



The
Lakeland Horticultural Society

ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 31st August 2020

THE LAKELAND HORTICULTURAL SOCIETY
Annual Report and Financial Statements
for the year ended 31st August 2020

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Address: Holehird Gardens
 Patterdale Road
 Windermere
 LA23 1NP

President

Shelagh Todd

Vice-Presidents

Christopher Brickell CBE VMH
Lord Cavendish of Furness DL
Lady Cressida Inglewood, Countess of Lonsdale
John D Main NDH DHE FIHort
Shelagh Newman
Ian Sandwell M Hort NDH (Hons) FIHort
Margaret Thomas
Peter Hoggarth

Council of Trustees

Officers:

Chairman:	Alan Oatway
Vice-Chairman:	Maggie Mees
Garden Co-ordinator:	<i>vacant</i>
Secretary:	David Mason
Hon. Treasurer:	<i>vacant</i>

Members:

John Ashley
Sue Buckingham
Diane Fisher
Jane Lees CBE
Tina McIntosh
Sybil Maden
Amanda Mason
Pat Murphy
Susan Quayle
Mary Stebbings
Audrey Whittle (co-opted)

Report from the Chairman of Trustees

It is quite hard to remember that this extraordinary year began quite normally! The first six months saw the usual programme of activities, with new work progressing on a number of fronts. We have had a group considering issues related to Sustainability, and our desire to improve the paths in the gardens has been moved on by submitting a successful planning application for some of the works that will be necessary.

These and most other works are now held up. Our talks with our landlords to agree the terms of our lease extension are currently stalled. Whilst we have some understanding of why they might be causing this delay, we are unable to undertake major expenditures until those terms are agreed. We have applied as much pressure as we can, to no avail. It is a very frustrating situation.

Then we reached March, when all our lives were turned upside down, or inside out, or a combination of both! Balancing our responsibilities has not always been easy, but throughout, we have been mindful that our prime aim had to be to look after the welfare of all those involved at Holehird. Second, we needed to take proper care of our Society, and the wonderful gardens which it is lucky enough to call its home. And lastly, once the Lake District was able to welcome visitors once more, we wanted to be sure that the Gardens were as safe as possible for the public to return.

The response from the public has been wonderful. They have returned in good numbers, although we have been unable to open the visitor information area so we do not have a formal record of the actual number of visitors to the gardens. We have also had to rely on the "honesty box" system for both admission donations and plant sales, but we have been most encouraged by how well this has worked. As usual, the verbal feedback about the Gardens has been very positive, which reflects my understanding of the tremendous dedication of a reduced number of volunteers. From extensive watering through the unseasonably hot and dry spring to keeping the grass areas neat and tidy; from the usual weeding to propagating and stocking the plant sales tables; those volunteers who have felt happy and safe to be in the gardens have done a superb job in keeping everywhere looking beautiful. My thanks go to them all.

But many of our volunteers have correctly been shielding themselves and staying away, and it has been completely right to keep our visitor information area closed. We have also had to cancel all indoor group activities, as there is no way that lectures, courses or social gatherings of any sort could be made safe. Just as it began to look as if the end of the tunnel might be in sight, Covid cases began to increase again, making any return to these activities unlikely until well into 2021.

The importance of parks, gardens and open countryside has been all too clear during the lockdown and since, re-enforcing the value of Holehird Gardens to the local community as well as to its visitors. But for the Society itself, perhaps the strongest lesson of this period is that we rely entirely on volunteers, and although we have welcomed several newcomers, we will need to renew our efforts to attract others once more normal circumstances return. I would normally use the AGM to thank those Trustees standing down from their roles, but this time I must now include them here. First, Audrey Whittle, who was co-opted for the year

to ensure that Estates Committee had a representative on Council. Sadly, we were only able to enjoy Audrey's contributions on two occasions before Covid prevented us holding our meetings. Next, Amanda Mason has served three years, taking on the responsibility of Garden Chairman during that time. She has worked with energy and efficiency, ensuring decisions in committee were well-made, and achieving much during her tenure. Her work to make sure that our trees are attended to in a timely manner is worthy of special mention. Mary Stebbings has served for six years, taking a special interest in Equality issues in addition to her role as our Tours Organiser. Frustratingly, Covid has prevented either of this year's tours taking place, with the Northern Ireland tour cancelled at the very last moment – this prospective participant had finished his packing for it! And finally, we lose the services of our Secretary, David Mason, who has filled that position for six years. He has been meticulous in all the he has done, and he has played a huge part in the smooth running of the Society. He has always been prepared to do that bit extra too, as with his willingness to keep an eye on our finances in the absence of a Treasurer. On behalf of us all, I thank all four most sincerely for the time and skills that they have spared for our cause; without people willing to take on these tasks, the Society cannot function.

Alan Oatway

Financial Report

As the post of Treasurer is vacant, a Financial Report has been prepared instead of a Treasurer's Report.

The impact of the Covid-19 pandemic on the accounts for the year ending 31st August 2020 has been significant. Donations from visitors to the garden were in the region of £33,000 less than last year, Plant sales were £8,000 lower and sales of refreshments, publications and advertising in the Journal were down by £5,000 in total. Fortunately, during the year the Society received a generous bequest of £20,000 and we were able to recover an additional £4,000 Gift Aid in respect of donations not previously claimed. As a result overall income was around £26,000 less than last year.

With close control being exercised over costs and project work on hold, expenditure on the garden was around £20,000 lower than last year and non-essential property maintenance was £6,000 down. Admin expenditure was £9,000 lower, accounted for in the main by a reduction in Publicity costs and the cancellation of Open Day in May 2020. Overall expenditure was £41,000 less as a result and after depreciation on Fixed Assets of almost £31,000 we were able to record a break-even situation for the year, achieving the Trustees' aim of funding day-to-day expenses from day-to-day income, but only with the benefit of the above noted bequest. With a notional gain of £3,300 on our Investments LHS total funds actually increased by a like amount over the 12 months to 31st August 2020.

The Society's finances remain in a very healthy position and we can face the future, including the continuing Covid problem, with some confidence in the knowledge that the Trustees will continue to exercise rigorous control over expenditure and we have the funds available to undertake major refurbishment of the Garden paths and our buildings once our lease has been renewed.

Structure, Governance and Management

The Society is a registered charity governed by a constitution approved by the membership, and last modified on 7th December 2019. Its objects are to promote and develop the science, practice and art of horticulture, with special reference to the conditions prevailing in the Lake District, and within that area to promote and facilitate cooperation between all horticultural organisations and to serve the interests of all horticulturalists.

The management and administration of the Society is conducted by its Council, whose members are Trustees of the Charity. The Council comprises five Honorary Officers of the Society, and up to twelve elected Members. The Officers consist of the Chairman, the Vice-Chairman, the Garden Co-ordinator, the Secretary and the Treasurer. The members of the Council are set out on page 3.

Day-to-day management is devolved to five sub-committees: Garden, Estates, Education, Publications, and Public Relations. These are governed by Standing Orders which are reviewed annually, and were last approved on 4th February 2020.

Officers are elected at each Annual General Meeting (AGM) having, with their consent, been nominated and seconded in writing by members of the Society. They hold office until the end of the next AGM. They may be nominated for re-election but may not serve for more than six consecutive years in any one office. Elected Members having, with their consent, been nominated and seconded in writing by members, are elected at an AGM to serve a three-year term. They may be nominated for re-election, but may not serve for more than two consecutive terms. Members of Council do not receive any payment in connection with their position.

The Society operates an informal system of Trustee induction, tailored to fit the experience of the trustee. All new trustees are given a copy of all the relevant Charity Commission documents, as well as the names and contact details of their fellow trustees.

All the work of the Society is carried out by volunteers and is funded through members' subscriptions, legacies, donations, the sale of plants and seeds from the Garden, and the sale of publications written and designed by members.

Financial Review

On the basis of their review of future years' activities, and a detailed budget for the following year, Council are satisfied with the financial position at 31st August 2020. The policy on Reserves, the reason why they are held and their intended use, is set out in Note 10 to the Accounts.

Activities

Garden

The Society manages the renowned Lakeland garden at Holehird which is open to the public every day of the year from dawn till dusk. This is a 12 acre garden on a hillside site near Windermere, 600 feet above sea level. The garden regularly receives up to 30,000 visitors each year, and although no formal charge is made for access, visitors are invited to

make a donation. The gardens are developed and maintained to the highest standards, providing the public with practical examples of design, propagation, plant maintenance and horticultural practice in relation to specific Lake District location and climatic conditions. In various parts of the garden trees, shrubs, herbaceous perennials, bulbs and alpine are grown.

The Society also acts as the International Registration Authority for Astilbe on behalf of the International Society for Horticultural Science, and hosts the National plant collections of Astilbe, Daboecia (heathers), Meconopsis (the blue poppy) and Polystichum (the holly fern).

Education

Gardening courses and lectures are held throughout the year, given by both in-house and outside experts. Volunteers act as garden guides for the many tour groups that visit Holehird, and others also give a considerable number of horticultural lectures to other groups. A number of bursaries are granted each year to support horticultural students. A well-stocked library and reading room, equipped with PCs and several microscopes, including a new high-powered model, is also available to all members, and a series of horticultural leaflets is available to the public on particular species that are grown in the garden, including the National Collections. We also have our own weather station, which was completely upgraded last year and this helps us understand the effect of varying climate on the performance of the plants in the garden. The weather records are available online to individuals and other organisations, and it is planned to move the weather station into a more visible location within the garden, so that more visitors are aware of it.

Media

The web site: www.holehirdgardens.org.uk shares the Society's knowledge and activities online, while *The Lakeland Gardener* – the Journal of the Lakeland Horticultural Society serves the same purposes in print. The Society also publishes a regular *Newsletter* for its members. The Society also has a presence on Social Media.

Access for all

Within the inevitable constraints imposed by a Lakeland garden, the Society aims to ensure that anyone with an interest in horticulture and gardening can benefit from its work, whatever their means and limitations. Wardens are on duty daily from early April to the end of October in the Visitor Information area to welcome members of the public and answer questions regarding the gardens, either directly or by introducing visitors to other members of the Society.

The Trustees confirm that they have complied with the duty in s17 of the Charities Act 2011 to have regards to the Charity Commission's guidance on public benefit.

Achievements and Performance

Our usual programme of lectures and courses took place in the first part of the year, covering a range of topics including Roses, Rhododendrons, Cally Gardens and Madagascar. We hope to re-start these activities as soon as possible, using technology if

necessary. New accessions have been acquired for the library, and our librarian has digitised the catalogue which can now be inspected remotely. Sadly, the RHS course could not be completed at Holehird.

Essential upkeep and routine maintenance has continued of course but, with the exception of new pot-washing facilities at one of our propagation units, no new projects have been undertaken. This is partly due to the pandemic, with many contractors unavailable and also a desire on our part to reduce expenditure to help cope with the inevitable reduction in income. There is also uncertainty relating to our lease.

We have as usual published two full-colour journals during the year, but due to there being few activities to advertise, the Newsletter for members was not printed. A colour flyer was produced instead, to update members generally on our decisions caused by the virus. Some additional cards were added to the range available for visitors, but since we have been unable to open the information area, sales of such items have been a casualty of the situation. The latest copy of the journal provides members with the means to purchase items from our stock.

Neither our usual Open Day designed to attract new members, nor the afternoon we devote to those who have joined recently have been able to take place. We have also been unable to accept any group visits, with consequent loss of income. A review of membership categories is underway, and consideration is being given to how we might better welcome our visitors generally if the current difficulties last into the next season. Our volunteers who, in normal times, look after our information and sales area, are at the forefront of recruitment of new members throughout the season. Our review will include looking at other ways that visitors might be encouraged to become members.

Lastly, we have kept Holehird Gardens looking very good indeed. Visitors continue to speak very highly of the Gardens, the plantings, the labelling, and the standard of maintenance generally. They also take the opportunity to purchase the plants that we propagate for sale. Since we could welcome visitors back, their purchases of such plants, together with their admission donations, have gone some way to recover our income for the year.

All the Society achieves is the result of the efforts of many dedicated volunteers, who deserve much praise.

The Trustees' Annual report was adopted by Council at its meeting on 7th October 2020 and signed on its behalf by:

Alan Oatway – Chairman



Maggie Mees – Vice-Chairman



Independent Examiner's Report to the Trustees of the Lakeland Horticultural Society

I report to the charity trustees on my examination of the Accounts of the charity for the year ended 31st August 2020 which are set out on pages 10 to 17.

Responsibilities and basis of report

As the charity trustees you are responsible for the preparation of the Accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's Accounts carried out under s 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under s 145(5)(b) of the Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the charity as required by s130 of the Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the Accounts give a "true and fair view" which is not a matter considered as part of an independent examination.

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



DSJ Sissons
Chartered Accountant
The Old Court House
Clark Street
Morecambe, LA4 5HR

14.10.20

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STATEMENT OF FINANCIAL ACTIVITIES

Incoming Resources	Note	Unrestricted Funds	Restricted Funds	2020 Total	2019 Total
		(Note 2)			
		£	£	£	£
Voluntary income	3	74,712	18,435	93,147	105,519
Other charitable income	4	15,983		15,983	29,970
Investment income	5	6,490		6,490	6,563
Total incoming resources				115,620	142,052
Resources Expended					
Garden and Estate maintenance	6	36,484	18,435	54,919	83,363
Other charitable expenditure	7	8,335		8,335	12,368
Administration costs	8	19,652		19,652	28,323
Depreciation	11	30,697		30,697	30,762
Governance costs	9	2,314		2,314	2,303
Total resources expended				115,917	157,119
Net resources expended				(297)	(15,067)
Gain on investments	12			3,308	7,248
Accumulated Funds B/Fwd				572,631	580,450
Accumulated Funds C/Fwd at 31st August 2020	10			575,642	572,631

There are no other gains & losses other than those disclosed above. All transactions are derived from continuing activities.

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The Notes on pages 12 to 17 form part of these financial statements

BALANCE SHEET
As at 31st August 2020

	Note	2020		2019	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11		30,601		61,298
Investments	12		87,433		84,125
			<u>118,034</u>		<u>145,423</u>
CURRENT ASSETS					
Stock			6,918		6,331
Cash at bank	13		<u>452,977</u>		<u>422,766</u>
			459,895		429,097
CREDITORS – amounts falling due within one year	14		<u>2,287</u>		<u>1,889</u>
NET CURRENT ASSETS			457,608		427,208
NET ASSETS			<u>575,642</u>		<u>572,631</u>
CAPITAL FUNDS					
Restricted funds	2		12,038		12,265
Unrestricted funds	2		563,604		560,366
TOTAL ACCUMULATED FUNDS	10		<u>575,642</u>		<u>572,631</u>

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities (Charities SORP (FRS 102)). They were approved by Council on 7th October 2020 and are signed on their behalf by:



Alan Oatway
Chairman



David Mason
Secretary

The Notes on pages 12 to 17 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

i) Basis of preparation

The financial statements of the Charity are prepared under the historical cost convention with the exception of investments, which are included at market value. They have been prepared in accordance with the Charities Act 2011, the Financial Reporting Standard applicable in the UK (FRS 102), and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities (Charities SORP (FRS 102)). The Charity is a public benefit entity under FRS 102, its presentation currency is Sterling (rounded to the nearest £1). The Trustees believe the Society is a going-concern, and have prepared the financial statements on that basis.

ii) Incoming resources

Incoming resources represent total income receivable during the year, and comprise membership subscriptions, donations, legacies, income from educational activities, investment income and sundry other income.

iii) Resources expended

All expenditure is accounted for on an accruals basis. Charitable expenditure represents the cost of maintaining the estate and garden, scientific, education and editorial activities. Support services represent membership costs, and costs relating to the general running of the Society. Governance costs include those incurred in meeting constitutional and statutory requirements, and the preparation of the financial statements.

iv) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost. Depreciation is calculated to write off that cost over the expected useful life of each asset, as follows:

Leasehold land and buildings are depreciated on a linear basis over the period remaining on the lease (i.e. to 31st May 2020);

Fixtures and fittings are written down to a nominal value in the year of acquisition;

Glasshouses are depreciated on a linear basis over ten years; and

Machinery, vehicles and equipment are depreciated on a linear basis over five years.

v) Investments

Investments are stated at market value, and revaluation gains and losses are included in the Statement of Financial Activities.

vi) Stock

Stock is valued at the lower of cost and net realisable value. It relates to books and publications held for sale to members and visitors. It does not include plants or any work in progress.

vii) Creditors

Short-term creditors are valued at their transaction price.

NOTES TO THE FINANCIAL STATEMENTS (cont)

1. Accounting Policies (cont)

viii) Taxation

The Society is exempt from corporation tax.

ix) Reserves

The policy on Accumulated Funds held as Reserves is set out in Note 10 to the Financial Statements.

2. Restricted and Unrestricted Funds

The Society has entered into an agreement with the Holehird Trust for the upkeep of those parts of the gardens outside its lease. This income of £17,850 can only be spent on these activities. A donation from The North East Heather Society of £585 is to be used to improve the heather beds. During the year, £216 was spent on this project, leaving a balance of £369 to be spent on heathers next year. In addition, the heathers still have the use of a further £319 from the restricted donation in 2019. Also included in the Society's total funds is an amount of £7,350 donated towards the improvement of the fellside paths, and a further £4,000 (the Mary Miles endowment) which can be spent only *in extremis*. All these items are therefore disclosed separately on the Balance Sheet as Restricted Funds.

There are no restrictions on any other income.

3. Voluntary income

	2020 £	2019 £
Restricted donation (the Holehird Trust - Note 2)	17,850	17,850
Restricted donation (other – Note 2))	585	1,500
Other donations	42,540	56,020
Membership subscriptions	21,036	22,978
Gift aid reclaimed	11,136	7,171
	<u>93,147</u>	<u>105,519</u>

4. Other charitable income

	2020 £	2019 £
Plant sales	12,331	20,559
Vending machine sales	765	3,834
Less: Cost of vending machine supplies	<u>311</u>	<u>1,081</u>
	454	2,753
Sales of stationery, guides and books	1,079	3,438
Advertising sales in Society Journal	1,455	2,240
Income from educational courses	<u>665</u>	<u>980</u>
	<u>15,983</u>	<u>29,970</u>

NOTES TO THE FINANCIAL STATEMENTS (cont)

5. Investment income

	2020 £	2019 £
Interest on bank deposits	<u>6,490</u>	<u>6,563</u>

6. Garden and Estate maintenance

	2020 £	2019 £
Garden maintenance	23,361	43,671
Plants purchased	6,592	8,494
Estate maintenance	24,966	31,198
	<u>54,919</u>	<u>83,363</u>

7. Other charitable expenditure

	2020 £	2019 £
Costs of publishing Journal and Newsletters	5,855	5,821
Cost of guides and books	84	1,600
Courses, bursaries and lectures	2,396	4,947
	<u>8,335</u>	<u>12,368</u>

8. Administration costs

	2020 £	2019 £
Membership administration	3,334	5,316
Insurance	6,841	6,571
Publicity and Open Day	1,555	5,947
Website and IT costs	1,868	1,577
Other	6,054	8,912
	<u>19,652</u>	<u>28,323</u>

NOTES TO THE FINANCIAL STATEMENTS (cont)

9. Governance costs

	2020 £	2019 £
Independent Examination costs	1,700	1,700
AGM costs	614	603
	<u>2,314</u>	<u>2,303</u>

10. Accumulated Funds

In accordance with guidance issued by the Charities Commission, the Trustees have considered whether it is appropriate for the Society to retain funds for future charitable activities. Given the extraordinary uncertainties created this year, the Trustees have exercised all prudence by reducing expenditure, and not committing to any future capital works. Many plans exist to utilise our reserves, but these must await a restoration of more normal circumstances.

11. Tangible fixed assets

	Leasehold Land & Buildings £	Fixtures & Fittings £	Machinery, Vehicles & Equipment £	Glasshouses £	Total £
Cost					
At 31 August 2019	366,464	20,539	92,608	175,557	655,168
Additions	-	-	-	-	-
At 31 August 2020	<u>366,464</u>	<u>20,539</u>	<u>92,608</u>	<u>175,557</u>	<u>655,168</u>
Depreciation					
At 31 August 2019	356,320	20,529	78,131	138,890	593,870
Charge for the year	10,144	-	2,220	18,333	30,697
At 31 August 2020	<u>366,464</u>	<u>20,529</u>	<u>80,351</u>	<u>157,223</u>	<u>624,567</u>
Net Book Value					
At 31 August 2020	<u>0</u>	<u>10</u>	<u>12,257</u>	<u>18,333</u>	<u>30,601</u>
At 31 August 2019	<u>10,144</u>	<u>10</u>	<u>14,477</u>	<u>36,666</u>	<u>61,298</u>

NOTES TO THE FINANCIAL STATEMENTS (cont)

12. Fixed asset investments

	2020 £	2019 £
Balance at 31 August 2019	84,125	66,877
New investment		10,000
Revaluation gain	3,308	7,248
Balance at 31 August 2020	<u>87,433</u>	<u>84,125</u>

The Trustees' investment policy allows an investment of up to 15% of the total available cash in the Charities Investment Fund (COIF) split equally between accumulation and income units. These investments are stated at market value, and the resulting gain of £3,308 (2019: gain of £7,248) is included in the Statement of Financial Activities.

13. Cash at bank

The Trustees' investment policy is, as far as possible, to maximise the return on the Society's investments. Within this, the Government guarantee of £85,000 acts as a ceiling for funds invested in any one financial institution. This policy, and the actual investments with each institution is reviewed every twelve months.

Cash at bank includes deposits with Building Societies regulated under the Prudential Regulation Authority (part of the Bank of England) and the Financial Conduct Authority. Certain deposits are available without notice, and the others have been placed with a maturity of between one and two years.

14. Creditors

	2020 £	2019 £
Examiner's Fee	1,700	1,700
Trade creditors	<u>587</u>	<u>189</u>
	<u>2,287</u>	<u>1,889</u>

All amounts are payable within one year.

15. Commitments

The Trustees have made no new commitments for 2020-2021, and a full review will be conducted on completion of a new lease and once the Covid crisis is of much less concern.

	2020 £	2019 £
Paddock frame repairs		4,500
	<u>0</u>	<u>4,500</u>

NOTES TO THE FINANCIAL STATEMENTS (cont)

16. Trustee Remuneration

No remuneration was paid to Trustees (2019: nil) and there were no expenses incurred in their roles as trustees (2019: nil)

17. Related Party Transactions

There were no transactions with related parties (2019: none).