fees to shows and events and Affiliation Fees to members are set at such a low level as to ensure that all members of the public can afford them and therefore benefit from full enjoyment of the Charity's services. The affiliated flower clubs play an important role in raising money for other charities.

The Charity's members and the Area Associations, provide services to the general public too numerous to mention fully but include workshops where the public are invited to try their own skills at flower arranging, similar workshops for school parties and children with special needs, assistance to local churches to hold flower festivals to encourage the public to support their local communities and floral demonstrations at flower shows and events throughout the year.

Risk Management

The Trustees acknowledge their responsibility to consider the risks faced by the Charity and to ensure that adequate controls are in place to identify, assess and mitigate such risks. Through the risk management processes established by the Charity, the Trustees are satisfied that the major risks have been identified and mitigated where necessary, and that systems and procedures have been put in place to provide reasonable assurance that major risks have been adequately managed.

The Trustees have identified the following key areas of risk:

1. Changes in external environment which result in there being an increase in costs of:
 - a. Transport costs
 - b. Flowers
 - c. Hall Hire, which directly affects clubs
 - d. Postage and Printing
2. Club closures affected by some of the issues listed above, and also:
 - a. Difficulty attracting members to sit on the club committee
 - b. Ageing membership
 - c. Difficulty in attracting new younger members

These risks and all other risks identified for the organisation are managed within a comprehensive risk register that identifies the likelihood of a risk and the consequences should that risk come to fruition. This gives both the management and the Trustees the overview of the risk occurring. These mitigating management actions are kept under constant review.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEE)
TRUSTEES' REPORT

Achievements and Performance

The 2023 National Show, held at Gloucester Cathedral recorded a profit of £54K. This is a huge turnaround from the previous 2019 London show that recorded a substantial loss. Nearly 4,000 visitors attended the Gloucester show over two days, and the level of competition was extremely high. We are currently organising the 2025 National Show which will once again be at Gloucester Cathedral. The show team is once again being led by former National Chairman, Katherine Kear and former Trustee, Katharine Lee.

A new database has been implemented at head office. Salesforce went live in July 2024 and full training has been provided by support company Hyphen8.

NAFAS had a trade stand at the Interflora World Cup in Manchester in September 2023. This was to promote The Flower Arranger magazine and the Association. Following on from this successful event, we repeated the exercise by attending the Harrogate Spring Show, Southport Flower Show and Malvern Autumn Show in 2024.

To increase the retention levels of subscribers to The Flower Arranger magazine, we have moved to paperless direct debits.

The Board agreed to increase affiliation fees, due in December 2025 from £7.50 to £7.75. This represents a 3% increase. The same increase has been applied to The Flower Arranger magazine, starting from the Spring 2025 edition.

The inaugural NAFAS Webinar was held in May 2024, over 100 members were able to ask questions directly to the Trustees and the CEO. This will become an annual event, with an additional webinar to be held after the October AGM.

Reports from the NAFAS Standing Committees'

National Judges Committee

Alan Beatty, Chairman

The many hours of work by the committee culminated in the launch of the Competitions Manual 4th Edition at the National Show in May 2023. It has been very well received.

Having prepared the schedule, dealt with entries etc. the National Judges Committee were fully 'hands-on' during the week of the National Show in Gloucester - from setting up and marking out staging, to overseeing the judging, to break down. A busy but successful week.

The Judges Conference in Northern Ireland in August was very well supported. The sessions were relevant, engaging and informative, with lots of lively discussion.

Training and planning for a National Judges Test is now well underway. There has been a high level of interest, generated in part from the interactive activities on the Judges stand at the National Show and from encouragement given to Area Judges at the Conference. A two-day test is planned for June 2025. Training, both in-person and via Zoom has taken place and is continuing.

In January 2024 the National Judges Committee were invited to contribute to the upcoming National Show in September 2025. Work on titles commenced almost immediately. Obviously much of our focus will continue to be on this event over the next year.

National Demonstrators Committee

Beryl Cotton, Chairman

The National Demonstrators Committee, Beryl Cotton Chairman, Margaret Rumens Vice Chairman, Lucy Ellis, Vanessa Wellock, Delyth Price and Cherie Nummy, meet regularly via Zoom, and I thank all of them for their hard work and dedication.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEE)

TRUSTEES' REPORT

At the National Show in 2023, held at Gloucester Cathedral, the National Demonstrators Committee members manned a stand outside the Chapter House in the Cloisters, while 8 National Demonstrators undertook mini demonstrations in the Chapter House and all their designs were sold to visitors at the show. National Demonstrators Alison Penno and Delyth Price demonstrated at the Gloucester Guildhall to a sold out audience of over 200 people. An Adjudicator and Instructor meeting was held in Spring 2023 and a Christmas bulletin was issued to all demonstrators providing important updates on the committees plans for the coming year. A meeting to provide guidance for pre-national candidates was undertaken taken by the committee members and Chairman of the National Judges Committee, Alan Beatty. Alan and National President Elect, James Burnside, both Demonstrator Adjudicators, qualified as Demonstrator Instructors.

At Area level, I am delighted to say that several Areas are holding Area Tests with Instruction Days and Demonstrator Refresher Days. In 2024, we will be holding a face-to-face day of advice and guidance for Pre-National Assessment candidates and National Demonstrator Test candidates and plans are in place for Pre-National Assessments and National Tests to be held at Frodsham, Cheshire on 30th and 31st October 2024. A Zoom meeting will be held for Area Demonstrator Reps in September 2024. Planning is taking place for the Demonstrators Symposium to be held at the Telford Gold & Spa Hotel, Telford in Spring 2025.

National Speakers Committee Brenda Eyers, Chairman

During the past year, the National Speakers Committee have reviewed and updated a large portion of their guidelines. We have also concentrated on increasing the following on our Facebook page and this has proved to be very worthwhile particularly when it comes to promoting events and training opportunities.

A three-year plan has been submitted for the Business Plan, outlining our aims and objectives for improving and developing our particular discipline.

We continue to promote the use of qualified NAFAS Speakers as well as Adjudicators and Instructors at events and the training opportunities and CPD which are available to all our members. We are delighted that two Areas are now launching speaker training with tests scheduled for 2025.

National Education Committee Jane Rickard, Chairman

The Education Committee have now changed the regularity of the committee meetings to bi-monthly. Committee job descriptions have all been updated and circulated to the committee, this will help with recruitment. The Area and National Quality Assurers have also now got new job descriptions.

All the documents related to the NAFAS individual short courses have been finalised after some amendments were made. The NAFAS Quality Assurance and Guideline policy has been brought in line with other relevant documents and replaced on the website. The "Leisure Classes For All" document will be revised and updated in 2024.

The Teachers Conference in July 2024 was successful and attracted over 50 attendees. The Standing Committee Chairmen met with the National Chairman in March 2024. This is a good way to keep each other up to date with what each committee is doing and sharing of future plans.

The Copyright Agreement for the short courses has been split into three documents – Tutor, Area Quality Assurer and National Quality Assurer. Tutors are asked to sign the agreement before they can have sight of course contents. This protects the property of NAFAS.

Qualifications to become a National Tutor have been revised as there was not much difference previously between an Area and a National Tutor. A Tutors and Assurers meeting was held in March 2024. The Committee acted on queries and organized an extra training date.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEE)

TRUSTEES' REPORT

NAFAS SHORT COURSES UPDATE

October 2023 – 1 online course and 1 face to face course were started. As a result, 22 students received certificates and 1 received a certificate of attendance.

January 2024 – 1 online course. 8 learners received certificates and one received a certificate of attendance.

February 2024 – 1 face to face course. 7 learners. NQA still to take place.

March 2024 – 1 online course and one face to face. 23 students.

FUTURE PLANS

Encourage Areas to run leisure classes and hold workshops taught by qualified tutors.

Encourage unqualified members who teach leisure classes to download the Basic Teaching Manual. This might encourage them to take a teachers qualification.

Encourage Area to run two day courses using the Basic Teaching Manual.

Encourage Tutors to use the Tutors Forum online.

AGM

We will continue to present our AGM virtually as this attracts a larger audience compared to a physical meeting and allows access to the proceedings to all our membership. The 2023 AGM attracted 1,139 views. To ensure that all members have the opportunity to ask questions to the Board, the 2024 AGM will be followed by an online webinar where questions can be submitted to the Board through the chat facility.

Volunteer Involvement

The Charity relies on the support of its members who give many thousands of hours voluntarily to assist in the provision of services and activities. It is impossible to put a value on this support for which the Charity is very grateful and without which much of the work undertaken could not be achieved. The Trustees appoint functional and advisory committees, composed of experienced volunteers to assist in carrying out the work of the Charity.

Fundraising

The Charity does not actively undertake any fundraising directly from the general public.

Membership

Affiliation Fees and the annual returns forms, which are completed by the 21 Area Executives, recorded the following details in December 2023:

- Individual Members: 30,358 (32,179 in 2022)
- Number of flower clubs: 799 (845 in 2022)

Future Planning

We have restructured our financial activities and put in place a rolling 3-year Business Plan. The plan will enable the Charity to build on its current position and budget more accurately.

Powers of Investments

The Articles of Association authorise the investment of the Company's funds or any part thereof in the purchase of such stocks, shares, securities or other investment or property of whatsoever nature as the Trustees, may in their absolute discretion decide. All investments are held in accordance with these powers. The Trustees do not have specific target returns on investment income although generally they expect investment performance to reflect movement in the London Stock Exchange indices.

Financial Review

£3.5M (proceeds from the sale of the London office) was invested in July 2022.

The Association has strict internal financial controls, which are overseen by the CEO, Finance Team, Investment Team and the Board of Trustees. All events are budgeted and closely monitored, and for this financial period have included:

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEE)
TRUSTEES' REPORT

Educational Events

- National Show (Education)
- National Judges Conference (Education)
- National Speakers Tests (Education)
- RHS Hampton Court (Marketing & Promotion)
- Interflora World Cup (Marketing & Promotion)
- Harrogate Spring Flower Show (Marketing & Promotion)

The Charity provides funding for its Standing Committees, Judges, Demonstrators, Speakers, and Education. It also commits funding to educational events as charitable activities. The National Show recorded a profit of £53,560 which exceeded the budget target of £21,679.

Financial Review

At the end of the financial year, the Association recorded a surplus of £68,922 and leaves the Charity with adequate reserves. It is noted that without the net gain on investments, £142,276 the charity would have recorded an operating deficit of £76,392.

Group Income

Consolidated income increased by 18% from £517,128 (excluding surplus on sale of property) to £636,935 (largely due to income from the National Show)

Group Expenditure

Consolidated expenditure increased by 2% to £710,289.

Enterprises (Trading Subsidiary)

Turnover increased by 8% from £227,138 to £247,812

Cost of sales and administrative expenses increased by 47.5% to £20,535

Loss for the year was £7,329 versus £17,233 loss in 2022.

The results for the year ended 31 March 2024 are shown in this summary of income and expenditure:

	2024 £	2023 £
Net movement in funds		
Unrestricted funds	65,884	2,449,077
Designated funds	3,038	3,218
Restricted funds	-	-
	-----	-----
	68,922	2,452,295
	=====	=====

Reserves

An analysis of funds is given under note 20. The maintenance of adequate reserves underpins the Trustees' Risk Management Policy as a counter against risks identified in the regular Risk Review. In view of the general historical reliability of the Charity's income streams, the Trustees consider that the Charity's general reserve, excluding fixed assets but including the value of marketable investments, should be maintained at a level sufficient to cover six months charitable operations expenditure and governance costs. At 31st March 2024 the level of free reserves stands at £3,855,828 (2023: £3,787,564).

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEE)

TRUSTEES' REPORT

Subsidiary Undertaking

NAFAS Enterprises Limited is a wholly owned subsidiary. It undertakes all trading activities and transfers the whole of its profit to the Charity by gift aid. Due to a change in accounting rules, the gift aid payable is not recorded as a liability in these accounts.

Accounting Policies

Accounting policies are disclosed on pages 19 to 21 of the financial statements.

Auditors

A resolution proposing the appointment of Auditors to the Charity will be put to the Annual General Meeting.

The Trustees' Report was approved by the Trustees on 11th October 2024

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'Nicky Wylie', with a stylized, cursive script.

Nicky Wylie
National Chairman

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 (LIMITED BY GUARANTEE) STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also the directors of National Association of Flower Arrangement Societies 2003 for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The Trustees are responsible for the maintenance and integrity of the group and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

Opinion

We have audited the financial statements of National Association of Flower Arrangement Societies 2003 (the parent 'charitable company') and its subsidiary (the 'group') for the year ended 31 March 2024 on pages 16 to 31. 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 the parent charitable company's affairs as at 31 March 2024 and of its 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT**

**TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT
SOCIETIES 2003**

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

We have nothing to report in this regard.

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 directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 set out on page 4, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT**

**TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT
SOCIETIES 2003**

Auditor's responsibilities for the audit of the financial statements

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 for the audit of the financial statements is located on the Financial Reporting Council's website <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.

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the Trustees, directors and other management (as required by auditing standards), and discussed with the Trustees, directors and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption; and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees, directors and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the charity and group's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT**

**TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT
SOCIETIES 2003**

- We considered the procedures and controls that the charity and group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of TC Group
Statutory Auditor
Office: Steyning, West Sussex

Date: 21 October 2024

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2024

		General funds	Designated funds	Restricted funds	Total 2024	Total 2023
	Notes	£	£	£	£	£
Income from:						
Donations and legacies	3	6,049	-	-	6,049	2,401
Charitable activities:						
Affiliation & direct membership fees	4	174,390	-	-	174,390	152,285
Shows and assemblies	4	118,280	-	-	118,280	75,170
Other trading activities:						
Trading income	10	247,812	-	-	247,812	227,138
Investment income						
Investment income		71,496	-	-	71,496	41,886
Interest income		3,955	-	-	3,955	1,861
Other		11,915	3,038	-	14,953	16,387
Profit/(loss) on sale of tangible fixed assets		-	-	-	-	2,669,397
Total income		633,897	3,038	-	636,935	3,186,525
Expenditure on:						
Raising funds:						
Costs of trading subsidiary	10	255,141	-	-	255,141	244,371
Charitable activities:						
Operations	5	455,148	-	-	455,148	453,271
Total expenditure		710,289	-	-	710,289	697,642
Net gains / (losses) on investments	13	142,276	-	-	142,276	(36,588)
Net income/(expenditure)		65,884	3,038	-	68,922	2,452,295
Net movement in funds		65,884	3,038	-	68,922	2,452,295
Fund balances at 1 April 2023		3,798,153	34,428	6,100	3,838,681	1,386,386
Fund balances at 31 March 2024		3,864,037	37,466	6,100	3,907,603	3,838,681

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	12	8,209		10,589	
Investments	13	<u>3,435,919</u>		<u>3,231,516</u>	
		3,444,128		3,242,105	
Current assets					
Stocks	14	19,679	20,258		
Debtors	15	116,228	54,103		
Cash at bank and in hand		<u>568,953</u>	<u>700,918</u>		
		704,860	775,279		
Creditors: amounts falling due within one year	16	<u>(241,385)</u>	<u>(178,703)</u>		
Net current assets		463,475		596,576	
Total assets less current liabilities		<u>3,907,603</u>		<u>3,838,681</u>	
Income funds					
Unrestricted funds:					
General funds	19	3,864,037		3,798,153	
Designated funds	19	37,466		34,428	
Restricted funds	19	<u>6,100</u>		<u>6,100</u>	
		<u>3,907,603</u>		<u>3,838,681</u>	

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 11th October 2024



Mrs Nicky Wylie (Chairman)

Company Registration No. 4934904

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 CHARITY BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	12	8,209		10,586	
Investments	13	<u>3,435,919</u>		<u>3,231,520</u>	
		3,444,128		3,242,106	
Current assets					
Debtors	15	148,918	58,091		
Cash at bank and in hand		<u>525,264</u>	<u>680,066</u>		
		674,182	738,157		
Creditors: amounts falling due within one year	16	<u>(234,397)</u>	<u>(172,596)</u>		
Net current assets		439,785		565,561	
Total assets less current liabilities		<u>3,883,913</u>		<u>3,807,667</u>	
Income funds					
Unrestricted funds:					
General funds	19	3,840,347		3,767,139	
Designated funds	19	37,466		34,428	
Restricted funds	19	<u>6,100</u>		<u>6,100</u>	
		<u>3,883,913</u>		<u>3,807,667</u>	

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 11th October 2024



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Mrs Nicky Wylie (Chairman)

Company Registration No. 4934904

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

		2024	2023
	Notes	£	£
Cash flows from operating activities:			
Net income/expenditure for the year		68,922	2,452,295
(Gain) / loss on investments	13	(142,276)	36,588
Profit on disposal of tangible fixed assets		-	(2,669,397)
Depreciation of tangible fixed assets	12	3,574	1,871
Interest from investments		(71,496)	(43,747)
(Increase)/decrease in stock	14	580	(7,424)
Increase/(decrease) in creditors	16	62,682	(119,564)
(Increase)/decrease in debtors	15	(62,125)	10,814
Net cash provided by/(used in) operating activities		(140,139)	(338,564)
Cash flows from investing activities:			
Interest from investments		71,496	43,747
Proceeds from sale of tangible fixed assets		-	2,669,397
Proceeds on sale of investments		506,732	242,700
Purchase of investments		(568,761)	(2,105,083)
Purchase of tangible fixed assets	12	(1,193)	(9,448)
Net cash provided by/(used in) investing activities		8,274	841,313
Increase/(decrease) in cash		(131,865)	502,749
Cash and cash equivalents at the beginning of the year		700,818	198,169
Cash and cash equivalents at the end of the year		568,953	700,818

	1 April 2023 £	Cashflow £	31 March 2024 £
Cash at bank and in hand	700,818	(131,865)	568,953

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Statutory information

National Association of Flower Arrangement Societies 2003 (NAFAS) is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found on the Legal and Administrative Information page.

2 Accounting policies

2.1 Basis of preparation

The financial statement have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – Charities SORP (FRS102) and the Companies Act 2006.

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

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties about the group's ability to continue as a going concern.

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 £1.

2.2 Group financial statements

The financial statements consolidate the results of the charity, its wholly owned subsidiary, NAFAS Enterprises Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented as the group has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

2.3 Income

All income is recognised in the Statement of Financial Activities once the group has gained entitlement to them and the amounts can be quantified with sufficient reliability.

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Investment income is recognised in the financial statements when receivable.

2.4 Expenditure

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is included within the item of expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in pursuit of its charitable objectives. It includes both direct costs and support costs relating to such activities. Support costs, including salaries, are apportioned on the basis of the time involved on the activity.

Governance costs include those costs associated with meeting the statutory requirements of the group and include the audit fees and costs linked to strategic management of the group.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

2 Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	Straight line – over four years
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Furniture and fittings	Straight line – over four years
------------------------	---------------------------------

Freehold land is not depreciated. The freehold building is depreciated over 100 years from the year after purchase and is subject to an annual impairment review. The building carries a Grade 2 listing and its useful life is expected to exceed 100 years.

2.6 Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Gains and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2.7 Stock

Stocks are valued at the lower of cost and net realisable value.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The Trustees seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.10 Creditors and provisions

Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2.11 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

2.12 Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

The charity contributes to employees' personal pension schemes. The pension costs charged in the financial statements represent the contributions payable during the year.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

2 Accounting policies (continued)

2.13 Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are funds provided for a specific purpose that must be spent in line with funder's requirements.

2.14 Critical accounting estimates and judgements

In the application of the group'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.

The Trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

3 Donations and Legacies

	General funds £	Designated funds £	Restricted funds £	Total 2024 £	Total 2023 £
Other	6,049	-	-	6,049	2,401
	<u>6,049</u>	<u>-</u>	<u>-</u>	<u>6,049</u>	<u>2,401</u>

4 Income from charitable activities

	General funds £	Designated funds £	Restricted funds £	Total 2024 £	Total 2023 £
Affiliation and direct membership	174,390	-	-	174,390	152,285
Shows and Assemblies	118,280	-	-	118,280	75,170
	<u>292,670</u>	<u>-</u>	<u>-</u>	<u>292,670</u>	<u>227,455</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

5 Analysis of group charitable activities

	Total 2024 £	Total 2023 £
Staff costs	110,388	98,214
WAFA	84	999
Westminster Abbey Flowers	6,132	9,296
National Show	41,901	-
National Flower Arranging Day	303	-
Interflora World Cup	10,800	-
Committees:-		
Judges Committee	3,165	-
Demonstrators Committee	2,141	25,685
Education Committee	6,191	4,050
Speakers Committee	734	-
Support and governance costs	262,805	254,306
Other activities	10,504	60,721
	<u>455,148</u>	<u>453,271</u>

Total staff costs of £193,911 as per note 11 are split as £110,388 charitable activities (2023: £98,214) and £83,523 support and governance (2023: £70,106).

6 Analysis of costs - 2024

	Direct costs £	Support costs £	Governance costs £	Total 2024 £	Total 2023 £
Charitable activities:-					
Operations	152,893	284,550	17,705	455,148	453,271
	<u>152,893</u>	<u>284,550</u>	<u>17,705</u>	<u>455,148</u>	<u>453,271</u>
Raising funds:-					
Costs of trading subsidiary	253,788	-	1,353	255,141	244,371
	<u>406,681</u>	<u>284,550</u>	<u>19,058</u>	<u>710,289</u>	<u>697,642</u>

Analysis of costs - 2023

	Direct costs £	Support costs £	Governance costs £	Total 2023 £
Charitable activities:-				
Operations	198,965	239,625	14,681	453,271
	<u>198,965</u>	<u>239,625</u>	<u>14,681</u>	<u>453,271</u>
Raising funds:-				
Costs of trading subsidiary	240,121	-	4,250	244,371
Total	<u>439,086</u>	<u>239,625</u>	<u>18,931</u>	<u>697,642</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Governance costs

	Total 2024 £	Total 2023 £
Auditors' remuneration		
Audit	8,600	8,426
Other services	7,802	4,250
Legal and professional fees	2,656	6,255
Total	19,058	18,931

8 Net income for the year

	2024 £	2023 £
This is stated after charging:		
Auditors remuneration:		
Audit	10,500	10,000
Other services	5,902	4,266
Expenses reimbursed to Trustees	896	1,152
Depreciation	3,574	7,465

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

9 Comparative Statement of Financial Activities – Year ended 31 March 2023

		General funds £	Designated funds £	Restricted funds £	Total 2023 £
Income from:	Notes				
Donations and legacies	3	2,401	-	-	2,401
Charitable activities:					
Affiliation & direct membership fees	4	152,285	-	-	152,285
Shows and assemblies	4	75,170	-	-	75,170
Other trading activities:					
Trading income	10	227,138	-	-	227,138
Investment income		41,886	-	-	41,886
Interest income		1,861	-	-	1,861
Other		13,169	3,218	-	16,387
Profit/(loss) on sale of tangible fixed assets					
		2,669,397	-	-	2,669,397
Total income		3,183,307	3,218	-	3,186,525
Expenditure on:					
Raising funds:					
Costs of trading subsidiary		244,371	-	-	244,371
Charitable activities:					
Operations	5	453,271	-	-	453,271
Total expenditure		697,642	-	-	697,642
Net losses on investments		(36,588)	-	-	(36,588)
Net Income / (expenditure)		2,449,077	3,218	-	2,452,295
Net movement in funds		2,449,077	3,218	-	2,452,295
Fund balances at 1 April 2022		1,349,076	31,210	6,100	1,386,386
Fund balances at 31 March 2023		3,798,153	34,428	6,100	3,838,681

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Subsidiaries

The wholly owned subsidiary NAFAS Enterprises Limited is incorporated in England and Wales (company number: 1829011). The subsidiary donates all of its profits to NAFAS.

The summary financial performance of the subsidiary is as follows:

	2024 £	2023 £
Turnover	247,365	226,930
Cost of sales and administration costs	(255,141)	(244,371)
Interest receivable	390	86
Other operating income	57	122
Net profit/(Loss)	(7,329)	(17,233)
Amount donated to the charity	-	-
Retained in subsidiary	(7,329)	(17,233)

The current assets and liabilities of the subsidiary were:

Current assets	78,814	49,834
Current liabilities	(55,124)	(18,815)
Total net assets	23,690	31,019
Aggregate share capital and reserves	23,690	31,019

11 Staff costs

Number of employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Charitable activities	5	5

Employment costs

	2024 £	2023 £
Wages and salaries	168,026	147,009
Social security costs	16,807	14,871
Other pension costs	9,078	6,440
	193,911	168,320

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

11 Staff costs (continued)

One employee received total employee benefits of £60,000 or more in 2024 (2023: One).

	2024	2023
	No.	No.
£60,000 - £69,999	1	1

The key management personnel of the charity comprise the Chief Executive Officer and the Administrative Secretary. The total employee benefits of key management personnel of the charity were £116,108 (2023: £127,816). This includes Employer's National Insurance and pension contributions.

None of the Trustees received any remuneration during the year.

There are no employees in the subsidiary company.

12 Tangible fixed assets

	Website design £	Furniture and equipment £	Total £
Cost			
At 1 April 2023	12,977	10,555	23,532
Additions	-	1,193	1,193
At 31 March 2024	12,977	11,748	24,725
Depreciation			
At 1 April 2023	11,472	1,470	12,942
Charge for the year	976	2,598	3,574
At 31 March 2024	12,448	4,068	16,516
Net book value			
At 31 March 2024	529	7,680	8,209
At 31 March 2023	1,504	9,085	10,589

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

13 Investments

	Group		Charity	
	£	£	£	£
	2024	2023	2024	2023
At beginning of the year	3,231,516	-	3,231,516	-
Additions	568,761	3,513,774	568,761	3,513,774
Disposals at opening fair value	(512,925)	(256,276)	(512,925)	(256,276)
Unrealised investment gains/(losses)	148,567	(25,982)	148,567	(25,982)
At 31 March 2024	3,435,919	3,231,516	3,435,919	3,231,516
Quoted investments				
Fixed interest	978,846	846,092	978,846	846,092
UK equities	686,036	808,725	686,036	808,725
Overseas equities	1,207,003	974,320	1,207,003	974,320
Alternatives	564,034	602,379	564,034	602,379
At 31 March 2024	3,435,919	3,231,516	3,435,919	3,231,516
Investment in subsidiary undertaking	-	-	4	4
At 31 March 2024	3,435,919	3,231,516	3,435,923	3,231,520

Note 10 provides further information regarding the investment in NAFAS Enterprises Limited.

Investment losses shown on the Statement of Financial Activities of £142,276 (2023: losses of £36,588) include unrealised gains on investments of £148,567 (2023: losses of £25,982) and realised losses of £6,291 (2023: £10,606).

14 Stock

	2024		2023	
	Group	Charity	Group	Charity
	£	£	£	£
Goods for resale	19,679	-	20,258	-

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Debtors	2024		2023	
	Group £	Charity £	Group £	Charity £
Trade debtors	23,818	17,486	10,281	9,260
Prepayments	42,888	39,771	15,790	15,790
Amounts owed from subsidiary company	-	48,136	-	12,714
Other debtors	49,522	43,525	28,032	20,327
	<u>116,228</u>	<u>148,918</u>	<u>54,103</u>	<u>58,091</u>

16 Creditors: amounts falling due within one year	2024		2023	
	Group £	Charity £	Group £	Charity £
Trade creditors	60,670	58,732	8,837	7,333
Taxes and social security costs	4,541	4,541	4,064	4,064
Accruals and deferred income	175,823	170,773	139,728	135,103
Other creditors	351	351	26,074	26,096
	<u>241,385</u>	<u>234,397</u>	<u>178,703</u>	<u>172,596</u>

Deferred income analysis:	2024		2023	
	Group £	Charity £	Group £	Charity £
Deferred income at 1 April 2023	124,605	124,605	109,763	109,763
Released during year	(124,605)	(124,605)	(109,763)	(109,763)
Deferred in year	160,564	160,564	124,605	124,605
Deferred income at 31 March 2024	<u>160,564</u>	<u>160,564</u>	<u>124,605</u>	<u>124,605</u>

Deferred income is in relation to affiliation fees received in advance.

17 Operating lease commitments

At the year end, the following commitments were in place in respect of operating leases:

	2024		2023	
	Group £	Charity £	Group £	Charity £
Within one year	48,021	48,021	51,175	51,942
Within two to five years	<u>96,960</u>	<u>96,960</u>	<u>145,729</u>	<u>146,687</u>
	<u>144,981</u>	<u>144,981</u>	<u>196,904</u>	<u>198,629</u>

Lease payments recognised as an expense in the year totalled £51,923 (2023: £29,381).

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18 Analysis of net assets – 2024
(consolidated)

	General funds £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	3,444,128	-	-	3,444,128
Current assets	661,294	37,466	6,100	704,860
Current liabilities	(241,385)	-	-	(241,385)
	<u>3,864,037</u>	<u>37,466</u>	<u>6,100</u>	<u>3,907,603</u>

Analysis of net assets – 2023
(consolidated)

	General funds £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	3,242,105	-	-	3,242,105
Current assets	734,751	34,428	6,100	775,279
Current liabilities	(178,703)	-	-	(178,703)
	<u>3,798,153</u>	<u>34,428</u>	<u>6,100</u>	<u>3,838,681</u>

19 Analysis of funds - 2024

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Net gains on investments £	Balance at 31 March 2024 £
Unrestricted funds:					
General funds	3,798,153	633,897	(710,289)	142,276	3,864,037
Designated funds:					
WAFA Special Fund	16,785	-	-	-	16,785
Overseas Travel Reserve	17,594	3,038	-	-	20,632
Remembrance Fund	49	-	-	-	49
Restricted funds:					
Workshop	5,000	-	-	-	5,000
Calligraphy & Engraving	1,100	-	-	-	1,100
	<u>3,838,681</u>	<u>636,935</u>	<u>(710,289)</u>	<u>142,276</u>	<u>3,907,603</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

19 Analysis of funds – 2023

	Balance at 1 April 2022	Incoming resources	Resources expended	Net losses on investments	Balance at 31 March 2023
	£	£	£	£	£
Unrestricted funds:					
General funds	1,349,076	3,183,307	(697,642)	(36,588)	3,798,153
Designated funds:					
WAFA Special Fund	16,785	-	-	-	16,785
Overseas Travel Reserve	14,376	3,218	-	-	17,594
Remembrance fund	49	-	-	-	49
Restricted funds:					
Workshop	5,000	-	-	-	5,000
Calligraphy & Engraving	1,100	-	-	-	1,100
	<u>1,386,386</u>	<u>3,186,525</u>	<u>(697,642)</u>	<u>(36,588)</u>	<u>3,838,681</u>

Designated funds

The **WAFA Special Fund** was opened to enable "Best in Show" prize winners at future NAFAS National Shows to represent the charity at forthcoming WAFA World Shows.

The **Overseas Travel Reserve** provides for officials' travel costs to the World Association of Flower Arrangers (WAFA) World Show, held every three years and for the charity's annual subscription to WAFA. It is funded by an annual transfer from the General Reserve at the rate of 10p for each affiliated member.

The **Remembrance Fund** consists of donations received in memory of members to be recorded in the book of remembrance.

Restricted funds

The **Workshop Fund** consists of a donation received for the refurbishment of a room at Head Office for floral workshops to members and the general public.

The **Calligraphy & Engraving Fund** has arisen as a result of donations received toward the engraving of the Associations trophies, showing winners of various competitions, and the calligraphy of framed pictures listing the Associations National Officers and Presidents.

20 Taxation

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 1 of the Corporation Tax Act 2010.

21 Related party transactions

The charity has taken advantage of Paragraph 33.1A of FRS 102 not to disclose transactions with wholly owned subsidiaries.

During the year the charity paid expenses of £896 to six Trustees (2023: £2,751 to seven Trustees).

Accounts

**NATIONAL ASSOCIATION OF FLOWER
ARRANGEMENT SOCIETIES 2003**

(A COMPANY LIMITED BY GUARANTEE)

**TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)

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NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEED)

LEGAL AND ADMINISTRATIVE INFORMATION

STATUS	The Association is a charitable company limited by guarantee incorporated on 16 October 2003 and registered as a charity on 5 January 2004.
GOVERNING DOCUMENT	The company was established under Memorandum and Articles which established the objects and powers of the charitable company. The Articles were amended by General Meeting on 20 January 2021.
COMPANY NUMBER	4934904
CHARITY NUMBER	1101348
REGISTERED OFFICE/OPERATING OFFICE	1 st Floor 42-44 Bishopsgate London EC2N 4AH
TRUSTEES:	Mrs Katherine Kear MDPF, Chairman Mrs Nicky Wylie, Vice Chairman Mrs Mala Williams Mrs Ann Harding Mr Peter Mathers Mrs Ellen Meaking Mrs Philida Irving Mrs Linda Wales (appointed 06 May 2022) Mrs Susan Castle (retired 05 October 2022)
CHIEF EXECUTIVE OFFICER:	Mr Steven Lane
FINANCE OFFICER:	Mr Michael Osman
AUDITORS:	TC Group The Courtyard Shoreham Road Upper Beeding West Sussex BN44 3TN
BANKERS:	National Westminster Bank PO Box 282 216 Bishopsgate London EC2M 4QB
FOUNDER PRESIDENT:	The late Mrs Mary Pope OBE VMH
NATIONAL PRESIDENT:	Lilias Hoskins
LIFE VICE-PRESIDENT:	Mr Robin Herbert CBE VMH

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEED)

TRUSTEES' REPORT

REPORT FROM THE CHAIR OF TRUSTEES

12 months in any charity is a challenge, and our story is no different. With Covid behind us we then have to face the global economic crisis which affects all of us as individuals, and within our Association it affects our clubs, our events as we face rising costs across the board.

We are a charity going through a period of enormous change, some Clubs continue to struggle with operating issues of low numbers, some face a lack of members coming forward to take key roles to ensure the club continues to run, I fear this will always be a concern. However members must remember it's their club and step up, to bring new initiatives and fresh enthusiasm to their fellow members. Carefully worded constitutions will ensure roles have a short run to help volunteers ensure they are not in the post for years. We want to help and support our Clubs, and look forward to sharing those successful initiatives.

At national level, we face challenges of a different nature. Of course there are financial concerns, even with detailed financial controls, the Board reluctantly signed off a deficit budget, but a three year plan that will focus on increasing our income and control our expenditure will reduce the deficit. It will also allow us to start investing into the infrastructure of the Association.

Our continuing research and work towards Ofqual recognition is in advanced stages. It's national recognition will ensure the longevity of our educational position. It's this that makes us unique. It will make us stronger, more viable and appealing, especially to people outside our Association. It's about moving with current trends, delivering value and education to all. We have sought independent advice on the required structure and compliance, so we know we are correct right from the start.

We continue to come up against the problems of direct contact with our members and are building our data base to provide that contact, it will mean faster and more successful exchange of information. Communication and messaging is key as we aim to share our activity and explain the reasoning behind our decisions. The relationship with our 21 Area Chairmen and our Standing Committee Chairmen is absolutely vital to all concerned if we want to build on 64 years of history and take the Association forward.

Florilegium, our National Show in Gloucester Cathedral was a resounding success, raising £53,560 for the Association. Exquisite entries in the classes, devised by our National Judges filled the building. We had over 3,500 visitors. The show gave so much pleasure, good feeling and a chance to meet up with friends not seen for a while. The Board carried the weight of organisation with supportive additions from our other committees. It has put our National Show back on track and set the bar high for the following one. I would like to thank everyone involved, those who attended and our sponsors for making this a truly unforgettable experience.

We welcomed the Interflora Florist of the Year who put up a design for the show. We are in a reciprocal arrangement providing demonstrations at the Interflora World Cup in Manchester in September 2023. This is a first and we hope will lead to further collaboration. On that theme, talks with another national organisation are ongoing and could also provide a valuable opportunity for development.

Our Standing Committee Chairmen continue to drive their disciplines forward, but sadly we say farewell to Joan Magee (Judges) and Susie Barwick (Education) and thank them both for the enormous amount of work they have put into leading these two committees, which are at the very heart of what NAFAS stands for.

We say goodbye to Peter Mathers from the Board at the AGM and thank him unreservedly for his time, wisdom and skills over the six years served.

We have welcomed Michael Osman our new Finance Manager. This time last year I said that as an Association, we are in a good position thanks to the careful and considered advice of Steven, our CEO, and the work of our staff in London, I'm delighted to say that the same applies now.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEED)
TRUSTEES' REPORT

In the past 12 months we have relocated our head office and held a successful National Show, I wonder what the next 12 months will bring? Whatever the future is, it will be the responsibility of the Board and our new National Chairman, Nick Wylie, who takes over from me in October. I wish all of you, all the very best going forward.



Katherine Kear MDPF
National Chairman

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

The Trustees present their report together with the audited financial statements for the year ended 31 March 2023. The financial statements have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS 102), applicable law and the Charity's governing document.

The Charity prefers to be known by the acronym "NAFAS" and is a UK registered trademark no. 2109171.

Structure, Governance and Management.

The Trustees are also the Directors of the Company for the purpose of company law. The Charity is a charitable company limited by guarantee and without share capital. In the event of the Company being wound up the liability of each member is limited to £10. It was incorporated on 16th October 2003. The purpose of its formation was to acquire the assets and undertaking of National Association of Flower Arrangement Societies, an unincorporated charitable association first formed in 1959. It is governed by Articles of Association and its objectives are to advance public education in the art of flower arranging and related subjects. The membership of the Company is comprised of 21 unincorporated Area Associations providing geographical representation throughout the United Kingdom and represented at meetings through a single elected representative for each Area. A network of more than 900 flower clubs are affiliated to the Area Associations and their members form the affiliated membership of the Charity.

The Voting Members of the Charity are made up of the 21 current Area Representatives and the current Trustees. The National Officers are appointed by the Board and comprise the Chair of Trustees and the Vice-Chairman. There shall be a minimum of 7 Trustees and a maximum of 10 Trustees. A minimum of 5 Trustees to be elected by the voting members, additional Trustees can be appointed by the Board. The National President is a non-executive appointment selected by a panel. Life Vice-Presidents are appointed in recognition of outstanding service. The day-to-day management of the Charity is the responsibility of the Chief Executive Officer. Salaries of all staff are reviewed annually by the Board of Trustees.

The Trustees, as stated on the legal and administrative information page, are eligible to serve two terms of three years. The Board meets monthly (virtually) and receives quarterly reports from the Charity's Standing Committees, who administer the operation of each facet of the Charity's objectives. One Trustee attends each meeting of the Standing Committees to ensure continuity within the reporting process. The Board of Trustees take direct responsibility for the management of the assets and liabilities. Financial management including control and monitoring of budgets, is overseen by the Finance Team.

The National Advisory Council meets 4 times a year and comprises a single representative from each of the 21 Area Associations. They represent the affiliated members and act as an advisory body and as a forum for the exchange of views and information between the Board of Trustees and the affiliated members.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEED)

TRUSTEES' REPORT

Trustees Induction and Training

New Trustees are invited and encouraged to attend training courses and seminars to brief them on their legal obligations. They are also introduced to the Charity Commission's own booklets and information bulletins. Funds are available to facilitate Trustee training in undertaking their role.

Subsidiary Company

The Charity's wholly owned subsidiary, NAFAS Enterprises Limited (company No. 1829011), undertakes fundraising through the publishing and sale of books, leaflets and booklets relating to flower arranging and the publication of The Flower Arranger magazine. Profits are transferred to the Charity through Gift Aid. The Board of Directors comprises the National Chairman and two other Trustees of the Charity.

Charitable Objectives and Activities

The Charity is established to:

- advance public education in the art of flower arranging and related subjects
- further any other charitable purpose or purposes

The Charity's Activities are:

- Administration of NAFAS Courses in Floral Art & Design
- Attending and exhibiting at major shows and floral events
- A National Show where affiliated members may enter competitions and where both members and the general public may enjoy the floral arrangements exhibited
- Training and assessments of judges, demonstrators and speakers
- Encouragement to affiliated clubs to develop their memberships

NAFAS Vision, Mission and Values

The new Vision, Mission and Values were adopted in 2021 by the Board.

NAFAS Vision Statement

To improve the lives of everyone through flowers

NAFAS Mission Statement

Sharing the creative use of flowers through education, to bring joy and inspiration to all

We achieve this through:

- Welcoming everyone to our Association, events and shows by removing barriers to access
- Sharing our artistry, creativity, skills, experience and innovation
- Encouraging creative use of flowers to aid mental health, well-being and social interaction
- Developing imaginative and accessible promotional programmes and publications
- Providing the highest quality educational and training schemes and upholding their quality
- Supporting opportunities to develop skills through competitions and exhibitions at all levels
- Ensuring excellent organisational and commercial support for affiliated clubs and societies
- Establishing a culture where collaboration and sharing best practice is the norm
- Working closely with horticultural, trade and educational bodies with similar goals
- Continuous improvement to everything we do by embracing incremental change
- Regular renewal of our representation and plans to capture new trends and voices
- Minimising our impact on the environment

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEED)
TRUSTEES' REPORT

Our Values

- Ensure a friendly welcome for all, that embraces equality and diversity
- Ensure open and positive behaviours at all times in delivering our goals
- Make full use of the knowledge, energy and commitment of all of our Association's members
- Seek positive environmental sustainability in all our activities

Public Benefit

In establishing the annual objectives and activities which fulfil NAFAS overall aims, the Trustees always have regard to the principles of public benefit. The Trustees are aware of and have received copies of the Charity Commission's guidance regarding Public Benefit and have taken it into account, where relevant, in their planning and decision making.

The Objects set out clearly that the Charity is established to advance public education in the art of flower arranging and to further any other charitable purpose. It operates throughout the whole of the United Kingdom and strives to attract members from all age groups and ethnic backgrounds. The Association's exhibits at major floral and horticultural shows, including its own National Show, are seen and enjoyed by large numbers of the general public.

The Trustees are conscious that many of its affiliated members are elderly with some on low or fixed incomes. Although each club is autonomous with the ability to set its own membership fees, the affiliation fee to the Charity (which forms part of this) has been maintained at £6.10 since 2019 for each individual member through their club. It is the Board's intention to continue small annual incremental increases, it was decided to increase the affiliation fee in 2023 to £7.50 per member.

The Association also provides direct membership at a cost of £45 per annum which includes a subscription to its quarterly magazine, The Flower Arranger. The cost of direct membership remains the same until such time as it is deemed appropriate to increase. The Trustees take its commitment to public benefit extremely seriously, exemplified by the fact that the affiliation fee remains very low not wishing to exclude any member on economic grounds.

The Trustees believe that entry fees to shows and events and affiliation fees to members are set at such a low level as to ensure that all members of the public can afford them and therefore benefit from full enjoyment of the Charity's services. The affiliated Flower Clubs play an important role in raising money for other charities.

The Charity's members and the Area Associations, provide services to the general public too numerous to mention fully but include workshops where the public are invited to try their own skills at flower arranging, similar workshops for school parties and children with special needs, assistance to local churches to hold flower festivals to encourage the public to support their local communities and floral demonstrations at flower shows and events throughout the year.

Risk Management

Historically the risks identified by the Charity have been restricted to contractual obligations related to the National Show and other events. The Coronavirus, began to have significant effects in the UK from late February 2020, and enhanced problems that the Trustees were previously aware of and created new risks to the Charity.

Risks include:

- Club closures, several clubs will not reopen for various reasons including:
 - o Difficulty attracting members to sit on the club committee
 - o Ageing membership
 - o Difficulty in attracting new younger members
 - o Increasing costs of premises and flowers
 - o Closure of village and community halls where our clubs have met previously

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

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(LIMITED BY GUARANTEED)
TRUSTEES' REPORT

- A decline in membership due to club closures.
- A reluctance by members to travel. This affects attendance at Area and National events.

Evaluation of risk is constantly under review. Financial risks are managed by:

- Maintenance of reserves to be financially resilient.
- Regular consultation with the Charity's financial, legal and other professional advisers.

Internal risk controls are in place based upon dual authorisation of financial transactions. Employee and Third-Party Fraud insurance cover is also in force. The Trustees consider that a suitable balance is maintained between the level of risk and the effectiveness of controls.

Achievements and Performance

We will continue to present our AGM virtually as this attracts a larger audience compared to a physical meeting and allows access to the proceedings to all our membership. The 2022 AGM attracted over 1,600 views.

Reports from the NAFAS Standing Committees'

National Judges Committee

Joan Magee, Chairman

- The National Judges Conference at Gloucester was the main focus of the Judges Committee during this period. We spent numerous hours preparing the Schedule, sorting Staging, considering judges, accepting entries and dealing with queries.
- The revision of the current Competitions Manual was completed and the 4th Edition 2023 Competitions Manual was ready for launch at the National Show.
- The Judges Conference at Dromantine got the green light and is full to capacity. The event to be held in August 2023.
- Training for potential National Judges took place during this period. The National Test took place in Tarvin Community Hall on 30th October. We are pleased to report we have four new National Judges

National Demonstrators Committee

Beryl Cotton, Chairman

- April 2022 - Demonstrators symposium at Telford Hotel and Golf Resort.
- An Area Representatives meeting was held via zoom June 2022.
- 4 Time served committee members retired October 2022 including Chair Elizabeth Graham.
- The newly appointed Committee meet 3 times via zoom throughout the year and were able to meet face to face at the National Tests.
- September 2022 Zoom meeting – advice and guidance for test candidates.
- In January 2023, a Day of Guidance and Advice took place at Frodsham, Cheshire for pre-National and National candidates.
- A Spring 2023 Bulletin was issued to demonstrators.
- Pre-National Assessments and National Test took place in March 2023 at Frodsham, Cheshire. 3 Candidates were successful in passing their National Test.
- Following the National Tests, a zoom meeting was arranged with the Senior Adjudicator for pre national candidates in March 2023.
- Several Areas are holding training and Testing for Area Demonstrators.
- Several Areas are holding Refresher Days or Joint Discipline Refresher Days.
- A new leaflet has been produced to help Areas to recruit talented flower arrangers to step up to become Area Demonstrators.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEED)
TRUSTEES' REPORT

National Speakers Committee

Brenda Eyers, Chairman

A number of Areas held refresher days for speakers following a long pause in such activities caused by the pandemic. It has been encouraging to also hear from the Area Representatives of an increase in bookings for speakers at Club and Area events. Sadly, we have noticed that a number of both speakers and Adjudicators and Instructors decided to retire after the pandemic. We have therefore focused heavily on training to overcome a shortage of qualified people.

The National Speakers Committee continued to hold all meetings by Zoom including days for Area Speakers Representatives and Adjudicators and Instructors, including the trainees. We were delighted to be asked to participate in the 2023 National Show at Gloucester Cathedral and all preparations were again undertaken by Zoom.

After much work and planning over the last two years, the National Speakers Test was held in Stockton on the Forest on 3rd August 2023 with six speaking candidates and a further four completing their A & I qualifications. Five of the speaking candidates were successful and all four A & I candidates.

We continue to investigate ways to achieve a virtual symposium for our members.

National Education Committee

Susie Barwick, Chairman

- The committee agreed to meet "informally" every month except August, via Zoom. Scheduled formal meetings and meetings with Education Representatives and Tutors were held in July and October 2022 and in February 2023.
- The Ofqual application documents continued to be reviewed and refined. A Consultant has been appointed to oversee all preparations.
- 3 Level Three students were assessed and approved for a NAFAS certificate in September 2022.
- The Basic Teaching Manual is being reviewed and will be renamed as An Introduction to Teaching.
- Revisions were completed for the re-print of Miniature & Petites.
- Revisions for a re-print of Leaf & Plant Techniques book two were submitted.
- Work continues with Design Techniques.
- Leisure Class Initiative document was updated and re-loaded onto the NAFAS website
- A tutor forum has been created by the Education Administrator, to facilitate communication and training for NAFAS tutors.
- Plans for a Teachers Conference are now being discussed for 2024.

Volunteer involvement

The Charity relies on the support of its members who give many thousands of hours voluntarily to assist in the provision of services and activities. It is impossible to put a value on this support for which the Charity is very grateful and without which much of the work undertaken could not be achieved. The Trustees appoint functional and advisory committees, composed of experienced volunteers to assist in carrying out the work of the Charity.

Fundraising

The Charity does not actively undertake any fundraising directly from the general public.

Membership

Affiliation Fees and the annual returns forms, which are completed by the 21 Area Executives, recorded the following details in December 2022:

- Individual Members. 32,179 (44,829 in 2019)
- Number of flower clubs. 845 (961 in 2019)

Our numbers are considerably lower than those recorded in 2019, the last time we were in receipt of accurate figures. The Pandemic had a devastating effect on the Association, and for the first time we can see the scale of the problem

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

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TRUSTEES' REPORT

the Association faces. Ageing membership, changing lifestyles and rising costs are common problems facing a number of charitable/membership organisations, yet NAFAS, remains one of the best supported membership organisations in the UK.

Future Planning

Following the sale of Osborne House, we have restructured our financial activities and put in place a rolling 3-year Business Plan. The plan will enable the Charity to build on its current position and budget more accurately.

Powers of Investments

The Articles of Association authorise the investment of the Company's funds or any part thereof in the purchase of such stocks, shares, securities or other investment or property of whatsoever nature as the Trustees, may in their absolute discretion decide. All investments are held in accordance with these powers. The Trustees do not have specific target returns on investment income although generally they expect investment performance to reflect movement in the London Stock Exchange indices.

Financial Review

Having identified Rathbones as the most suitable investment manager for the Charity, £3.5M was invested in July 2022. The residue of the proceeds remains in the Charity's bank accounts. A new Investment Team has been set up to meet regularly with Rathbones to discuss the investment performance.

The Association has strict internal financial controls, which are overseen by the CEO, Finance Team, Investment Team and the Board of Trustees. All events are budgeted and closely monitored, and for this financial period have included:

Educational Events

- National Judges Tests (Education)
- RHS Hampton Court (Promotion)
- National Presidents Residential Weekend (Fundraising)
- National Demonstrators symposium (Education)
- National Demonstrators Advice Day (Education)
- National Show (Education)

The Charity provides funding for its Standing Committees, Judges, Demonstrators, Speakers, and Education. It also commits funding to educational events as charitable activities. The National Show recorded a profit of £53,560 which exceeded the budget target of £21,679. This is in complete contrast to the 2019 show that recorded a large deficit and proves that the internal financial procedures now in place are effective.

Financial Review

At the end of the financial year, the Association recorded a surplus of £2,452,295 (including the profit on the sale of Osborne House), an improvement on the previous year and leaves the Charity with adequate reserves. On completion of the sale of Osborne House, the loan of £150K, taken out in 2020 under the Government backed Coronavirus Business Interruption Loan Scheme, was repaid in full.

Group Income

Consolidated income increased by 18% to £517,128 (excluding the profit on the sale of Osborne House).

Group Expenditure

Consolidated expenditure increased by 33% to £697,642.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

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(LIMITED BY GUARANTEED)
TRUSTEES' REPORT

Enterprises (Trading Subsidiary)

Turnover decreased by 5% to £226,930.

Cost of sales and administrative expenses increased by 2% to £244,371.

Loss for the year was £17,233 versus £281 loss in 2022.

The results for the year ended 31 March 2023 are shown in this summary of income and expenditure:

	2023	2022
	£	£
Net movement in funds		
Unrestricted funds	2,449,077	(88,319)
Designated funds	3,218	2,379
Restricted funds	-	-
	-----	-----
	2,452,295	(85,940)
	=====	=====

Reserves

An analysis of funds is given under note 20. The maintenance of adequate reserves underpins the Trustees' Risk Management policy as a counter against risks identified in the regular Risk Review. In view of the general historical reliability of the Charity's income streams, the Trustees consider that the Charity's general reserve, excluding fixed assets but including the value of marketable investments, should be maintained at a level sufficient to cover six months charitable operations expenditure and governance costs. At 31st March 2023 the level of free reserves stands at £3,787,564 (2022: £53,330).

Subsidiary Undertaking

NAFAS Enterprises Limited is a wholly owned subsidiary. It undertakes all trading activities and transfers the whole of its profit to the Charity by gift aid. Due to a change in accounting rules, the gift aid payable is not recorded as a liability in these accounts.

Accounting Policies

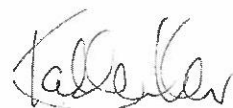
Accounting policies are disclosed on pages 19 to 21 of the financial statements.

Auditors

A resolution proposing the appointment of Auditors to the Charity will be put to the Annual General Meeting.

The Trustees' Report was approved by the Trustees' on 15th September 2023

BY ORDER OF THE BOARD



Katherine Kear MDPF
National Chairman

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 (LIMITED BY GUARANTEED) STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of National Association of Flower Arrangement Societies 2003 for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the group and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT**

**TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT
SOCIETIES 2003**

Opinion

We have audited the financial statements of National Association of Flower Arrangement Societies 2003 (the parent 'charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 on pages 15 to 31. 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 the parent charitable company's affairs as at 31 March 2023 and of its 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT**

**TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT
SOCIETIES 2003**

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

We have nothing to report in this regard.

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 directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 set out on page 4, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT**

**TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT
SOCIETIES 2003**

Auditor's responsibilities for the audit of the financial statements

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 for the audit of the financial statements is located on the Financial Reporting Council's website <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.

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees, directors and other management (as required by auditing standards), and discussed with the trustees, directors and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption; and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees, directors and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the charity and group's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT**

**TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT
SOCIETIES 2003**

- We considered the procedures and controls that the charity and group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

**Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of TC Group
Statutory Auditor
Office: Steyning, West Sussex**

Date: 13 October 2023

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2023

		General funds	Designated funds	Restricted funds	Total 2023	Total 2022
	Notes	£	£	£	£	£
Income from:						
Donations and legacies	3	2,401	-	-	2,401	2,750
Charitable activities:						
Affiliation & direct membership fees	4	152,285	-	-	152,285	173,645
Shows and assemblies	4	75,170	-	-	75,170	4,579
Other trading activities:						
Trading income	10	227,138	-	-	227,138	239,227
Investment income						
Investment income		41,886	-	-	41,886	-
Interest income		1,861	-	-	1,861	13
Other		13,169	3,218	-	16,387	17,801
Profit/(loss) on sale of tangible fixed assets		2,669,397	-	-	2,669,397	-
Total income		3,183,307	3,218	-	3,186,525	438,015
Expenditure on:						
Raising funds:						
Costs of trading subsidiary	10	244,371	-	-	244,371	239,508
Charitable activities:						
Operations	5	453,271	-	-	453,271	284,447
Total expenditure		697,642	-	-	697,642	523,955
Net losses on investments	13	(36,588)	-	-	(36,588)	-
Net income/(expenditure)		2,449,077	3,218	-	2,452,295	(85,940)
Transfers between funds	21	-	-	-	-	-
Net movement in funds		2,449,077	3,218	-	2,452,295	(85,940)
Fund balances at 1 April 2022		1,349,076	31,210	6,100	1,386,386	1,472,326
Fund balances at 31 March 2023		3,798,153	34,428	6,100	3,838,681	1,386,386

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
CONSOLIDATED BALANCE SHEET**

AS AT 31 MARCH 2023

	Notes	2023 £	£	£	2022 £
Fixed assets					
Tangible assets	12	10,589			1,433,616
Investments	13	3,231,516			-
		3,242,105			1,433,616
Current assets					
Stocks	14	20,258		12,834	
Debtors	15	54,103		43,289	
Cash at bank and in hand		700,918		198,169	
		775,279		254,292	
Creditors: amounts falling due within one year	16	(178,703)		(196,522)	
Net current assets		596,576			57,770
Creditors: amounts falling due after more than one year	17	-			(105,000)
Total assets less current liabilities		3,838,681			1,386,386
Income funds					
Unrestricted funds:					
General funds	20	3,798,153			1,349,076
Designated funds	20	34,428			31,210
Restricted funds	20	6,100			6,100
		3,838,681			1,386,386

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 15/09/2023.



Mrs Katherine Kear (Chairman)
Company Registration No. 4934904

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 CHARITY BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12	10,586		1,433,616	
Investments	13	3,231,520			4
		3,242,106		1,433,620	
Current assets					
Debtors	15	58,091		34,439	
Cash at bank and in hand		680,066		162,238	
		738,157		196,677	
Creditors: amounts falling due within one year	16	(172,596)		(187,160)	
Net current assets		565,561		9,517	
Creditors: amounts falling due after more than one year	17	-		(105,000)	
Total assets less current liabilities		3,807,667		1,338,137	
Income funds					
Unrestricted funds:					
General funds	20	3,767,139		1,300,827	
Designated funds	20	34,428		31,210	
Restricted funds	20	6,100		6,100	
		3,807,667		1,338,137	

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 15/09/2023



Mrs Katherine Kear (Chairman)
Company Registration No. 4934904

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
	Notes	£	£
Cash flows from operating activities:			
Net income/expenditure for the year		2,452,295	(85,940)
(Gain) / loss on investments		36,588	-
Profit on disposal of tangible fixed assets		(2,669,397)	-
Depreciation of tangible fixed assets	12	1,871	7,465
Interest from investments		(43,747)	(13)
(Increase)/decrease in stock	14	(7,424)	(3,362)
Increase/(decrease) in creditors	16	(119,564)	(34,942)
(Increase)/decrease in debtors	15	10,814	(16,534)
Net cash provided by/(used in) operating activities		(338,564)	(133,326)
Cash flows from investing activities:			
Interest from investments		43,747	13
Proceeds from sale of tangible fixed assets		2,669,397	-
Proceeds on sale of investments		242,700	-
Purchase of investments		(2,105,083)	-
Purchase of tangible fixed assets	12	(9,448)	(2,954)
Net cash provided by/(used in) investing activities		841,313	(2,941)
Increase/(decrease) in cash		502,749	(136,267)
Cash and cash equivalents at the beginning of the year		198,169	334,436
Cash and cash equivalents at the end of the year		700,818	198,169

	1 April 2022 £	Cashflow £	31 March 2023 £
Cash at bank and in hand	198,169	502,749	700,918

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Statutory information

National Association of Flower Arrangement Societies 2003 (NAFAS) is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found on the Legal and Administrative Information page.

2 Accounting policies

2.1 Basis of preparation

The financial statement have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – Charities SORP (FRS102) and the Companies Act 2006.

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

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties about the group's ability to continue as a going concern.

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 £1.

2.2 Group financial statements

The financial statements consolidate the results of the charity, its wholly owned subsidiary, NAFAS Enterprises Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented as the group has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

2.3 Income

All income is recognised in the Statement of Financial Activities once the group has gained entitlement to them and the amounts can be quantified with sufficient reliability.

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Investment income is recognised in the financial statements when receivable.

2.4 Expenditure

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is included within the item of expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in pursuit of its charitable objectives. It includes both direct costs and support costs relating to such activities. Support costs, including salaries, are apportioned on the basis of the time involved on the activity.

Governance costs include those costs associated with meeting the statutory requirements of the group and include the audit fees and costs linked to strategic management of the group.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	Straight line – over four years
--------------------	---------------------------------

Furniture and fittings	Straight line – over four years
------------------------	---------------------------------

Freehold land is not depreciated. The freehold building is depreciated over 100 years from the year after purchase and is subject to an annual impairment review. The building carries a Grade 2 listing and its useful life is expected to exceed 100 years.

2.6 Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Gains and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2.7 Stock

Stocks are valued at the lower of cost and net realisable value.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The Trustees seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.10 Creditors and provisions

Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2.11 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

2.12 Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

The charity contributes to employees' personal pension schemes. The pension costs charged in the financial statements represent the contributions payable during the year.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies (continued)

2.13 Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are funds provided for a specific purpose that must be spent in line with funder's requirements.

2.14 Critical accounting estimates and judgements

In the application of the group'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.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

3 Donations and Legacies

	General funds £	Designated funds £	Restricted funds £	Total 2023 £	Total 2022 £
Other	2,401	-	-	2,401	2,750
	<u>2,401</u>	<u>-</u>	<u>-</u>	<u>2,401</u>	<u>2,750</u>

4 Income from charitable activities

	General funds £	Designated funds £	Restricted funds £	Total 2023 £	Total 2022 £
Affiliation and direct membership	152,285	-	-	152,285	173,645
Shows and Assemblies	75,170	-	-	75,170	4,579
	<u>227,455</u>	<u>-</u>	<u>-</u>	<u>227,455</u>	<u>178,224</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Analysis of group charitable activities

	Total 2023 £	Total 2022 £
Staff costs	98,214	75,959
WAFA	999	2,750
Westminster Abbey Flowers	9,296	3,863
Chelsea Flower Show	-	7,288
Committees:-		
Photography Committee	-	100
Demonstrators Committee	25,685	2,452
Education Committee	4,050	7,487
Support and governance costs	254,306	182,602
Other activities	60,721	1,946
	<u>453,271</u>	<u>284,477</u>

Total staff costs of £168,320 as per note 11 are split as £98,214 charitable activities (2022: £75,959) and £70,106 raising funds (2022: £84,627).

6 Analysis of costs - 2023

	Direct costs £	Support costs £	Governance costs £	Total 2023 £	Total 2022 £
Charitable activities:-					
Operations	198,965	239,625	14,681	453,271	284,447
	<u>198,965</u>	<u>239,625</u>	<u>14,681</u>	<u>453,271</u>	<u>284,447</u>
Raising funds:-					
Costs of trading subsidiary	240,121	-	4,250	244,371	239,508
	<u>439,086</u>	<u>239,625</u>	<u>18,931</u>	<u>697,642</u>	<u>523,955</u>

Analysis of costs - 2022

	Direct costs £	Support costs £	Governance costs £	Total 2022 £
Charitable activities:-				
Operations	101,845	167,236	15,366	284,477
	<u>101,845</u>	<u>167,236</u>	<u>15,366</u>	<u>284,777</u>
Raising funds:-				
Costs of trading subsidiary	235,242	-	4,266	239,508
Total	<u>337,087</u>	<u>167,236</u>	<u>19,632</u>	<u>523,955</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Governance costs

	Total 2023 £	Total 2022 £
Auditors' remuneration		
Audit	8,426	10,000
Other services	4,250	4,266
Legal and professional fees	6,255	5,366
Total	18,931	19,632

8 Net income for the year

	2023 £	2022 £
This is stated after charging:		
Auditors remuneration:		
Audit	8,426	10,000
Other services	4,250	4,266
Expenses reimbursed to Trustees	2,751	1,152
Depreciation	1,871	7,465

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Comparative Statement of Financial Activities – Year ended 31 March 2022

		General funds £	Designated funds £	Restricted funds £	Total 2022 £
Income from:	Notes				
Donations and legacies	3	2,750	-	-	2,750
Charitable activities:					
Affiliation & direct membership fees	4	170,586	3,059	-	173,645
Shows and assemblies	4	4,579	-	-	4,579
Other trading activities:					
Trading income	10	239,227	-	-	239,227
Investment income		13	-	-	13
Other		17,801	-	-	17,801
Total income		434,956	3,059	-	438,015
Expenditure on:					
Raising funds:					
Costs of trading subsidiary		239,508	-	-	239,508
Charitable activities:					
Operations	5	283,767	680	-	284,447
Total expenditure		523,275	680	-	523,955
Net Income / (expenditure)		(88,319)	2,379	-	(85,940)
Transfers between funds		-	-	-	-
Net movement in funds		(88,319)	2,379	-	(85,940)
Fund balances at 1 April 2021		1,437,395	28,831	6,100	1,472,326
Fund balances at 31 March 2022		1,349,076	31,210	6,100	1,386,386

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Subsidiaries

The wholly owned subsidiary NAFAS Enterprises Limited is incorporated in England and Wales (company number: 1829011). The subsidiary donates all of its profits to NAFAS.

The summary financial performance of the subsidiary is as follows:

	2023 £	2022 £
Turnover	227,052	239,223
Cost of sales and administration costs	(244,371)	(239,508)
Interest receivable	86	4
Net profit/(Loss)	(17,319)	(281)
Amount donated to the charity	-	-
Retained in subsidiary	(17,319)	(281)
The current assets and liabilities of the subsidiary were:		
Current assets	49,834	66,487
Current liabilities	(18,815)	(18,235)
Total net assets	31,019	48,252
Aggregate share capital and reserves	31,019	48,252

11 Staff costs

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Charitable activities	5	4
Employment costs		
	2023 £	2022 £
Wages and salaries	147,009	139,516
Social security costs	14,871	14,371
Other pension costs	6,440	6,699
	168,320	160,586

One employee received total employee benefits of £60,000 or more in 2023 (2022: None).

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 Staff costs (continued)

The key management personnel of the charity comprise the Chief Executive Officer, The Secretary and the Administrative Secretary. The total employee benefits of key management personnel of the charity were £127,816 (2022: £140,572). This includes Employer's National Insurance and pension contributions.

None of the Trustees received any remuneration during the year.

There are no employees in the subsidiary company.

12 Tangible fixed assets

	Freehold property £	Website design £	Furniture and equipment £	Total £
Cost				
At 1 April 2022	1,537,084	12,977	1,107	1,551,168
Additions	-	-	9,448	9,448
Disposals	(1,537,084)	-	-	(1,537,084)
At 31 March 2023	-	12,977	10,555	23,532
Depreciation				
At 1 April 2022	106,481	10,467	604	117,552
Charge for the year	-	1,006	866	1,872
Disposals	(106,481)	-	-	(106,481)
At 31 March 2023	-	11,473	1,470	12,943
Net book value				
At 31 March 2023	-	1,504	9,085	10,589
At 31 March 2022	1,430,603	2,510	503	1,433,616

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Investments

	Group		Charity	
	£	£	£	£
	2023	2022	2023	2022
At beginning of the year	-	-	-	-
Additions	3,513,774	-	3,513,774	-
Disposals at opening fair value	(256,276)	-	(256,276)	-
Unrealised investment gains/(losses)	(25,982)	-	(25,982)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2023	3,231,516	-	3,231,516	-

13 Investments (continued)

Quoted investments

Fixed interest	846,092	-	846,092	-
UK equities	808,725	-	808,725	-
Overseas equities	974,320	-	974,320	-
Alternatives	602,379	-	602,379	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2023	3,231,516	-	3,231,516	-
Investment in subsidiary undertaking	-	-	4	4
At 31 March 2023	-	-	3,231,520	4

Note 10 provides further information regarding the investment in NAFAS Enterprises Limited.

Investment losses shown on the Statement of Financial Activities of £36,588 (2022: £Nil) include unrealised losses on investments of £25,982 (2022: £Nil) and realised losses of £10,606 (2022: £nil).

14 Stock

	2023		2022	
	Group	Charity	Group	Charity
	£	£	£	£
Goods for resale	<u>20,258</u>	<u>-</u>	<u>12,834</u>	<u>-</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Debtors	2023		2022	
	Group £	Charity £	Group £	Charity £
Trade debtors	10,281	9,260	20,304	10,835
Prepayments	15,790	15,790	21,636	19,012
Amounts owed from subsidiary company	-	12,714	-	3,243
Other debtors	28,032	20,327	1,349	1,349
	<u>54,103</u>	<u>58,091</u>	<u>43,289</u>	<u>34,439</u>

16 Creditors: amounts falling due within one year	2023		2022	
	Group £	Charity £	Group £	Charity £
Trade creditors	8,837	7,333	21,178	18,297
Taxes and social security costs	4,064	4,064	4,531	10,098
Accruals and deferred income	139,728	135,103	131,155	119,045
Bank loan	-	-	30,000	30,000
Other creditors	26,074		9,658	9,720
	<u>178,703</u>	<u>172,596</u>	<u>196,522</u>	<u>187,160</u>

Deferred income analysis:

	2023		2022	
	Group £	Charity £	Group £	Charity £
Deferred income at 1 April 2022	109,763	109,763	135,557	135,557
Released during year	(109,763)	(109,763)	(135,557)	(135,557)
Deferred in year	124,605	124,605	109,763	109,763
Deferred income at 31 March 2023	<u>124,605</u>	<u>124,605</u>	<u>109,763</u>	<u>109,763</u>

Deferred income is in relation to affiliation fees received in advance.

17 Creditors: amounts falling due in More than one year	2023		2022	
	Group £	Charity £	Group £	Charity £
Bank loan	-	-	105,000	105,000
	<u>-</u>	<u>-</u>	<u>105,000</u>	<u>105,000</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Bank loans

Bank loans are wholly repayable in instalments as follows:

	2023 £	2022 £
Due in less than 1 year	-	30,000
Due in 1 – 5 years	-	105,000
Due in over 5 years	-	-
	<u>-</u>	<u>135,000</u>

During the year Trustees took the decision to repay the loan in full.

19 Operating lease commitments

At the year end, the following commitments were in place in respect of operating leases:

	2023 Group £	Charity £	2022 Group £	Charity £
Within one year	51,175	51,942	4,260	4,260
Within two to five years	<u>145,729</u>	<u>146,687</u>	<u>5,236</u>	<u>5,236</u>
	<u>196,904</u>	<u>198,628</u>	<u>9,586</u>	<u>9,586</u>

Lease payments recognised as an expense in the year totalled £29,381 (2022: £5,504).

**20 Analysis of net assets – 2023
(consolidated)**

	General funds £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	3,242,105	-	-	3,242,105
Current assets	734,751	34,428	6,100	775,279
Current liabilities	<u>(178,703)</u>	<u>-</u>	<u>-</u>	<u>(178,703)</u>
	<u>3,798,153</u>	<u>34,428</u>	<u>6,100</u>	<u>3,838,681</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20 Analysis of net assets – 2022
(consolidated) (continued)

	General funds £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	1,433,616	-	-	1,433,616
Current assets	216,982	31,210	6,100	254,292
Current liabilities	(196,522)	-	-	(196,522)
Long term liabilities	(105,000)	-	-	(105,000)
	<u>1,349,076</u>	<u>31,210</u>	<u>6,100</u>	<u>1,386,386</u>

21 Analysis of funds - 2023

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Net losses on investments £	Balance at 31 March 2023 £
Unrestricted funds:					
General funds	1,349,076	3,183,307	(697,642)	(36,588)	3,798,153
Designated funds:					
WAFA Special Fund	16,785	-	-	-	16,785
Overseas Travel Reserve	14,376	3,218	-	-	14,376
Remembrance Fund	49	-	-	-	49
Restricted funds:					
Workshop	5,000	-	-	-	5,000
Calligraphy & Engraving	1,100	-	-	-	1,100
	<u>1,386,386</u>	<u>3,186,525</u>	<u>(697,642)</u>	<u>(36,588)</u>	<u>3,838,681</u>

21 Analysis of funds – 2022

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds:				
General funds	1,437,395	434,956	(523,275)	1,349,076
Designated funds:				
WAFA Special Fund	16,785	-	-	16,785
Overseas Travel Reserve	11,317	3,059	-	14,376
Heritage Fund	680	-	(680)	-
Remembrance fund	49	-	-	49
Restricted funds:				
Workshop	5,000	-	-	5,000
Calligraphy & Engraving	1,100	-	-	1,100
	<u>1,472,326</u>	<u>438,015</u>	<u>(523,955)</u>	<u>1,386,386</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Designated funds

The **WAFA Special Fund** was opened to enable "Best in Show" prize winners at future NAFAS National Shows to represent the charity at forthcoming WAFA World Shows.

The **Overseas Travel Reserve** provides for officials' travel costs to the World Association of Flower Arrangers (WAFA) World Show, held every three years and for the charity's annual subscription to WAFA. It is funded by an annual transfer from the General Reserve at the rate of 10p for each affiliated member.

The **Headquarters Heritage Fund** was opened to provide for the periodic refurbishment of the charity's freehold premises, which is a Grade II listed building.

The **Remembrance Fund** consists of donations received in memory of members to be recorded in the book of remembrance.

Restricted funds

The **Workshop Fund** consists of a donation received for the refurbishment of a room at Head Office for floral workshops to members and the general public.

The **Calligraphy & Engraving Fund** has arisen as a result of donations received toward the engraving of the Associations trophies, showing winners of various competitions, and the calligraphy of framed pictures listing the Associations National Officers and Presidents.

22 Taxation

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 1 of the Corporation Tax Act 2010.

23 Related party transactions

The charity has taken advantage of Paragraph 33.1A of FRS 102 not to disclose transactions with wholly owned subsidiaries.

During the year the charity paid expenses of £2,751 to 7 trustees (2022: £1,152 to four trustees).

Accounts

**NATIONAL ASSOCIATION OF FLOWER
ARRANGEMENT SOCIETIES 2003**

(A COMPANY LIMITED BY GUARANTEE)

**TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)

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NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
LEGAL AND ADMINISTRATIVE INFORMATION

STATUS	The Association is a charitable company limited by guarantee incorporated on 16 October 2003 and registered as a charity on 5 January 2004.
GOVERNING DOCUMENT	The company was established under Memorandum and Articles which established the objects and powers of the charitable company. The Articles were amended by General Meeting on 20 January 2021.
COMPANY NUMBER	4934904
CHARITY NUMBER	1101348
REGISTERED OFFICE/OPERATING OFFICE	1 st Floor 42-44 Bishopsgate London EC2n 4AH
TRUSTEES:	Mrs Katherine Kear MDPF, Chairman Mrs Nicky Wylie, Vice Chairman Mrs Susan Castle Mrs Mala Williams Mrs Ann Harding Mr Peter Mathers Mrs Ellen Meaking Mrs Philida Irving (appointed 05 October 2021) Mrs Linda Wales (appointed 06 May 2022)
CHIEF EXECUTIVE OFFICER:	Mr Steven Lane
FINANCE OFFICER:	Mr Richard van der Graaf
AUDITORS:	TC Group The Courtyard Shoreham Road Upper Beeding West Sussex BN44 3TN
BANKERS:	National Westminster Bank PO Box 282 216 Bishopsgate London EC2M 4QB
FOUNDER PRESIDENT:	The late Mrs Mary Pope OBE VMH
NATIONAL PRESIDENT:	Mr Michael Bowyer MBE
LIFE VICE-PRESIDENT:	Mr Robin Herbert CBE VMH

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

REPORT FROM THE CHAIR OF TRUSTEES

It's been a year that could be described as a Yo-yo one. We were obviously aware that selling Osborne House was not necessarily going to be quick given it's unique character, size and the current climate of change and world restrictions. What we were not anticipating was the stop and start nature of interested parties. However we are delighted to say that the sale completed on June 24th 2022. This signals the start of a new chapter in the Association's history and now we can start to build and plan for the future, offering more guidance and support to our clubs and promoting the work of our members to the general public. Proceeds from the sale are now invested with our chosen Investment Manager, Rathbones Plc.

The ideal rented office space for the Association is just around the corner from Osborne house and has been sourced to operate for a 5 year term which will allow the Board sufficient time to map out our long term plan. As the new office is so close it means we can keep all our valued staff, and we welcome Layla Hill to the team.

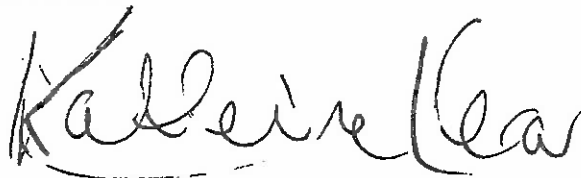
We are, as an Association still in a good position thanks to the careful and considered advice of Steven as CEO, thank you. Zoom meetings continue to keep travel and accommodation costs down, maintain service as usual, and as far as the budget is concerned costs are kept to a minimum. Our one face to face National Advisory Council meeting early in the year was a good chance to meet and chat in a relaxed environment and it was a chance to re bond.

Our continuing research and work towards Ofqual recognition continues. It is a complex and time consuming process looking both at our syllabus content but also governance and financial structure. It will be worth it, Ofqual's recognition is universal and will ensure the longevity of our educational position. It's this that makes us unique. It will make us stronger, more viable and appealing, especially to people outside our Association. It's about moving with current trends, delivering value and education to all.

We continue to review our structure, it's an ongoing process, it will bring forth fruits over time. Next year in May we have the first large event we've organised since 2019. The National Show in Gloucester Cathedral. It will be a standalone show, not a clone of previous shows or a template for following shows. We are cutting our cloth to fit, if we cannot budget for a certain thing we don't have it! We cannot assume visitor numbers will be as past years so we must be careful yet creative.

I would like to thank the staff team, our Standing Committees and Area Chairmen for all their hard work during another difficult year. My special thanks go to my fellow Trustees, and a warm welcome to Lynn Wales, who joined the Board in May and brings a wealth of business management experience. My thanks also to our National President, Michael Bowyer MBE whose contribution and advice to the Board has been invaluable.

Katherine Kear MDPF
National Chairman



NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report together with the audited financial statements for the year ended 31 March 2022. The financial statements have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS 102), applicable law and the Charity's governing document.

The Charity prefers to be known by the acronym "NAFAS" and is a UK registered trademark no. 2109171.

Structure, Governance and Management

The Trustees are also the Directors of the Company for the purpose of company law. The Charity is a charitable company limited by guarantee and without share capital. In the event of the Company being wound up the liability of each member is limited to £10. It was incorporated on 16th October 2003. The purpose of its formation was to acquire the assets and undertaking of National Association of Flower Arrangement Societies, an unincorporated charitable association first formed in 1959. It is governed by Articles of Association and its objectives are to advance public education in the art of flower arranging and related subjects. The membership of the Company is comprised of 21 unincorporated Area Associations providing geographical representation throughout the United Kingdom and represented at meetings through a single elected representative for each Area. A network of more than 900 flower clubs are affiliated to the Area associations and their members form the affiliated membership of the Charity.

The Voting Members of the Charity are made up of the 21 current Area Representatives and the current Trustees. The National Officers are appointed by the Board and comprise the Chair of Trustees and the Vice-Chairman. There shall be a minimum of 7 Trustees and a maximum of 10 Trustees. A minimum of 5 Trustees to be elected by the voting members, additional Trustees can be appointed by the Board. The National President is a non-executive appointment selected by a panel. Life Vice-Presidents are appointed in recognition of outstanding service. The day-to-day management of the Charity is the responsibility of the Chief Executive Officer. Salaries of all staff are reviewed annually by the Board of Trustees.

The Trustees, as stated on page 3, are eligible to serve two terms of three years. The Board meets monthly (virtually) and receives quarterly reports from the Charity's Standing Committees, who administer the operation of each facet of the Charity's objectives. One Trustee attends each meeting of the Standing Committees to ensure continuity within the reporting process. The Board of Trustees take direct responsibility for the management of the assets and liabilities. Financial management including control and monitoring of budgets, is overseen by the Finance Sub Committee.

The National Advisory Council meets 4 times a year and comprises a single representative from each of the 21 Area Associations. They represent the affiliated members and act as an advisory body and as a forum for the exchange of views and information between the Board of Trustees and the affiliated members.

Trustees Induction and Training

New Trustees are invited and encouraged to attend training courses and seminars in order to brief them on their legal obligations. They are also introduced to the Charity Commission's own booklets and information bulletins. Funds are available to facilitate Trustee training in undertaking their role.

Subsidiary Company

The Charity's wholly owned subsidiary, NAFAS Enterprises Limited (company No. 1829011), undertakes fundraising through the publishing and sale of books, leaflets and booklets relating to flower arranging and the publication of The Flower Arranger magazine. Profits are transferred to the Charity through Gift Aid. The Board of Directors comprises the National Chairman and two other Trustees of the Charity.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEED)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Charitable Objectives and Activities

The Charity is established to:

- Advance public education in the art of flower arranging and related subjects
- Further any other charitable purpose or purposes

The Charity's Activities are:

- Administration of NAFAS Courses in Floral Art & Design
- Attending and exhibiting at major shows and floral events
- A National Show where affiliated members may enter competitions and where both members and the general public may enjoy the floral arrangements exhibited
- Training and assessments of judges, demonstrators and speakers
- Encouragement to affiliated clubs to develop their memberships

NAFAS Vision, Mission and Values

The new Vision, Mission and Values were adopted in 2021 by the Board. A Strategy Team had been set up to specifically review and update the statements.

NAFAS Vision Statement

To improve the lives of everyone through flowers

NAFAS Mission Statement

Sharing the creative use of flowers through education, to bring joy and inspiration to all

We achieve this through:

- Welcoming everyone to our Association, events and shows by removing barriers to access
- Sharing our artistry, creativity, skills, experience and innovation
- Encouraging creative use of flowers to aid mental health, well-being and social interaction
- Developing imaginative and accessible promotional programmes and publications
- Providing the highest quality educational and training schemes and upholding their quality
- Supporting opportunities to develop skills through competitions and exhibitions at all levels
- Ensuring excellent organisational and commercial support for affiliated clubs and societies
- Establishing a culture where collaboration and sharing best practice is the norm
- Working closely with horticultural, trade and educational bodies with similar goals
- Continuous improvement to everything we do by embracing incremental change
- Regular renewal of our representation and plans to capture new trends and voices
- Minimising our impact on the environment

Our Values

- Ensure a friendly welcome for all, that embraces equality and diversity
- Ensure open and positive behaviours at all times in delivering our goals
- Make full use of the knowledge, energy and commitment of all of our Association's members
- Seek positive environmental sustainability in all our activities

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEED)
TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Public Benefit

In establishing the annual objectives and activities which fulfil NAFAS overall aims, the Trustees have regard to the principles of public benefit at all times. The Trustees are aware of and have received copies of the Charity Commission's guidance regarding Public Benefit and have taken it into account, where relevant, in their planning and decision making.

The Objects set out clearly that the Charity is established to advance public education in the art of flower arranging and to further any other charitable purpose. It operates throughout the whole of the United Kingdom and strives to attract members from all age groups and ethnic backgrounds. The Association's exhibits at major floral and horticultural shows, including its own National Show, are seen and enjoyed by large numbers of the general public.

The Trustees are conscious that many of its affiliated members are elderly with some on low or fixed incomes. Although each club is autonomous with the ability to set its own membership fees, the affiliation fee to the Charity (which forms part of this) has been maintained at £6.10 since 2019 for each individual member through their club. While it is the Board's intention to continue small annual incremental increases, it was decided not to increase the affiliation fee in this financial year due to the impact of Coronavirus.

The Association also provides direct membership at a cost of £45 per annum which includes a subscription to its quarterly magazine, The Flower Arranger. The cost of direct membership also remains the same until such time as it is deemed appropriate to increase. The Trustees take its commitment to public benefit extremely seriously, exemplified by the fact that the affiliation fee remains very low not wishing to exclude any member on economic grounds.

The Trustees believe that entry fees to shows and events and affiliation fees to members are set at such a low level as to ensure that all members of the public can afford them and therefore benefit from full enjoyment of the Charity's services. The affiliated Flower Clubs play an important role in raising money for other charities.

The Charity's members and the Area Associations, provide services to the general public too numerous to mention fully but include workshops where the public are invited to try their own skills at flower arranging, similar workshops for school parties and children with special needs, assistance to local churches to hold flower festivals to encourage the public to support their local communities and floral demonstrations at flower shows and events throughout the year.

Risk Management

Historically the risks identified by the Charity have been restricted to contractual obligations related to the National Show and other events. The Coronavirus, which began to have significant effects in the UK from late February 2020, has enhanced problems that the Trustees were previously aware of and created new risks to the Charity. Flower Clubs reopened during the year and gradually started to hold club and area events.

Risks include:

- Club closures, several clubs will not reopen for various reasons including:
 - Members unwilling to attend club meetings again
 - Difficulty attracting members to sit on the club committee
 - Ageing membership
 - Difficulty in attracting new younger members
 - Increasing costs of premises and flowers
 - Closure of village and community halls where our clubs have met previously
- A decline in membership due to club closures.
- A reluctance by members to travel. This will affect attendance at Area and National events.
- A drop in sales of trading goods and educational handbooks due to Coronavirus. Although we are seeing a slow recovery.
- Club closures resulted in a drop in affiliation fees.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEED)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Evaluation of risk is constantly under review. Financial risks are managed by:

- Maintenance of reserves to be financially resilient.
- Regular consultation with the Charity's financial, legal and other professional advisers.

Internal risk controls are in place based upon dual authorisation of financial transactions. Employee and Third-Party Fraud insurance cover is also in force. The Trustees consider that a suitable balance is maintained between the level of risk and the effectiveness of controls.

Achievements and Performance

We will continue to present our AGM virtually as this attracts a larger audience compared to a physical meeting and allows access to the proceedings to all our membership. The 2021 AGM attracted over 1,600 views.

The Board of Trustees agreed to recommend the fuel allowance at 45p per mile, in line with HMRC.

NAFAS Standing Committees'

National Judges Committee

Joan Magee, Chairman

- The Committee have judged a series of virtual shows during the year. Started during the pandemic, virtual shows have continued into 2022 but will now be phased out as clubs and areas return to their normal activities.
- Numbers are low for the National Tests, with just 7 potential candidates putting their names forward for the 2022 tests.
- A Judges conference is being planned for August 2023 in Dromantine, Northern Ireland.
- The committee are revising the Competitions Manual, which will be ready for publication later in 2022.
- The National Show 2023, to be held at Gloucester Cathedral, is now a main focus for the Judges Committee.
- A meeting of Adjudicators & Instructors took place virtually in February 2022 with almost full attendance. Following discussion, it was agreed the allocation of marks for Judges Tests needs to be reviewed. Committee to liaise with Adjudicators. It was agreed the fee for Trainee Adjudicators should remain at £30.00. Most Areas offer accommodation when required and hospitality.

National Demonstrators Committee

Elizabeth Graham, Chairman

- A successful virtual Adjudicators and Instructors Day was held in September 2021
- Training and Testing took place in the following Areas:
 - South West, NIGFAS, SAFAS, Wessex & Jersey, North Midlands, Mercia & North Wales and East of England (holding refresher day)
- The committee reviewed the suggested Flower Allowance and increased the amount to £150.00 - Citing Brexit and Coronavirus as the main cause of increased prices.
- A successful Demonstrators Symposium took place in April 2022 at the Telford Hotel & Golf Resort attended by over 50 attendees. Delegates returned home, refreshed, inspired, rekindled friendships, and took with them a few samples
- At the Symposium a National Demonstrator undertook a total eco-friendly demonstration, but there is a lot of work required behind the schemes, however everyone was inspired and can take small parts forward into their own demonstrations
- Pre-National Assessments and National are being planned for March 2023
- Three new members will join the committee in October 2022
- An Area Reps Day took place in June 2022

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEED)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

National Speakers Committee

Brenda Eyers, Chairman

- In 2021 the Speakers contribution to the Virtual National Show gained 1,831 views.
- Kent Floral Art had two certified virtual training dates and an Area and Mock Test are planned.
- An Adjudicators and Instructors day was held in September 2021.

National Education Committee

Susie Barwick, Chairman

- The Ofqual application is continuing, and regular updates are shared with the Board
- 7 Qualified Teachers were approved to join the National Lists
- Video Tutorials were prepared for the NAFAS Virtual Show 2021
- Over 100 copies of the Basic Teaching Course have been sold
- The committee continue to review publications: Miniature & Petites and Church Flowers will be titled Flowers in Worship to incorporate other faiths
- Period Flower Arranging publication revised, printed and in stock
- Leisure Class Initiative document is being updated
- A Tutors & Moderators Day was held on 26th July 2022
- Plans are being discussed for Teachers Conference in 2023

Editorial Committee

Kathy Stangaard, Chairman

- The cover price of The Flower Arranger magazine increased to £4.99, annual subscription to club members will be increasing with effect from spring 2023 issue to £15.00 and annual individual subscriptions to £24.00
- The Team attended Hampton Court Palace Flower Show to promote the magazine
- Area photoshoots have been held in the BB&O, Sussex and South West areas
- Flower Show Work and Summer Floral notecards were added to the trading portfolio
- For 2022 an additional two designs of Christmas cards will be available
- Each NAFAS area has been provided with a banner and tablecloth to use at their Area shows to advertise the magazine
- An AFAO meeting was held in November 2021

Volunteer involvement

The Charity relies on the support of its members who give many thousands of hours voluntarily to assist in the provision of services and activities. It is impossible to put a value on this support for which the Charity is very grateful and without which much of the work undertaken could not be achieved. The Trustees appoint functional and advisory committees, composed of experienced volunteers to assist in carrying out the work of the Charity.

Fundraising

The Charity does not actively undertake any fundraising directly from the general public.

Membership

Following the pandemic, clubs slowly started reopening and members returned with some apprehension. At the end of December 2021, we recorded 28,659 members, however we are aware that some clubs did not collect fees for the entire 12 month period and we will have to wait until December 2022, when it is expected that all our clubs will be open again, before we can accurately report on the full impact of the pandemic on the Association.

Once we are back to "normal" there will be a great deal of work to do to in attracting new members, supporting our clubs, particularly those in deprived areas. Ageing membership, changing lifestyles and rising costs are common

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEED)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

problems facing a number of charitable organisations, yet NAFAS, remains one of the best supported membership organisations in the UK.

Future Planning

Up to the sale of Osborne House, the charity was working to a cash flow forecast. Now the sale is complete we can start to plan ahead. Once established into the new office, we will introduce a new budget to year end March 2023. This will be accompanied with a 3 year Business Plan and Strategy.

The charity will invest in a new database to gather information about the membership and ensure we remain compliant with our data. Investment will also be made into a new online digital booking service for our areas and clubs.

Powers of Investments

The Articles of Association authorise the investment of the Company's funds or any part thereof in the purchase of such stocks, shares, securities or other investment or property of whatsoever nature as the Trustees, may in their absolute discretion decide. All investments are held in accordance with these powers. The Trustees do not have specific target returns on investment income although generally, they expect investment performance to reflect movement in the London Stock Exchange indices.

Financial Review

At the end of the financial year, the Association recorded a deficit of £85,940, this compares to the previous year's surplus of £31,999. The main contributing factor is the decline in affiliation fees, due to clubs still recovering from the pandemic and some members apprehensive about returning to the club environment.

A loan of £150K was taken out in 2020 under the Government backed Coronavirus Business Interruption Loan Scheme, repayments of £2,500 per month, started in September 2021. The loan has been settled in full, following the sale of Osborne House.

Group Income

Consolidated income decreased by 15% to £438,015

Group Expenditure

Consolidated expenditure increased by 8% to £523,955

Enterprises (Trading Subsidiary)

Turnover decreased by 7% to £239,227.

Cost of sales and administrative expenses increased by 8% to £239,508.

Loss for the year was £281 versus £36,720 profit in 2021.

The results for the year ended 31 March 2022 are shown in this summary of income and expenditure:

	2022	2021
	£	£
Net movement in funds		
Unrestricted funds	(88,319)	28,810
Designated funds	2,379	(2,911)
Restricted funds	-	6,100
	(85,940)	31,999
	=====	=====

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Reserves

An analysis of funds is given under note 20. The maintenance of adequate reserves underpins the Trustees' Risk Management policy as a counter against risks identified in the regular Risk Review. In view of the general historical reliability of the Charity's income streams, the Trustees consider that the Charity's general reserve, excluding fixed assets but including the value of marketable investments, should be maintained at a level sufficient to cover six months charitable operations expenditure and governance costs. At 31st March 2022 the level of free reserves stands at £53,330 (2021: £28,100).

Subsidiary Undertaking

NAFAS Enterprises Limited is a wholly owned subsidiary. It undertakes all trading activities and transfers the whole of its profit to the Charity by gift aid. Due to a change in accounting rules, the gift aid payable is not recorded as a liability in these accounts.

Accounting Policies

Accounting policies are disclosed on pages 20 to 22 of the financial statements.

Auditors

A resolution proposing the appointment of Auditors to the Charity will be put to the Annual General Meeting.

The Trustees' Report was approved by the Trustees' on 2nd September 2022

BY ORDER OF THE BOARD

Katherine Kear MDPF
National Chairman



**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees, who are also the directors of National Association of Flower Arrangement Societies 2003 for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the group and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT**

**TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT
SOCIETIES 2003**

Opinion

We have audited the financial statements of National Association of Flower Arrangement Societies 2003 (the 'charitable company') for the year ended 31 March 2022 on pages 14 to 30. 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 the parent charitable company's affairs as at 31 March 2022 and of its 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEED)

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

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

We have nothing to report in this regard.

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 directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 set out on page 4, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 (LIMITED BY GUARANTEED) INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

Auditor's responsibilities for the audit of the financial statements

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 for the audit of the financial statements is located on the Financial Reporting Council's website <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.

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees, directors and other management (as required by auditing standards), and discussed with the trustees, directors and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption; and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees, directors and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the charity and group's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEED)

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

- We considered the procedures and controls that the charity and group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of TC Group
Statutory Auditor
Office: Steyning, West Sussex

Date: 3 October 2022

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2022

		General funds	Designated funds	Restricted funds	Total 2022	Total 2021
	Notes	£	£	£	£	£
Income from:						
Donations and legacies	3	2,750	-	-	2,750	41,576
Charitable activities:						
Affiliation & direct membership fees	4	170,586	3,059	-	173,645	217,966
Shows and assemblies	4	4,579	-	-	4,579	-
Other trading activities:						
Trading income	10	239,227	-	-	239,227	257,612
Investment income		13	-	-	13	23
Other		17,801	-	-	17,801	811
Total income		434,956	3,059	-	438,015	517,988
Expenditure on:						
Raising funds:						
Costs of trading subsidiary	10	239,508	-	-	239,508	220,893
Charitable activities:						
Operations	5	283,767	680	-	284,447	265,096
Total expenditure		523,275	680	-	523,955	485,989
Net income/(expenditure)		(88,319)	2,379	-	(85,940)	31,999
Transfers between funds	21	-	-	-	-	-
Net movement in funds		(88,319)	2,379	-	(85,940)	31,999
Fund balances at 1 April 2021		1,437,395	28,831	6,100	1,472,326	1,440,327
Fund balances at 31 March 2022		1,349,076	31,210	6,100	1,386,386	1,472,326

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12	<u>1,433,616</u>		<u>1,438,126</u>	
		1,433,616		1,438,126	
Current assets					
Stocks	14	12,834		9,472	
Debtors	15	43,289		26,755	
Cash at bank and in hand		<u>198,169</u>		<u>334,436</u>	
		254,292		370,663	
Creditors: amounts falling due within one year	16	<u>(196,522)</u>		<u>(203,963)</u>	
Net current assets			57,770		166,700
Creditors: amounts falling due after more than one year	17		<u>(105,000)</u>		<u>(132,500)</u>
Total assets less current liabilities			<u>1,386,386</u>		<u>1,472,326</u>
Income funds					
Unrestricted funds:					
General funds	20	1,349,076		1,437,395	
Designated funds	20	31,210		28,831	
Restricted funds	20	<u>6,100</u>		<u>6,100</u>	
		<u>1,386,386</u>		<u>1,472,326</u>	

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 2nd September 2022

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Mrs Katherine Kear (Chairman)

Company Registration No. 4934904

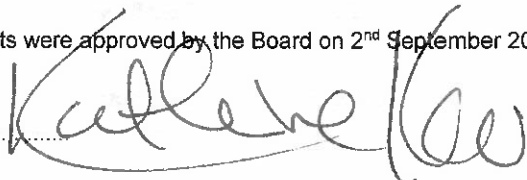
NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 CHARITY BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12	1,433,616		1,438,126	
Investments	13	<u>4</u>		<u>4</u>	
		1,433,620		1,438,130	
Current assets					
Debtors	15	34,439		50,985	
Cash at bank and in hand		<u>162,238</u>		<u>265,872</u>	
		196,677		316,857	
Creditors: amounts falling due within one year	16	<u>(187,160)</u>		<u>(198,683)</u>	
Net current (liabilities)/assets			9,517		118,174
Creditors: amounts falling due after more than one year	17	<u>(105,000)</u>		<u>(132,500)</u>	
Total assets less current liabilities		<u>1,338,137</u>		<u>1,423,804</u>	
Income funds					
Unrestricted funds:					
General funds	20	1,300,827		1,388,873	
Designated funds	20	31,210		28,831	
Restricted funds	20	<u>6,100</u>		<u>6,100</u>	
		<u>1,338,137</u>		<u>1,423,804</u>	

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 2nd September 2022


Mrs Katherine Kear (Chairman)

Company Registration No. 4934904

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

		2022		2021
	Notes	£	£	£
Cash flows from operating activities:				
Net income/expenditure for the year		(85,940)		31,999
Depreciation of tangible fixed assets	12	7,465		7,336
Interest from investments		(13)		(23)
(Increase)/decrease in stock	14	(3,362)		(1,640)
Increase/(decrease) in creditors	16	(34,942)		(82,183)
(Increase)/decrease in debtors	15	(16,534)		25,950
Net cash provided by/(used in) operating activities		(133,326)		(18,561)
Cash flows from investing activities:				
Interest from investments		13		23
Bank loan received		-		150,000
Purchase of tangible fixed assets	12	(2,954)		(8,074)
Net cash provided by/(used in) investing activities		(2,941)		141,949
Increase/(decrease) in cash		(136,267)		123,388
Cash and cash equivalents at the beginning of the year		334,436		211,048
Cash and cash equivalents at the end of the year		198,169		334,436
		1 April 2021	Cashflow	31 March
		£	£	2022
				£
Cash at bank and in hand		334,436	(136,268)	198,169

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Statutory information

National Association of Flower Arrangement Societies 2003 (NAFAS) is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found on the Legal and Administrative Information page.

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – Charities SORP (FRS102) and the Companies Act 2006.

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

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. This includes taking into account any potential impact of the COVID-19 pandemic. There are no material uncertainties about the group's ability to continue as a going concern.

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 £1.

2.2 Group financial statements

The financial statements consolidate the results of the charity, its wholly owned subsidiary, NAFAS Enterprises Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented as the group has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

2.3 Income

All income is recognised in the Statement of Financial Activities once the group has gained entitlement to them and the amounts can be quantified with sufficient reliability.

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Investment income is recognised in the financial statements when receivable.

2.4 Expenditure

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is included within the item of expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in pursuit of its charitable objectives. It includes both direct costs and support costs relating to such activities. Support costs, including salaries, are apportioned on the basis of the time involved on the activity.

Governance costs include those costs associated with meeting the statutory requirements of the group and include the audit fees and costs linked to strategic management of the group.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	Straight line – over four years
--------------------	---------------------------------

Furniture and fittings	Straight line – over four years
------------------------	---------------------------------

Freehold land is not depreciated. The freehold building is depreciated over 100 years from the year after purchase and is subject to an annual impairment review. The building carries a Grade 2 listing and its useful life is expected to exceed 100 years.

2.6 Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Gains and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2.7 Stock

Stocks are valued at the lower of cost and net realisable value.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The Trustees seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.10 Creditors and provisions

Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2.11 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

2.12 Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

The charity contributes to employees' personal pension schemes. The pension costs charged in the financial statements represent the contributions payable during the year.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies (continued)

2.13 Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are funds provided for a specific purpose that must be spent in line with funder's requirements.

2.14 Critical accounting estimates and judgements

In the application of the group'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.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

3 Donations and Legacies

	General funds £	Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donations to Workshop Fund	-	-	-	-	5,000
Legacies	-	-	-	-	20,000
CJRS grant	-	-	-	-	7,605
Other	2,750	-	-	2,750	8,971
	<u>2,750</u>	<u>-</u>	<u>-</u>	<u>2,750</u>	<u>41,576</u>

4 Income from charitable activities

	General funds £	Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
Affiliation and direct membership	170,586	3,059	-	173,645	217,966
Shows and Assemblies	4,579	-	-	4,579	-
	<u>175,165</u>	<u>3,059</u>	<u>-</u>	<u>178,224</u>	<u>217,966</u>

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

5 Analysis of group charitable activities

	Total 2022 £	Total 2021 £
Staff costs	75,959	72,049
WAFA	2,750	1,050
Westminster Abbey Flowers	3,863	248
Chelsea Flower Show	7,288	19
Committees:-		
Photography Committee	100	501
Demonstrators Committee	2,452	-
Education Committee	7,487	1,513
Area Media Officers	-	607
SAFAS	-	10,000
Support and governance costs	182,602	168,080
Other activities	1,946	11,029
	<u>284,447</u>	<u>265,096</u>

6 Analysis of costs - 2022

	Direct costs £	Support costs £	Governance costs £	Total 2022 £	Total 2021 £
Charitable activities:-					
Operations	101,845	167,236	15,366	284,447	265,096
	<u>101,845</u>	<u>167,236</u>	<u>15,366</u>	<u>284,447</u>	<u>265,096</u>
Raising funds:-					
Costs of trading subsidiary	235,242	-	4,266	239,508	220,893
	<u>337,087</u>	<u>167,236</u>	<u>19,632</u>	<u>523,955</u>	<u>485,989</u>

Analysis of costs - 2021

	Direct costs £	Support costs £	Governance costs £	Total 2021 £
Charitable activities:-				
Operations	97,016	141,687	26,393	265,096
	<u>97,016</u>	<u>141,687</u>	<u>26,393</u>	<u>265,096</u>
Raising funds:-				
Costs of trading subsidiary	217,593	-	3,300	220,893
Total	<u>314,609</u>	<u>141,687</u>	<u>29,693</u>	<u>485,989</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Governance costs

	Total 2022 £	Total 2021 £
Auditors' remuneration		
Audit	10,000	13,000
Other services	4,266	3,050
Legal and professional fees	5,366	13,643
Total	19,632	29,693

8 Net income for the year

	2022 £	2021 £
This is stated after charging:		
Auditors remuneration:		
Audit	10,000	13,000
Other services	4,266	3,050
Expenses reimbursed to Trustees	1,152	-
Depreciation	7,465	7,336

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2022

9 Comparative Statement of Financial Activities – Year ended 31 March 2021

		General funds	Designated funds	Restricted funds	Total 2021
	Notes	£	£	£	£
Income from:					
Donations and legacies	3	23,432	2,044	16,100	41,576
Charitable activities:					
Affiliation & direct membership fees	4	214,100	3,866	-	217,966
Other trading activities:					
Trading income	10	257,612	-	-	257,612
Investment income		23	-	-	23
Other		811	-	-	811
Total income		495,978	5,910	16,100	517,988
Expenditure on:					
Raising funds:					
Costs of trading subsidiary		220,893	-	-	220,893
Charitable activities:					
Operations	5	252,096	3,000	10,000	265,096
Total expenditure		472,989	3,000	10,000	485,989
Net expenditure		22,989	2,910	6,100	31,999
Transfers between funds		5,821	(5,821)	-	-
Net movement in funds		28,810	(2,911)	6,100	31,999
Fund balances at 1 April 2020		1,408,585	31,742	-	1,440,327
Fund balances at 31 March 2021		1,437,395	28,831	6,100	1,472,326

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Subsidiaries

The wholly owned subsidiary NAFAS Enterprises Limited is incorporated in England and Wales (company number: 1829011). The subsidiary donates all of its profits to NAFAS.

The summary financial performance of the subsidiary is as follows:

	2022 £	2021 £
Turnover	239,223	257,601
Cost of sales and administration costs	(239,508)	(220,893)
Interest receivable	4	12
Net profit/(Loss)	(281)	36,720
Amount donated to the charity		-
Retained in subsidiary	(281)	36,720
The current assets and liabilities of the subsidiary were:		
Current assets	66,487	91,814
Current liabilities	(18,235)	(43,287)
Total net assets	48,252	48,527
Aggregate share capital and reserves	48,252	48,527

11 Staff costs

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Charitable activities	4	4

Employment costs

	2022 £	2021 £
Wages and salaries	139,516	137,376
Social security costs	14,371	10,487
Other pension costs	6,699	14,282
	160,586	162,145

No employee received total employee benefits of £60,000 or more in 2022 or 2021.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Staff costs (continued)

The key management personnel of the charity comprise the Chief Executive Officer, The Secretary and the Administrative Secretary. The total employee benefits of key management personnel of the charity were £140,572 (2021: £137,962). This includes Employer's National Insurance and pension contributions.

None of the Trustees received any remuneration during the year.

12 Tangible fixed assets

	Freehold property £	Website design £	Furniture and equipment £	Total £
Cost				
At 1 April 2021	1,534,717	12,977	518	1,548,212
Additions	2,367	-	589	2,956
Disposals	-	-	-	-
At 31 March 2022	1,537,084	12,977	1,107	1,551,168
Depreciation				
At 1 April 2021	100,077	9,491	518	110,086
Charge for the year	6,404	976	86	7,466
Disposals	-	-	-	-
At 31 March 2022	106,481	10,467	604	117,552
Net book value				
At 31 March 2022	1,430,603	2,510	503	1,433,616
At 31 March 2021	1,434,640	3,486	-	1,438,126

13 Investments

	2022 £	2021 £
Group:		
Market value at 31 March	-	-
Charity		
Investment in subsidiary	4	4
	4	4

14 Stock

	2022 Group £	Charity £	2021 Group £	Charity £
Goods for resale	12,834	-	9,472	-

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Debtors	2022		2021	
	Group £	Charity £	Group £	Charity £
Trade debtors	20,304	10,835	15,580	8,418
Prepayments	21,636	19,012	11,100	9,380
Amounts owed from subsidiary company	-	3,243	-	33,112
Other debtors	1,349	1,349	75	75
	<u>43,289</u>	<u>34,439</u>	<u>26,755</u>	<u>50,985</u>
16 Creditors: amounts falling due within one year	2022		2021	
	Group £	Charity £	Group £	Charity £
Trade creditors	21,178	18,297	10,755	3,820
Taxes and social security costs	4,531	10,098	7,187	12,081
Accruals and deferred income	131,155	119,045	165,324	162,085
Bank loan	30,000	30,000	17,500	17,500
Other creditors	9,658	9,720	3,197	3,197
	<u>196,522</u>	<u>187,160</u>	<u>203,963</u>	<u>198,683</u>
Deferred income analysis:	2022		2021	
	Group £	Charity £	Group £	Charity £
Deferred income at 1 April 2021	135,557	135,557	170,324	170,324
Released during year	(135,557)	(135,557)	(170,324)	(170,324)
Deferred in year	109,763	109,763	135,557	135,557
Deferred income at 31 March 2022	<u>109,763</u>	<u>109,763</u>	<u>135,557</u>	<u>135,557</u>

Deferred income is in relation to affiliation fees received in advance.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Creditors: amounts falling due in More than one year	2022		2021	
	Group £	Charity £	Group £	Charity £
Bank loan	105,000	105,000	132,500	132,500
	<u>105,000</u>	<u>105,000</u>	<u>132,500</u>	<u>132,500</u>

18 Bank loans

Bank loans are wholly repayable in instalments as follows:

	2022 £	2021 £
Due in less than 1 year	30,000	17,500
Due in 1 – 5 years	105,000	120,000
Due in over 5 years	-	12,500
	<u>135,000</u>	<u>150,000</u>

The loan is unsecured and repayable over 6 years. Interest is payable at 4.48% per annum after the initial 12 month interest free period.

19 Operating lease commitments

At the year end, the following commitments were in place in respect of operating leases:

	2022		2021	
	Group £	Charity £	Group £	Charity £
Within one year	4,260	4,260	3,781	3,781
Within two to five years	<u>5,326</u>	<u>5,326</u>	<u>16,385</u>	<u>16,385</u>
	<u>9,586</u>	<u>9,586</u>	<u>20,166</u>	<u>20,166</u>

Lease payments recognised as an expense in the year totalled £5,504 (2021: £5,041).

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Analysis of net assets – 2022 (consolidated)

	General funds £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	1,433,616	-	-	1,433,616
Current assets	216,982	31,210	6,100	254,292
Current liabilities	(196,522)	-	-	(196,522)
Long term liabilities	(105,000)	-	-	(105,000)
	<u>1,349,076</u>	<u>31,210</u>	<u>6,100</u>	<u>1,386,386</u>

Analysis of net assets – 2021 (consolidated)

	General funds £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	1,438,126	-	-	1,438,126
Current assets	335,732	28,831	6,100	370,663
Current liabilities	(203,963)	-	-	(203,963)
Long term liabilities	(132,500)	-	-	(132,500)
	<u>1,437,395</u>	<u>28,831</u>	<u>6,100</u>	<u>1,472,326</u>

21 Analysis of funds - 2022

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers	Balance at 31 March 2022 £
Unrestricted funds:					
General funds	1,437,395	434,956	(523,275)	-	1,349,076
Designated funds:					
WAFA Special Fund	16,785	-	-	-	16,785
Overseas Travel Reserve	11,317	3,059	-	-	14,376
Heritage Fund	680	-	(680)	-	-
Remembrance Fund	49	-	-	-	49
Restricted funds:					
Workshop	5,000	-	-	-	5,000
Calligraphy & Engraving	1,100	-	-	-	1,100
	<u>1,472,326</u>	<u>438,015</u>	<u>(523,955)</u>	<u>-</u>	<u>1,386,386</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

21 Analysis of funds – 2021 (continued)

	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Unrestricted funds:					
General funds	1,408,585	495,978	(472,989)	5,821	1,437,395
Designated funds:					
WAFA Special Fund	14,741	2,044	-	-	16,785
Overseas Travel Reserve	10,451	3,866	(3,000)	-	11,317
Education Fund	5,821	-	-	(5,821)	-
Heritage Fund	680	-	-	-	680
Remembrance fund	49	-	-	-	49
Restricted funds:					
Workshop	-	5,000	-	-	5,000
Calligraphy & Engraving	-	1,100	-	-	1,100
SAFAS	-	10,000	(10,000)	-	-
	<u>1,440,327</u>	<u>517,988</u>	<u>(485,989)</u>	<u>-</u>	<u>1,472,326</u>

Designated funds

The **WAFA Special Fund** was opened to enable "Best in Show" prize winners at future NAFAS National Shows to represent the charity at forthcoming WAFA World Shows.

The **Overseas Travel Reserve** provides for officials' travel costs to the World Association of Flower Arrangers (WAFA) World Show, held every three years and for the charity's annual subscription to WAFA. It is funded by an annual transfer from the General Reserve at the rate of 10p for each affiliated member.

The **Headquarters Heritage Fund** was opened to provide for the periodic refurbishment of the charity's freehold premises, which is a Grade II listed building.

The **Remembrance Fund** consists of donations received in memory of members to be recorded in the book of remembrance.

Restricted funds

The **Workshop Fund** consists of a donation received for the refurbishment of a room at Head Office for floral workshops to members and the general public.

The **Calligraphy & Engraving Fund** has arisen as a result of donations received toward the engraving of the Associations trophies, showing winners of various competitions, and the calligraphy of framed pictures listing the Associations National Officers and Presidents.

22 Taxation

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 1 of the Corporation Tax Act 2010.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Related party transactions

The charity has taken advantage of Paragraph 33.1A of FRS 102 not to disclose transactions with wholly owned subsidiaries.

During the year the charity paid expenses of £1,152 to four trustees. During the prior year charity paid £74 to Christina Curtis (previous trustee) in respect of proof reading.

24 Post balance sheet events

On 24th June 2022 the group sold Osbourne House for net proceeds of £4,090,044, resulting in a gain on disposal of £2,659,441.

In June 2022 the group entered into a rental lease agreement for 5 years from 1st August 2022 with a value of £40,000 per year – a total commitment of £200,000.

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Accounts

**NATIONAL ASSOCIATION OF FLOWER
ARRANGEMENT SOCIETIES 2003**

(A COMPANY LIMITED BY GUARANTEE)

**TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
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FOR THE YEAR ENDED 31 MARCH 2021

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**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
LEGAL AND ADMINISTRATIVE INFORMATION**

STATUS	The organisation is a charitable company limited by guarantee incorporated on 16 October 2003 and registered as a charity on 5 January 2004.
GOVERNING DOCUMENT	The company was established under Memorandum and Articles which established the objects and powers of the charitable company. The Articles were amended by General Meeting on 20 January 2015.
COMPANY NUMBER	4934904
CHARITY NUMBER	1101348
REGISTERED OFFICE/OPERATING OFFICE	Osborne House 12 Devonshire Square London EC2M 4TE
TRUSTEES:	Mrs Katherine Kear MDPF- Chairman (appointed Chairman 13 October 2020, appointed Vice Chairman 6 October 2020) Mr Michael Bowyer MBE (appointed 3 July 2020, retired 6 October 2020) Mrs Susan Castle (appointed 12 January 2021) Dr. Christina Curtis – Chairman (retired 13 October 2020) Mr Craig Bullock - Vice Chairman (retired 12 June 2020) Mrs Pamela Ferguson (retired 12 June 2020) Mrs Ann Harding Mrs Katharine Lee (retired 6 October 2020) Mrs Patricia Martin (appointed 3 July 2020, retired 6 October 2020) Mr Peter Mathers Mrs Ellie Meaking Mrs Nimala Williams (appointed 6 October 2020) Mrs Nicole Wylie (appointed 6 October 2020)
CHIEF EXECUTIVE OFFICER:	Mr Steven Lane
FINANCE OFFICER:	Mr Richard van der Graaf
AUDITORS:	TC Group The Courtyard Shoreham Road Upper Beeding West Sussex BN44 3TN
BANKERS:	National Westminster Bank PO Box 282 216 Bishopsgate London EC2M 4QB
FOUNDER PRESIDENT:	The late Mrs Mary Pope OBE VMH
NATIONAL PRESIDENT:	Mr Michael Bowyer MBE
LIFE VICE-PRESIDENT:	Mr Robin Herbert CBE VMH

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

REPORT FROM THE CHAIR OF TRUSTEES

Despite all worries, extraordinary circumstances and world restrictions we are still viable and operating ever onwards. We are all under the same opinion that the Association is in a better position than we anticipated. Copious Zoom meetings have resulted in no travel or hotel claims, this has enabled us to function somewhat normally and run on a minimum budget.

There have been spotlights to enjoy, the fact we can still be in contact, challenges and competitions at all levels to keep us focussed, and above all the promise of returning to our club and Area meetings. Soon our head office in London, Osborne House, will be sold, and a new chapter begins. All along, our members will be kept informed, consulted where appropriate and soon able to once again enjoy our Associations full stability. Our priorities are to ensure this happens quickly and efficiently, to continue to take the Association forward with everything in place. This will enable us to start launching new initiatives and ensuring our charity status and infrastructure is facilitated. It is about delivering each year a stronger, viable and appealing Association that can grow with moving trends and deliver value and education.

In the 2020 audit report recommendations, it suggested that NAFAS would benefit from a review of it's governance structure and also our governing document, the Articles of Association. To comply with the recommendations we appointed Action Planning, a specialist consultancy for charities and other not-for-profits, and had the pleasure of working with consultant Ruth Dwight, who I thank for her time and thoroughness to the project. As a result we now have a sub committee dedicated to addressing the points raised. An additional committee was created to review the Charity's Articles and the voting members have voted in favour of adopting the new Articles. These two reviews have changed the way we govern our Charity, and will enable us to be more effective as a Board, which will benefit the members and supprters of our Association.

I would like to thank the staff team, our Standing Committees and Area Chairmen for all their hard work during this extremely difficult year. My special thanks go to my fellow Trustees and our National Presidents (past and present), who have gone over and beyond the expectations of their role.



Katherine Kear MDPF
National Chairman

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEED)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

The Trustees present their report together with the audited financial statements for the year ended 31 March 2021. The financial statements have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS 102), applicable law and the Charity's governing document.

The Charity prefers to be known by the acronym "NAFAS" and is a UK registered trademark no. 2109171.

Structure, Governance and Management

The Trustees are also the Directors of the Company for the purpose of company law. The Charity is a charitable company limited by guarantee and without share capital. In the event of the Company being wound up the liability of each member is limited to £10. It was incorporated on 16th October 2003. The purpose of its formation was to acquire the assets and undertaking of National Association of Flower Arrangement Societies, an unincorporated charitable association first formed in 1959. It is governed by Articles of Association and its objectives are to advance public education in the art of flower arranging and related subjects. The membership of the Company is comprised of 21 unincorporated Area Associations providing geographical representation throughout the United Kingdom and represented at meetings through a single elected representative for each Area. A network of more than 900 flower clubs are affiliated to the Area associations and their members form the affiliated membership of the Charity.

The National Officers form the Executive and comprise the Chair of Trustees and the Vice-Chairman. The Vice-Chairman normally serves for two years before becoming the National Chairman. The National President is a non-executive appointment selected by a panel. Life Vice-Presidents are appointed in recognition of outstanding service.

The day-to-day management of the Charity is the responsibility of the Chief Executive Officer. Salaries of all staff are reviewed annually by the Board of Trustees.

The Trustees, as stated on page 1, are appointed by the Voting Members and are eligible to serve for a maximum of 6 years. The Board meets at least four times a year, but during the pandemic, meetings were held weekly or fortnightly. The Board receives reports from the Charity's Standing Committees, who administer the operation of each facet of the Charity's objectives. One Trustee attends each meeting of the Standing Committees to ensure continuity within the reporting process. The Board of Trustees takes direct responsibility for the management of the assets and liabilities. Financial management including control and monitoring of budgets, is overseen by the Finance Sub Committee.

The National Advisory Council meets for a minimum of 2 and maximum of 4 times a year and comprises a single representative from each of the 21 Area Associations. They represent the affiliated members and act as an advisory body and as a forum for the exchange of views and information between the Board of Trustees and the affiliated members.

Trustees Induction and Training

New Trustees are invited and encouraged to attend training courses and seminars in order to brief them on their legal obligations. They are also introduced to the Charity Commission's own booklets and information bulletins. Funds are available to facilitate Trustee training in undertaking their role.

Subsidiary Company

The Charity's wholly owned subsidiary, NAFAS Enterprises Limited (company No. 1829011), undertakes fundraising through the publishing and sale of books, leaflets and booklets relating to flower arranging and the publication of The Flower Arranger magazine. Profits are transferred to the Charity through Gift Aid. The Board of Directors comprises the National Chairman, a Trustee of the Charity and two other non-salaried volunteers involved in the Editorial Committee, responsible for the publication of The Flower Arranger magazine.

Charitable Objectives and Activities

The Charity is established to:

- Advance public education in the art of flower arranging and related subjects
- Further any other charitable purpose or purposes

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEED)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The Charity's Activities are:

- Administration of NAFAS Courses in Floral Art & Design
- Attending and exhibiting at major shows and floral events
- A National Show where affiliated members may enter competitions and where both members and the general public may enjoy the floral arrangements exhibited
- Assessments of judges, demonstrators and speakers
- Encouragement to affiliated clubs to develop their memberships

NAFAS Vision, Mission and Values

The new Vision, Mission and Values were adopted in 2021 by the Board. A Strategy Team had been set up to specifically review and update the statements.

NAFAS Vision Statement

To improve the lives of everyone through flowers

NAFAS Mission Statement

Sharing the creative use of flowers through education, to bring joy and inspiration to all

We achieve this through:

- Welcoming everyone to our Association, events and shows by removing barriers to access
- Sharing our artistry, creativity, skills, experience and innovation
- Encouraging creative use of flowers to aid mental health, well-being and social interaction
- Developing imaginative and accessible promotional programmes and publications
- Providing the highest quality educational and training schemes and upholding their quality
- Supporting opportunities to develop skills through competitions and exhibitions at all levels
- Ensuring excellent organisational and commercial support for affiliated clubs and societies
- Establishing a culture where collaboration and sharing best practice is the norm
- Working closely with horticultural, trade and educational bodies with similar goals
- Continuous improvement to everything we do by embracing incremental change
- Regular renewal of our representation and plans to capture new trends and voices
- Minimising our impact on the environment

Our Values

- Ensure a friendly welcome for all, that embraces equality and diversity
- Ensure open and positive behaviours at all times in delivering our goals
- Make full use of the knowledge, energy and commitment of all of our Association's members
- Seek positive environmental sustainability in all our activities

Public Benefit

In establishing the annual objectives and activities which fulfil NAFAS overall aims, the Trustees have regard to the principles of public benefit at all times. The Trustees are aware of and have received copies of the Charity Commission's guidance regarding Public Benefit and have taken it into account, where relevant, in their planning and decision making.

The Objects set out clearly that the Charity is established to advance public education in the art of flower arranging and to further any other charitable purpose. It operates throughout the whole of the United Kingdom and strives to attract members from all age groups and ethnic backgrounds. The Association's exhibits at major floral and horticultural shows, including its own National Show, are seen and enjoyed by large numbers of the general public.

The Trustees are conscious that many of its affiliated members are elderly with some on low or fixed incomes. Although each club is autonomous with the ability to set its own membership fees, the affiliation fee to the Charity (which forms part of this) was raised to £6.10 for 2019 for each individual member through their club. While it is the Board's intention to continue small annual incremental increases, it was decided not to increase the affiliation fee in this financial year due to the impact of Coronavirus.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

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TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The Association also provides direct membership at a cost of £45 per annum which includes a subscription to its quarterly magazine, The Flower Arranger. The cost of direct membership also remains the same until such time as it is deemed appropriate to increase. The Trustees take its commitment to public benefit extremely seriously, exemplified by the fact that the affiliation fee remains very low not wishing to exclude any member on economic grounds.

The Trustees believe that entry fees to shows and events and affiliation fees to members are set at such a low level as to ensure that all members of the public can afford them and therefore benefit from full enjoyment of the Charity's services. The affiliated Flower Clubs play an important role in raising money for other charities.

The Charity's members and the Area Associations, provide services to the general public too numerous to mention fully but include workshops where the public are invited to try their own skills at flower arranging, similar workshops for school parties and children with special needs, assistance to local churches to hold flower festivals to encourage the public to support their local communities and floral demonstrations at flower shows and events throughout the year.

Risk Management

Historically the risks identified by the Charity have been restricted to contractual obligations related to the National Show and other events. The Coronavirus, which began to have significant effects in the UK from late February 2020, has enhanced problems that the Trustees were previously aware of and created new risks to the Charity. Flower Clubs closed for most of the year with events cancelled or postponed.

Risks include:

- Club closures, several clubs will not reopen for various reasons including:
 - Members unwilling to attend club meetings again
 - Difficulty attracting members to sit on the club committee
 - Ageing membership
 - Difficulty in attracting new younger members
 - Increasing costs of premises and flowers
 - Closure of village and community halls where our clubs have met previously
- A decline in membership due to club closures.
- A decline in the number of Club and Area events due to Covid-19.
- The uncertainty of when our members will be prepared to resume normal club activities.
- A reluctance by members to travel. This will affect attendance at Area and National events.
- Judges, Teachers, Demonstrators and Speakers facing hardship due to a decline in the number of Area and National events being held. This may result in some looking at alternative careers.
- Judges, Teachers, Demonstrators and Speakers reluctant to travel and/or join large gatherings.
- Venues reluctant to provide flower clubs with reopening plans which makes it difficult for the club to plan ahead.
- Venues imposing stringent cleaning and sanitation rules, which will increase costs for the clubs.
- A drop in sales of trading goods and educational handbooks due to Areas and clubs unable to meet.
- Staff were furloughed which has raised concerns over wellbeing and had an impact on the running of the Charity.
- Club closures resulted in a drop in affiliation fees.

Evaluation of risk is constantly under review. Financial risks are managed by:

- Maintenance of reserves to be financially resilient.
- Insurance, where appropriate and cost effective.
- Regular consultation with the Charity's financial, legal and other professional advisers.

Internal risk controls are in place based upon dual authorisation of financial transactions. Employee and Third-Party Fraud insurance cover is also in force. The Trustees consider that a suitable balance is maintained between the level of risk and the effectiveness of controls.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

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(LIMITED BY GUARANTEED)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Achievements and Performance

For the first time in the Associations history, the AGM was live streamed virtually and attracted over 3,000 viewers, reaching a bigger audience than anticipated. The event was hosted by National Speaker Brenda Eyers and featured presentations from key NAFAS members and staff.

The pandemic and the lockdowns of 2020 restricted activities to virtual demonstrations and talks. These became more popular through the year, and we were pleased to see clubs and Areas continuing their work online, holding virtual council and executive meetings, keeping in touch with their members throughout the crisis.

In the absence of physical meetings, the Associations first virtual National Show was held in 2021.

Standing Committee Reports

National Judges Committee, Joan Magee, Chairman

I feel honoured to have become Chairman of the National Judges Committee in October 2020. The committee consists of Alan Beatty, NIGFAS who joined as Vice-Chairman; Christine Picton, East of England as Training Co-Ordinator, Lesley Sturdy, Home Counties and Debbie Wadge, Wessex & Jersey, social media.

It became very evident that committee members require other skills in addition to being a Judge. By this I mean experience in managerial, budgeting, technical computer knowledge and good interpersonal skills. When I accepted this position, I was unaware of what lay ahead. Maybe that is a good thing, but I am very happy to report the committee have worked extremely well together and have dealt with all the challenges encountered in a most competent manner.

In November 2020 Katherine Kear, National Chairman asked for my thoughts on NAFAS holding a Virtual National Show. I felt it was very important to support it and immediately agreed. The organisation of the National Virtual Show had a very tight time scale but we, as a committee, worked well together. The Schedule was produced and distributed in a short period of time; this was achieved by excellent teamwork and commitment. The committee were overwhelmed by the number of entries from all over the world. The feedback was encouraging and made all the hard work worthwhile.

Twelve National Judges willingly accepted the invitation to judge and produced excellent feed back to the competitors. A very noteworthy point is that a majority of the competitors had not entered a National Show before. I think that a National Virtual Show should be considered in the future as it gives everyone an opportunity to participate. It does not cause restrictions due to work commitments, financial reasons, mobility etc.

Due to lockdown the Judges committee meet at least once a month via Zoom. This has proved to be very successful. The Zoom meeting in January 2021 with the Board was very informative and emphasised how important it is to be open and transparent. It was so encouraging to remove the barrier and appearance of a hierarchy system. It highlighted how necessary it is to support each other and work together.

An Area Reps Day was held in February 2021 which proved very successful. Area Reps were encouraged to be proactive and think about virtual training for judges. They were advised that it is hoped to have a National Judges Test in either late 2022 or early 2023. An Adjudicators and Instructors Day was held in February 2021 with all assessors present. The Competitions Manual has not been updated since 2015. The committee hope to start working on this very soon.

The Judges Conference is planned for 2022. A very comprehensive and interesting programme is being planned. Events like this provide an opportunity to discuss anything encountered, whilst judging, with likeminded people. Training has been restricted due to the pandemic, but two very proactive Areas have been training virtually and tests will take place later this year.

Chris Picton finishes her term of office in October 2021, and we look forward to welcoming Ann Trigg to the committee. I would like to thank Chris for being a diligent member of the committee. I wish her every success in the future.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

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TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

National Demonstrators Committee, Elizabeth Graham, Chairman

The committee continued to hold meetings via Zoom. The inevitable cancellation of the National Demonstrators Test and Pre-National Assessment in April 2020 led to the re-booking of the hall and accommodation in Northwich, Cheshire which had to be re-scheduled in a Covid free hall in Gloucester, September 2021. The Demonstrators Symposium was scheduled for 2022.

In June 2020, the Extreme Conditions - Recommended Guidelines were rewritten, approved, and extensively distributed. Also, that month flow charts were produced on the cancellation of a demonstration from both the clubs and the demonstrator's point of view. Numerous emails have been sent largely suggesting that consideration and communication was the way forward with the proviso that Government legislation would always supersede any Guidelines, also that NAFAS is made up of different Areas with restrictions varying accordingly.

In July 2020 the uplifting, colourful Summer Demonstrators Bulletin was distributed and very well received and later in the year the Christmas Demonstrators Bulletin was circulated.

A recommendation to compile Zoom Guidelines was received, this was prepared and circulated in October. A list of demonstrators prepared to do Virtual Demonstrations was also compiled. A statement to demonstrators and a general request for consideration to fellow club members to re-book demonstrations at the time of cancellation was circulated.

During November online training commenced for candidates sitting the Pre-National Assessment and National Demonstrators Test. An Area Representatives meeting was held via Zoom in January 2021 which included the launch of the Demonstrators Symposium at the Telford Hotel & Gold Resort arranged for April 2022. This meeting also included a presentation on doing Virtual Demonstrations.

National Speakers Committee, Philida Irving, Chairman

Since the beginning of the nationwide lockdown in March 2020 the National Speakers' Committee has continued functioning. We have adapted to not meeting face to face and taken on board other forms of communicating for meetings such as Zoom to move our discipline forward. During the past twelve months we have welcomed two new members to the committee, discussed and completed the SWOT and Pest survey and produced a presentation on the 'Strategy for Speakers' and delivered it to the Trustees.

The committee have reviewed how Area Speakers are trained and have planned to introduce a modular training system. A Virtual Speakers' Area Representatives meeting took place where it was reported that several Area and National Speakers were giving virtual presentations to a variety of audiences. This enabled our speakers to reach wider audiences, not just flower club members, thus giving them an opportunity to explain the aims, purpose, and benefit NAFAS membership.

Area Speakers have benefited by the introduction of virtual training. Three National Speakers took part in the Virtual National Show. Their presentations on a variety of subjects showed different styles of presenting. Every 18 months a meeting is held with the Adjudicators and Instructors which stimulate useful discussion and an exchange of ideas; this year it was held virtually.

National Education Committee, Susie Barwick, Chairman

In October, a successful meeting was held with those involved with our Young People and an updated policy was passed to the Board. The Flower Arranger magazine now runs a dedicated section in the NAFAS News Supplement for Young People.

The Tutor and Moderators Training Day held in July involved discussions on the practicalities involved in completing the OCN/NAFAS Certificated courses prior to our coming away from OCN/Credit4Learning in March 2022. The floral design courses are no longer offered as there is insufficient time to complete them before this deadline. However, we agreed to allow new enrolments for the Level 3 Teacher Training Course provided they could be completed by December 2021.

The pandemic put many classes on hold but the following courses were completed:-

Level 1 : 22	Level 2 : 8	Level 3 : 1	Level 3 Teacher Training : 9	Total 40
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NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEED)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The committee have been steadily working on creating new modular courses to replace the NAFAS/OCN Credit4Learning Certificates in Floral Art and Design. These will be ready for approval by the end of June 2021 and a comprehensive strategy will also be addressed for their delivery.

The Basic Teaching Manual was launched as a digital download on the NAFAS website in February. A Zoom presentation of how to run the two-day course was given to all interested parties in April and almost every Area of NAFAS was represented. Permission was given by the participants to record the presentation section, and this meant the recording was available for one month to send to those who were not able to attend. We anticipate the courses to be launched from mid-June onwards.

In February we met with the Area Education Representatives via Zoom and had an unprecedented 100% turnout. Again, the new modular course was discussed, and we requested their assistance in delivering questionnaires to all tutors to try and establish an informal database that could be used to assist the delivery of the new courses. They were also informed of the Basic Teaching Manual and two-day course intended to go alongside it with a view to promoting it in their Areas.

A survey has been conducted via Area Education Representatives of all NAFAS Tutors to help us gather information pertinent to the new courses. We had about a 50% response (100) and have been able to ascertain interest in the tutoring of the new modular courses and willingness to train for moderation. We also asked for information on hall hire, expenses, and willingness to tutor via Zoom.

Publications have been put on hold, but the Committee are keen to produce a new book on techniques that could support an additional module. In the interim we are liaising with the National Judges Committee to include some of this material in the next edition of the NAFAS Competitions Manual.

Editorial Committee, Kathy Stangaard, Chairman

Despite the challenges of the pandemic, we were able to continue publication of The Flower Arranger magazine, which proved to be a lifeline for so many of our members.

All our photoshoots in 2020 were cancelled as were the RHS shows which made it difficult to fill our pages. It was sad not to have our usual in-depth report from Chelsea in the Autumn edition, but we successfully featured the 'Chelsea Then and Now' piece and had coverage of Virtual Chelsea.

The Flower Arranger magazine continues to be the market leader in our sector and I would like to thank all the club and Area Flower Arranger officers for all their hard work in distributing the magazine to their members during this difficult year. I am so honoured to have taken on the role of Editorial Chairman in January this year, and excited about the plans for the future:

- Our newly appointed social media company ensures that we are maximising our virtual reach.
- A meeting of the Area Flower Arranging Officers in January proved to be a very positive meeting and I look forward to working collaboratively with all of them.
- As RHS, County and Area shows restart again, we are making plans to take The Flower Arranger stand to as many events as possible in 2022.
- We have photoshoots in the diary and my thanks go to those Area Chairmen who continue to be supportive of the magazine.
- The magazine promotion in Morrisons stores was a success and I'm delighted that the magazine will once again be available in Hobbycraft stores.
- Christmas Cards featuring images from the magazine will be on sale this year, my thanks to the floral designers who so kindly allowed us their creations.

While so many established High Street titles have disappeared from the shelves over the past 18 months, the committee responsible for the Flower Arranger magazine is planning to increase the circulation and raise the awareness of the magazine to the general public and to NAFAS members. My special thanks to our Editor, Chloë Bryan-Brown and designer Amanda Hawkes and to the Editorial committee who continue to work tirelessly.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEED)
TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Report on the 21 NAFAS Affiliated Areas

The past 12 months have been challenging for NAFAS, the 21 Areas and their clubs. Thrown into uncertainty by lockdown, decisions needed to be made on how to steer, successfully, through the Covid-19 pandemic. Communication was the answer, and the Areas have worked exceedingly hard and embraced the challenge of adapting to a virtual way of life.

Technology has been the saviour with the use of Zoom enabling communication between NAFAS, Areas and clubs. Areas have held Zoom Council meetings, demonstrations, speaker events, flower arranging workshops, anniversary events and photography competitions plus virtual shows. Home Counties found they had more members attending their virtual AGM than they would at a live event. In Three Counties & South Wales social media has proved successful in reaching out to members to prevent loneliness and social isolation through the benefits of flowers and floral art. Live demonstrations have taken place on Facebook and on Area YouTube channels. Wessex and Jersey Area produced 11 short videos with demonstrations, workshops, and a guide to judging which achieved over 32,000 viewings; riding on this success a further 6 Christmas themed videos were uploaded to their YouTube channel resulting in 14,000 viewings. South Midlands held a successful Flower Festival on YouTube which was adapted to music and filming rather than a static presentation. NIGFAS held a Virtual Afternoon Tea with over 200 attendees including Katherine Kear on her first official event as National Chairman. The North East produced a series of virtual garden visits available on YouTube.

Area Newsletters have been composed and distributed to Club Chairmen for dissemination to members ensuring members were kept abreast of news. Regular telephone calls between Area Chairmen and Club Chairmen have taken place thus keeping the lines of communication open.

Following the introduction of the Chairman's Challenge (one entry per Area) SAFAS encouraged their trainee judges to oversee and judge the Area entries consequently learning and gaining more experience. In a similar vein to the Chairman's Challenge Surrey Area set up 'Just for Fun' where non-competitive photographs were submitted and uploaded to their website

Monthly educational workshops have been organized by Berks, Bucks & Oxon consisting of tutorial sessions, participants created their own designs and submitted photographs which have been uploaded to their website. Delivery of the OCN teaching training course has been delivered to 44 students which included 34 from outside the Area. Berks, Bucks & Oxon are proud to advise they have 10 newly qualified teachers and Surrey reported 5 members passing the OCN teacher training course and 2 Area teachers accepted as national teachers. Mercia & North Wales have held weekly floral art demonstrations where their newly qualified demonstrators able to develop their skills and experience a different style of demonstrating. The Area judges' candidates have continued their training with tutorials, guidance, encouragement and support from Margaret Rumens and Jackie Charnock. Kent Area ran a number of teaching sessions covering topics such as the Elements & Principles of Design, Plants for Flower Arrangers Garden and Photography tips. Their highlight was a Virtual Advent Calendar which provided lots of inspiration for members.

To encourage new members, London and Overseas launched two initiatives: one giving people the opportunity to attend their first demonstration in London for free with a friend; the second providing finances out of Area funds to help support a London club promote themselves at a community event by offering hands on flower arranging opportunities with the offer of free tickets to attend a club meeting.

Volunteer involvement

The Charity relies on the support of its members who give many thousands of hours voluntarily to assist in the provision of services and activities. It is impossible to put a value on this support for which the Charity is very grateful and without which much of the work undertaken could not be achieved. The Trustees appoint functional and advisory committees, composed of experienced volunteers to assist in carrying out the work of the Charity.

Fundraising

The Charity does not actively undertake any fundraising directly from the general public.

Membership

Due to the pandemic, we were unable to gather the data on the number of affiliated clubs and members. At the last count, there were 44,829 members, however we are aware of some club closures which will impact on member numbers. We will have to wait until 2022, when it is expected that all our clubs will be open again, before we can accurately report on the full impact of the pandemic on the Association.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

2003

(LIMITED BY GUARANTEED)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Once we are back to "normal" there will be a great deal of work to do to in attracting new members, supporting our clubs, particularly those in deprived areas. Ageing membership, changing lifestyles and rising costs are common problems facing a number of charitable organisations, yet NAFAS, remains one of the best supported membership organisations in the UK.

Future Planning

We continue to work on a cash flow forecast for the remainder of the current financial year, ending March 2022. The sale of the Association's head office in Devonshire Square, London, is proceeding and is expected to complete in the Autumn 2021. A three-month leaseback is asked of any potential buyer, this will enable the staff to continue at Osborne House until the end of the calendar year and allow sufficient time to seek new temporary office space, near to the existing office.

The sale is expected to realise capital of £4.5M. The Trustees are aware that discussions with members about the future of the Charity and whether the Association needs a similar property investment will take time. Its geographical location and the impact on the staff are key elements of consideration. A period of 3 – 5 years is being allowed for these discussions, during which time the capital will be invested, using a highly reputable and recognised Investment Management Company. The Trustees have met with four such companies and it is expected to announce which company will be used at the Associations AGM in October.

Powers of Investments

The Articles of Association authorise the investment of the Company's funds or any part thereof in the purchase of such stocks, shares, securities or other investment or property of whatsoever nature as the Trustees, may in their absolute discretion decide. All investments are held in accordance with these powers. The Trustees do not have specific target returns on investment income although generally, they expect investment performance to reflect movement in the London Stock Exchange indices.

Financial Review

At the end of the financial year, the Association recorded a surplus of £31,999 (2020: deficit of £208,039) an improvement on the previous year and leaves the Charity with adequate reserves. A loan of £150K was taken out in 2020 under the Government backed Coronavirus Business Interruption Loan Scheme, repayments of £2,500 per month, start in September 2021.

Group Income

Consolidated income decreased by 43% to £517,988 (2020: £914,539). This is mainly due to a decrease in shows and assemblies.

Group Expenditure

Consolidated expenditure decreased by 57% to £485,989 (2020: £1,124,314), an improvement on the previous year.

Enterprises (Trading Subsidiary)

Turnover decreased by 22% to £257,613 (2020 £329,704).

Cost of sales and administrative expenses decreased by 35% to £220,893 (2020: £337,901).

Profit for the year totaled £36,720 (2020: loss of £59,936 including a donation to the parent charity of £48,737).

The results for the group for the year ended 31 March 2021 are shown in this summary of income and expenditure: -

	2021	2020
	£	£
Net movement in funds		
Unrestricted fund	28,810	(197,495)
Designated funds	(2,911)	(10,544)
Restricted funds	6,100	-
	-----	-----
	31,999	(208,039)
	=====	=====

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

Reserves

An analysis of funds is given under note 20. The maintenance of adequate reserves underpins the Trustees' Risk Management policy as a counter against risks identified in the regular Risk Review. In view of the general historical reliability of the Charity's income streams, the Trustees consider that the Charity's general reserve, excluding fixed assets but including the value of marketable investments, should be maintained at a level sufficient to cover six months charitable operations expenditure and governance costs. At 31st March 2021 the level of free reserves (including designated funds) stands at £28,100 (2020; £2,939). It is recognized that the level of free reserves is outside of the current reserves policy. The upcoming building sale (expected to complete during the 2022 financial year) will significantly boost the charity's reserves position and rectify this issue.

Subsidiary Undertaking

NAFAS Enterprises Limited is a wholly owned subsidiary. It undertakes all trading activities and transfers the whole of its profit to the Charity by gift aid. Due to a change in accounting rules, the gift aid payable is not recorded as a liability in these accounts.

Accounting Policies

Accounting policies are disclosed on pages 20 to 22 of the financial statements.

Auditors

A resolution proposing the appointment of Auditors to the Charity will be put to the Annual General Meeting.

The Trustees' Report was approved by the Trustees' on 20 August 2021

BY ORDER OF THE BOARD



Katherine Kear MDPF
National Chairman

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 (LIMITED BY GUARANTEED) STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of National Association of Flower Arrangement Societies 2003 for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the group and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

**(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT**

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

We have audited the financial statements of National Association of Flower Arrangement Societies 2003 for the period ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its 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 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 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

**(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT**

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

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 directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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, or
- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 (LIMITED BY GUARANTEED) INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

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

The objectives of our audit, in respect of fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection regulation (GDPR); fraud, bribery and corruption and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the charitable company's operations, the control environment and financial performance;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charitable company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standard would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEED)

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

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 as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

Mark Cummins FCCA (Senior Statutory Auditor)

for and on behalf of TC Group

Statutory Auditor

Office: Steyning, West Sussex

Date: 15 September 2021

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2021

		General funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from:	Notes					
Donations and legacies	3	23,432	2,044	16,100	41,576	4,124
Charitable activities:						
Affiliation & direct membership fees	4	214,100	3,866	-	217,966	236,071
Shows and assemblies	4	-	-	-	-	263,432
Other trading activities:						
Trading income	10	257,612	-	-	257,612	329,704
Investment income		23	-	-	23	1,900
Other		811	-	-	811	79,308
Total income		495,978	5,910	16,100	517,988	914,539
Expenditure on:						
Raising funds:						
Costs of trading subsidiary		220,893	-	-	220,893	337,901
Charitable activities:						
Operations	5	252,096	3,000	10,000	265,096	385,317
Shows and Assemblies	5	-	-	-	-	401,096
Total expenditure		472,989	3,000	10,000	485,989	1,124,314
Gains/(losses) on investments	13	-	-	-	-	1,736
Net income/(expenditure)		22,989	2,910	6,100	31,999	(208,039)
Transfers between funds	21	5,821	(5,821)	-	-	-
Net movement in funds		28,810	(2,911)	6,100	31,999	(208,039)
Fund balances at 1 April 2020		1,408,585	31,742	-	1,440,327	1,648,366
Fund balances at 31 March 2021		1,437,395	28,831	6,100	1,472,326	1,440,327

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	£	2020 £
Fixed assets					
Tangible assets	12	1,438,126			1,437,388
		1,438,126			1,437,388
Current assets					
Stocks	14	9,472		7,832	
Debtors	15	26,755		52,705	
Cash at bank and in hand		334,436		211,048	
		370,663		271,585	
Creditors: amounts falling due within one year	16	(203,963)		(268,646)	
Net current assets		166,700			2,939
Creditors: amounts falling due after more than one year	17	(132,500)			-
Total assets less current liabilities		1,472,326			1,440,327
Income funds					
Unrestricted funds:					
General funds	20	1,437,395			1,408,585
Designated funds	20	28,831			31,742
Restricted funds	20	6,100			-
		1,472,326			1,440,327

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 20 August 2021



Mrs Katherine Kear (Chairman)

Company Registration No. 4934904

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

CHARITY BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12	1,438,126		1,437,388	
Investments	13	<u>4</u>		<u>4</u>	
		1,438,130		1,437,392	
Current assets					
Debtors	15	50,985		57,706	
Cash at bank and in hand		<u>265,872</u>		<u>175,957</u>	
		316,857		233,663	
Creditors: amounts falling due within one year	16	<u>(198,683)</u>		<u>(242,530)</u>	
Net current (liabilities)/assets			118,174		(8,867)
Creditors: amounts falling due after more than one year	17	<u>(132,500)</u>		<u>-</u>	
Total assets less current liabilities		<u>1,423,804</u>		<u>1,428,525</u>	
Income funds					
Unrestricted funds:					
General funds	20	1,388,873		1,396,783	
Designated funds	20	28,831		31,742	
Restricted funds	20	<u>6,100</u>		<u>-</u>	
		<u>1,423,804</u>		<u>1,428,525</u>	

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 20 August 2021



Mrs Katherine Kear (Chairman)

Company Registration No. 4934904

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

		2021	2020
	Notes	£	£
Cash flows from operating activities:			
Net income/expenditure for the year		31,999	(208,039)
Depreciation of tangible fixed assets	12	7,336	7,763
Interest from investments		(23)	(1,900)
(Increase)/decrease in stock	14	(1,640)	15,168
Increase/(decrease) in creditors	16	(82,183)	(101,977)
(Increase)/decrease in debtors	15	25,950	146,694
(Gains)/losses on investments		-	(1,736)
Net cash provided by/(used in) operating activities		(18,561)	(144,026)
Cash flows from investing activities:			
Interest from investments		23	1,900
Bank loan received		150,000	-
Proceeds from sale of investments		-	49,582
Purchase of tangible fixed assets	12	(8,074)	(415)
Net cash provided by/(used in) investing activities		141,949	51,067
Increase/(decrease) in cash		123,388	(92,959)
Cash and cash equivalents at the beginning of the year		211,048	304,007
Cash and cash equivalents at the end of the year		334,436	211,048
		1 April 2020 £	Cashflow £
Cash at bank and in hand		211,048	123,388
			31 March 2021 £
			334,436

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Statutory information

National Association of Flower Arrangement Societies 2003 (NAFAS) is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found on the Legal and Administrative Information page.

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – Charities SORP (FRS102) and the Companies Act 2006.

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

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. This includes taking into account any potential impact of the COVID-19 pandemic. There are no material uncertainties about the group's ability to continue as a going concern.

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 £1.

2.2 Group financial statements

The financial statements consolidate the results of the charity, its wholly owned subsidiary, NAFAS Enterprises Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented as the group has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

2.3 Income

All income is recognised in the Statement of Financial Activities once the group has gained entitlement to them and the amounts can be quantified with sufficient reliability.

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Investment income is recognised in the financial statements when receivable.

2.4 Expenditure

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is included within the item of expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in pursuit of its charitable objectives. It includes both direct costs and support costs relating to such activities. Support costs, including salaries, are apportioned on the basis of the time involved on the activity.

Governance costs include those costs associated with meeting the statutory requirements of the group and include the audit fees and costs linked to strategic management of the group.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment Straight line – over four years

Furniture and fittings Straight line – over four years

Freehold land is not depreciated. The freehold building is depreciated over 100 years from the year after purchase and is subject to an annual impairment review. The building carries a Grade 2 listing and its useful life is expected to exceed 100 years.

2.6 Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Gains and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2.7 Stock

Stocks are valued at the lower of cost and net realisable value.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The Trustees seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.10 Creditors and provisions

Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2.11 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

2.12 Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

The charity contributes to employees' personal pension schemes. The pension costs charged in the financial statements represent the contributions payable during the year.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies (continued)

2.13 Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are funds provided for a specific purpose that must be spent in line with funder's requirements.

2.14 Critical accounting estimates and judgements

In the application of the group'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.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

3 Donations and Legacies

	General funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donation to WAFA Special Fund	-	-	-	-	1,000
Donations to Workshop Fund	-	-	5,000	5,000	-
Legacies	10,000	-	10,000	20,000	-
CJRS grant	7,605	-	-	7,605	-
Other	5,827	2,044	1,100	8,971	3,124
	<u>23,432</u>	<u>2,044</u>	<u>16,100</u>	<u>41,576</u>	<u>4,124</u>

4 Income from charitable activities

	General funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
Affiliation and direct membership	214,100	3,866	-	217,966	236,071
Shows and Assemblies	-	-	-	-	263,432
	<u>214,100</u>	<u>3,866</u>	<u>-</u>	<u>217,966</u>	<u>499,503</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Analysis of group charitable activities

	Total 2021 £	Total 2020 £
Staff costs	72,049	69,307
WAFA	1,050	12,266
Westminster Abbey Flowers	248	21,814
Chelsea Flower Show	19	20,876
Appointments' expenses	-	1,576
Sundry exhibition expenses	-	1,141
Insight magazine	-	3,970
Subscriptions	-	407
Committees:-		
Photography Committee	501	824
Judging Committee	-	4,541
Demonstrators Committee	-	4,823
Speakers Committee	-	4,792
Education Committee	1,513	7,077
Area Media Officers	607	13,734
SAFAS	10,000	-
Bad Debts	-	19,344
Support and governance costs	168,080	198,571
Shows and assemblies	-	401,096
Other activities	11,029	254
	<u>265,096</u>	<u>786,413</u>

6 Analysis of costs - 2021

	Direct costs £	Support costs £	Governance costs £	Total 2021 £	Total 2020 £
Charitable activities:-					
Operations	97,016	141,687	26,393	265,096	385,317
Show costs	-	-	-	-	401,096
	<u>97,016</u>	<u>141,687</u>	<u>26,393</u>	<u>265,096</u>	<u>786,413</u>
Raising funds:-					
Costs of trading subsidiary	217,593	-	3,300	220,893	337,901
	<u>314,609</u>	<u>141,687</u>	<u>29,693</u>	<u>485,989</u>	<u>1,124,314</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Cont'd... Analysis of costs - 2020

	Direct costs £	Support costs £	Governance costs £	Total 2020 £
Charitable activities:-				
Operations	186,746	177,642	20,929	385,317
Show costs	401,096	-	-	401,096
	<u>587,842</u>	<u>177,642</u>	<u>20,929</u>	<u>786,413</u>
Raising funds:-				
Costs of trading subsidiary	337,901	-	-	337,901
Total	<u>925,743</u>	<u>177,642</u>	<u>20,929</u>	<u>1,124,314</u>

7 Governance costs

	Total 2021 £	Total 2020 £
Auditors' remuneration		
Audit	13,000	11,300
Other services	3,050	400
Legal and professional fees	13,643	-
Trustee's expenses	-	9,229
	<u>29,693</u>	<u>20,929</u>
Total	<u>29,693</u>	<u>20,929</u>

8 Net income for the year

	2021 £	2020 £
This is stated after charging:		
Auditors remuneration:		
Audit	13,000	11,300
Other services	3,050	400
Expenses reimbursed to Trustees	-	9,229
Depreciation	7,336	7,763
	<u>7,336</u>	<u>7,763</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Comparative Statement of Financial Activities – Year ended 31 March 2020

		General funds £	Designated funds £	Total 2020 £
Income from:	Notes			
Donations and legacies	3	3,124	1,000	4,124
Charitable activities:				
Affiliation & direct membership fees	4	236,071	-	236,071
Shows and assemblies	4	263,432	-	263,432
Other trading activities:				
Trading income	10	329,704	-	329,704
Investment income		1,900	-	1,900
Other		74,825	4,483	79,308
Total income		909,056	5,483	914,539
Expenditure on:				
Raising funds:				
Costs of trading subsidiary		337,901	-	337,901
Charitable activities:				
Operations	5	369,290	16,027	385,317
Shows and Assemblies	5	401,096	-	401,096
Total expenditure		1,108,287	16,027	1,124,314
Gains/(losses) on investments	14	1,736	-	1,736
Net expenditure		(197,495)	(10,544)	(208,039)
Gross transfers between funds		-	-	-
Net movement in funds		(197,495)	(10,544)	(208,039)
Fund balances at 1 April 2019		1,606,809	41,557	1,648,366
Fund balances at 31 March 2020		1,409,314	31,013	1,440,327

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Subsidiaries

The wholly owned subsidiary NAFAS Enterprises Limited is incorporated in England and Wales (company number: 1829011). The subsidiary donates all of its profits to NAFAS.

The summary financial performance of the subsidiary is as follows:

	2021 £	2020 £
Turnover	257,601	329,638
Cost of sales and administration costs	(220,893)	(337,901)
Interest receivable	12	64
Net profit/(Loss)	36,720	(8,199)
Amount donated to the charity	-	(48,737)
Retained in subsidiary	36,720	(59,936)

The current assets and liabilities of the subsidiary were:

Current assets	91,814	71,716
Current liabilities	(43,287)	(59,909)
Total net assets	48,527	11,807
Aggregate share capital and reserves	48,527	11,807

11 Staff costs

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Charitable activities	4	4

Employment costs

	2021 £	2020 £
Wages and salaries	137,376	141,406
Social security costs	10,487	13,914
Other pension costs	14,282	654
	162,145	155,974

No employee received total employee benefits of £60,000 or more in 2021 or 2020.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Staff costs (continued)

The key management personnel of the charity comprise the Chief Executive Officer, The Secretary and the Administrative Secretary. The total employee benefits of key management personnel of the charity were £137,962 (2020: £131,330). This includes Employer's National Insurance and pension contributions.

None of the Trustees received any remuneration during the year.

12 Tangible fixed assets

	Freehold property £	Website design £	Furniture and equipment £	Total £
Cost				
At 1 April 2020	1,531,063	9,075	14,212	1,554,350
Additions	3,654	3,902	518	8,074
Disposals	-	-	(14,212)	(14,212)
At 31 March 2021	1,534,717	12,977	518	1,548,212
Depreciation				
At 1 April 2020	94,090	9,075	13,797	116,962
Charge for the year	5,987	416	933	7,336
Disposals	-	-	(14,212)	(14,212)
At 31 March 2021	100,077	9,491	518	110,086
Net book value				
At 31 March 2021	1,434,640	3,486	-	1,438,126
At 31 March 2020	1,436,973	-	415	1,437,388

13 Investments

	2021 £	2020 £
Group:		
Market value at 1 April	-	47,846
Additions	-	-
Disposals	-	(47,846)
Net unrealised gains/(losses)	-	-
Market value at 31 March	-	-
Charity:		
Add: Investment in subsidiary	4	4
	4	4

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Stock	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Finished goods	<u>9,472</u>	<u>-</u>	<u>7,832</u>	<u>-</u>
15 Debtors	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Trade debtors	15,580	8,418	24,549	549
Prepayments	11,100	9,380	19,055	17,336
Amounts owed form subsidiary company	-	33,112	-	33,794
Other debtors	75	75	9,101	6,027
	<u>26,755</u>	<u>50,985</u>	<u>52,705</u>	<u>57,706</u>
16 Creditors: amounts falling due within one year	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Trade creditors	10,755	3,820	23,602	6,482
Taxes and social security costs	7,187	12,081	14,938	14,938
Accruals and deferred income	165,324	162,085	217,645	208,649
Loans	17,500	17,500	-	-
Other creditors	3,197	3,197	12,461	12,461
	<u>203,963</u>	<u>198,683</u>	<u>268,646</u>	<u>242,530</u>
Deferred income analysis:	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Deferred income at 1 April	170,324	170,324	271,469	271,469
Released during year	(170,324)	(170,324)	(271,469)	(271,469)
Deferred in year	135,557	135,557	170,324	170,324
Deferred income at 31 March	<u>135,557</u>	<u>135,557</u>	<u>170,324</u>	<u>170,324</u>

Deferred income is in relation to affiliation fees received in advance.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Creditors: amounts falling due in More than one year	2021	Charity	2020	Charity
	Group £	£	Group £	£
Loans	132,500	132,500	-	-
	<u>132,500</u>	<u>132,500</u>	<u>-</u>	<u>-</u>

18 Bank loans

Bank loans are wholly repayable in instalments as follows:

	2021 £	2020 £
Due in less than 1 year	17,500	-
Due in 1 – 5 years	120,000	-
Due in over 5 years	12,500	-
	<u>150,000</u>	<u>-</u>

The loan is unsecured and repayable over 6 years. Interest is payable at 4.48% per annum after the initial 12 month interest free period.

19 Operating lease commitments

At the year end, the following commitments were in place in respect of operating leases:

	2021	Charity	2020	Charity
	Group £	£	Group £	£
Within one year	3,781	3,781	5,041	5,041
Within two to five years	<u>16,385</u>	<u>16,385</u>	<u>16,385</u>	<u>16,385</u>
	<u>20,166</u>	<u>20,166</u>	<u>21,426</u>	<u>21,426</u>

Lease payments recognised as an expense in the year totalled £5,041 (2020: £575).

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 Analysis of net assets - 2021

	General funds £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	1,438,126	-	-	1,438,126
Current assets	335,732	28,831	6,100	370,663
Current liabilities	(203,963)	-	-	(203,963)
Long term liabilities	(132,500)	-	-	(132,500)
	<u>1,437,395</u>	<u>28,831</u>	<u>6,100</u>	<u>1,472,326</u>

Analysis of net assets - 2020

	General funds £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	1,437,388	-	-	1,437,388
Current assets	239,843	31,742	-	271,585
Current liabilities	(268,646)	-	-	(268,646)
	<u>1,408,585</u>	<u>31,742</u>	<u>-</u>	<u>1,440,327</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21 Analysis of funds - 2021

	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Unrestricted funds:					
General funds	1,408,585	495,978	(472,989)	5,821	1,437,395
Designated funds:					
WAFA Special Fund	14,741	2,044	-	-	16,785
Overseas Travel Reserve	10,451	3,866	(3,000)	-	11,317
Education Fund	5,821	-	-	(5,821)	-
Heritage Fund	680	-	-	-	680
Remembrance Fund	49	-	-	-	49
Restricted funds:					
Workshop	-	5,000	-	-	5,000
Calligraphy & Engraving	-	1,100	-	-	1,100
SAFAS	-	10,000	(10,000)	-	-
	<u>1,440,327</u>	<u>517,988</u>	<u>(485,989)</u>	<u>-</u>	<u>1,472,326</u>

Analysis of funds - 2020

	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Balance at 31 March 2020
	£	£	£	£	£
Unrestricted funds:					
General funds	1,606,809	906,150	(1,106,110)	1,736	1,408,585
Designated funds:					
WAFA Special Fund	18,285	1,000	(4,544)	-	14,741
Overseas Travel Reserve	17,451	4,483	(11,483)	-	10,451
Headquarters Heritage Fund	-	-	-	-	5,821
Education Fund	5,821	2,960	(2,177)	-	729
	<u>1,648,366</u>	<u>914,539</u>	<u>(1,124,314)</u>	<u>1,736</u>	<u>1,440,327</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21 Analysis of funds – 2021 (continued)

Designated funds

The WAFA Special Fund was opened to enable “Best in Show” prize winners at future NAFAS National Shows to represent the charity at forthcoming WAFA World Shows.

The Overseas Travel Reserve provides for officials’ travel costs to the World Association of Flower Arrangers (WAFA) World Show, held every three years and for the charity’s annual subscription to WAFA. It is funded by an annual transfer from the General Reserve at the rate of 10p for each affiliated member.

The Education Fund was established in 2014/15 to enable NAFAS to provide financial assistance to educational projects. The unspent balance was transferred to unrestricted funds during the year.

The Headquarters Heritage Fund was opened to provide for the periodic refurbishment of the charity’s freehold premises, which is a Grade II listed building.

The Remembrance Fund consists of donations received in memory of members to be recorded in the book of remembrance.

Restricted funds

The Workshop Fund consists of a donation received for the refurbishment of a room at Head Office for floral workshops to members and the general public.

The Calligraphy & Engraving Fund has arisen as a result of donations received toward the engraving of the Associations trophies, showing winners of various competitions, and the calligraphy of framed pictures listing the Associations National Officers and Presidents.

The SAFAS Fund relates to a legacy receipt specifically to be passed over to Scottish Association of Flower Arrangement Societies.

22 Taxation

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 1 of the Corporation Tax Act 2010.

23 Related party transactions

The charity has taken advantage of Paragraph 33.1A of FRS 102 not to disclose transactions with wholly owned subsidiaries.

During the year the charity paid £74 to Christina Curtis (previous trustee) in respect of proof reading. There were no other related party transactions (2020: none).