
STANLEY SMITH (UK) HORTICULTURAL TRUST

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

STANLEY SMITH (UK) HORTICULTURAL TRUST

CONTENTS

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 7
Independent examiner's report	8 - 9
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12 - 23

STANLEY SMITH (UK) HORTICULTURAL TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 5 APRIL 2021

Trustees	A De Brye P R Sykes E N Reed J David S Knees T Upson
Charity registered number	261925
Principal office	Royal Botanic Garden 20a Inverleith Row Edinburgh EH3 5LR
Independent Examiner	Mrs K Bretherick FCA Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	Lloyds Bank Plc 48 High Street Newmarket Suffolk CB8 8LF
Solicitors	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT
Investment Advisors	Rathbone Investment Management 1 Curzon Street London W1J 5FB

STANLEY SMITH (UK) HORTICULTURAL TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2021

The Trustees present their annual report together with the financial statements of the Charity for the year 6 April 2020 to 5 April 2021. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (second edition of the Charities SORP (FRS102) October 2019, effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

a. POLICIES AND OBJECTIVES

The Trustees hold both capital and income upon trust for such charitable objectives for the advancement of education in the science of horticulture in the United Kingdom and, so far as it is charitable, outside the United Kingdom as the Trustees in their absolute discretion think fit.

Objectives

The objectives of the Trust are:

- to promote horticulture;
- to promote the conservation of the physical and natural environment by promoting biological diversity;
- to promote the creation, development, preservation and maintenance of gardens accessible to the public; and
- the advancement of horticultural education.

Grants for projects

The Trust achieves its objectives by making grants to individuals, organisations and institutions carrying out projects of significance to:

- horticulture;
- gardening; or
- botany with a strong horticultural element.

The following is a non-exhaustive list of typical projects:

- gardeners' training schemes run by appropriate organisations;
- restoring gardens of historic interest;
- developing new gardens for public access and enjoyment;
- exhibitions, book publications, research and educational programmes relating to horticulture;
- expeditions to collect and protect plants of scientific and horticultural value; and
- study-visits by horticulturists or botanists with strong horticultural links.

STANLEY SMITH (UK) HORTICULTURAL TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

OBJECTIVES AND ACTIVITIES (CONTINUED)

b. GRANT MAKING CYCLE

Grants are normally awarded twice a year with the deadline for applications as follows:

- April Trustees' meeting 15 February
- October Trustees' meeting 15 August

Only one grant is usually made for each project but it is possible for subsequent grants to be made over two or three years. It is a condition of the award of a grant that grants not used within six months (or other agreed period) are to be returned to the Trust. It is also a condition that successful applicants report back to the Trust on the use of the grant.

ACHIEVEMENTS AND PERFORMANCE

a. REVIEW OF ACTIVITIES

The Stanley Smith (UK) Horticultural Trust was set up in 1970 with the express purpose of furthering the development of the art and science of horticulture by means of grants paid out of the dividends from the investment of the initial money provided by the founder (Mrs Barbara de Bbye who was the daughter of Stanley Smith). The intention of these grants, as defined by the Founder and the first Director, Sir George Taylor FRS, was to improve the quality of horticulture in all possible ways. Behind this stands the idea of improving horticulture for the public generally, and this was and continues to be the main guiding principle of the Trust's activities.

The Trust's procedures were laid down at the beginning: the Director reviews grant applications received before the two annual deadlines (15 February and 15 August) and presents the details of eligible applications in a report to the Trustees. The Trustees then apportion grants according to the views of the Director (as modified by the Trustees themselves, as appropriate), and the cash available at the time. The Trust also awards two traineeships a year and the procedure for this is that the Director investigates six potential host gardens from which Trustees select two based on the information provided. The Director also deals with the day-to-day running of the Trust, and provides horticultural advice to applicants, potential applicants and members of the public generally.

Since 1970 grants amounting to £3,309,378 (grants and traineeships) have been made, mostly to projects in Britain, but sometimes (one to Switzerland during this reporting period and none in the previous year) to projects abroad. All of these grants and other activities have been made directly for the public benefit. The public generally benefits in terms of improved horticultural facilities and amenities available to them (such as the restoration of historic gardens and the development of new gardens), education (training) and the publication of research and other information with a direct relevance to horticulture.

This year the activities of the Trust have largely followed the long established pattern described above. The Trustees held two meetings (18 September 2020 and 18 March 2021) to discuss the awarding of grants. At these meetings the Trustees had in mind the advice of the Commission with regard to public benefit. At the September 2020 meeting (Report 99) 27 applications for grants were considered (30 in 2019, Report 97) and 10 grants were made (17 in 2019). At the March 2021 meeting (Report 100) 47 applications were considered (42 in 2020, Report 98) and 15 grants were awarded (10 in 2020). The total value of grants awarded during the year was £65,950 (before a refunded grant of £2,993) (£80,668 in 2019/2020) making an average award £2,638 (£3,102 in 2019/20). The reason for the drop in grants given was due to the drop in investment income caused by the COVID pandemic coupled with a cautious approach advised by the portfolio manager. Both Trustee meetings were held virtually, by Zoom.

STANLEY SMITH (UK) HORTICULTURAL TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Eighteen grants were given for the creation, restoration or development of gardens, one for a publication on *Ginkgo biloba*, the Maidenhair tree, and one was for research or conservation. Due to travel restrictions caused by the COVID pandemic there were no grants for plant collecting or fieldwork trips. The remainder were for projects such as the purchase of tools, equipment and plants, the production of an English language version of a project on the introduction of *Cypripedium calceolus* (Lady's Slipper orchid) into the Swiss Jura Mountains using horticultural expertise, the development of events for the Young Propagator's Society and help for PlantNetwork with their online provision. Twenty four of the grants were awarded to projects in the British Isles and one to the orchid project in Switzerland (although the application came from a botanist from RBG Kew). An Automatic Exchange of Information (AEOI) application was submitted for this project.

At the September 2019 meeting Trustees decided to award traineeship grants to the University of Cambridge Botanic Garden (UCBG) and Chelsea Physic Garden (CPG) to start in autumn 2020. At that meeting they also decided that, as the other recommendations in the paper were so strong, they should agree to award the autumn 2021 grants to Historic and Botanic Gardens Training Programme (HBGTP, Aberglasney) and the Professional Gardener's Trust (PGT). However, due to the COVID pandemic UCBG were unable to run their traineeship programme starting in autumn 2020 and so HBGTP were brought forward to 2020 and UCBG delayed until 2021. At the September 2020 meeting Trustees were reminded that traineeships to start in September 2021 had already been selected the year before. Accordingly and in conclusion, CPG and HBGTP were given traineeship grants for autumn 2020 and UCBG and PGT will be given traineeship grants for autumn 2021. A new selection of traineeship proposals will be tabled at the September 2021 meeting. The reason for making the selections so far in advance is to allow gardens sufficient time to advertise and recruit trainees.

As previously noted, both meetings were held virtually due to the COVID pandemic. At the September 2020 meeting a portfolio presentation was given by William Luttrell-Hunt from Rathbones, the Trust's investment managers and a summary of his report can be seen in the minutes of that meeting. Despite a warning at the end of the previous year that income was likely to be down and that Trustees should plan for grant-giving accordingly, portfolio performance was not as badly affected as anticipated and, due partly to the Trust's healthy bank deposits, grant-giving was broadly in line with previous years (£65,950 as opposed to £80,668 in 2019/2020). At the March 2021 meeting two new Trustees, Dr Sabina Knees and Dr Tim Upson, attended for the first time having replaced Mr Christopher Brickell and Mr John Simmons. At the end of the same meeting Lady Renfrew resigned as a Trustee and Trustees considered a paper presented by the Director suggesting possible new Trustees. Due to the on-going pandemic the Director worked from home for the whole year but was able to access his office when required for photocopying and IT support.

The Trustees have reviewed the financial position of the Trust, including the potential impact of Covid-19, and have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the future. Accordingly, the financial statements continue to be prepared on the going concern basis.

Overall the Trust's accounts show a positive net movement in funds of £610,470 in the year (2020: reduction of £521,277). This has resulted from an increase in the value of the investment portfolio (net of investment management fees) of £644,832 (2020: decrease £498,014).

A surplus of £4,180,277 (2020: £3,569,807) remains on the general fund.

STANLEY SMITH (UK) HORTICULTURAL TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

FINANCIAL REVIEW

a. GOING CONCERN

The Trustees have reviewed the financial position of the Trust, including the potential impact of Covid-19, and have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the future. Accordingly, the financial statements continue to be prepared on the going concern basis.

b. RESERVES POLICY

Details of the Trust's reserves are given in note 14 to the financial statements. The Capital Fund provides income to fulfil the Trust's charitable objectives which are to provide for future grants and traineeships. Funds are designated to a Traineeship Fund and an Approved Grants Fund (if deemed appropriate) in respect of traineeships, training awards and grants to be paid in the current year or subsequent years. The Trustees' policy is to allocate all income generated each year by way of charitable expenditure. To this end twice yearly projections of available income are prepared to establish available resources for charitable expenditure. On occasions, approved grant applications may result in a temporary deficit of general income resources. Larger grant requirements have been supported by a release of capital funds.

The Trustees aim to maintain free reserves equivalent to approximately six months of unrestricted charitable expenditure, which the Trustees consider is a level that will provide sufficient funds to respond to applications for grants and ensure that support and governance costs are covered. This equates to approximately £80,000. At the year end the Trust had general reserves of £106,206 (2020: £100,172), which is in excess of the desired level of free reserves and this will enable the Trustees to cover any shortfall in investment income and to continue to make further designations for traineeships or exceptional grant awards in the future.

c. IMPACT OF CORONAVIRUS

The Coronavirus pandemic continues to present implications for the economy, travel and work. On 5 April 2021 Rathbones valued the portfolio at £3,993,100 excluding cash (2020: £3,045,567) and estimated annual income to be £122,489 for the end of year 2020/21. In the year ahead the Trust will continue to support two rounds of grants amounting to about £30,000 each and two traineeships which they plan to increase from £12,500 to £15,000 each. With a lower level of income anticipated the Trust will restrict the number of grants given to match income already received. It is likely that foreign travel will still be restricted and so the Trust anticipates giving fewer grants that involve foreign travel but, apart from that, the types of grant given are anticipated to be the same as in previous years.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

Stanley Smith (UK) Horticultural Trust is an unincorporated charity and was established by deed on 7 October 1970 in memory of Stanley Smith (1907-1968), an Australian businessman with a keen interest in gardening, cultivating orchids and supporting horticultural projects across the world.

STANLEY SMITH (UK) HORTICULTURAL TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The Trustees are responsible for the operation of the Trust, the election of the Trustees and they decide whether to award grants to applicants. The board of Trustees endeavour to appoint Trustees that will provide valuable and practical skills for the Trust.

The following were Trustees during the financial year:

C D Brickell (Resigned September 2020)
Lady Renfrew (Resigned 18 March 2021)
J B E Simmons (Resigned 18 September 2020)
A De Brye
P R Sykes
E N Reed
J David
S Knees (Appointed 18 September 2020)
T Upson (Appointed 18 September 2020)

c. ORGANISATIONAL STRUCTURE AND DECISION MAKING

Day to day management is ordinarily delegated to the Director, who is Dr David Rae OBE FRSE SHM. The day to day affairs include a wide range of activities of which the following are the most important:

- Advising potential applicants about the eligibility and presentation of their applications, which involves considerable correspondence and may result in suggesting that the applicant applies to other, more relevant grant-giving bodies or modifies the application to suit grant criteria.
- Monitoring previously awarded grants to ensure that they have been used for the purposes intended by the Trustees.
- Reporting to Trustees with his recommendations for grant applications received by the Trust.
- Providing advisory assistance as appropriate.

d. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Potential and new Trustees are advised of the Charity's objectives, its activities and the public benefit requirement and support is available to them from fellow Trustees. Other information regarding their duties as Trustees is available from the Charity Commission.

STANLEY SMITH (UK) HORTICULTURAL TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:

E N Reed

Date: 8 September 2021

STANLEY SMITH (UK) HORTICULTURAL TRUST

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 5 APRIL 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF STANLEY SMITH (UK) HORTICULTURAL TRUST ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 5 April 2021.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 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.

STANLEY SMITH (UK) HORTICULTURAL TRUST

**INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2021**

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 5 October 2021

**MRS K BRETHERICK FCA
PETERS ELWORTHY & MOORE**

Chartered Accountants
Salisbury House
Station Road
Cambridge
CB1 2LA

STANLEY SMITH (UK) HORTICULTURAL TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:				
Donations and legacies	2	14,970	14,970	21,893
Charitable activities	4	405	405	597
Investments	3	119,993	119,993	143,389
		<hr/>	<hr/>	<hr/>
TOTAL INCOME		135,368	135,368	165,879
EXPENDITURE ON:				
Raising funds	5	28,108	28,108	27,760
Charitable activities		141,622	141,622	161,382
		<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURE		169,730	169,730	189,142
		<hr/>	<hr/>	<hr/>
Net gains/(losses) on investments	11	644,832	644,832	(498,014)
		<hr/>	<hr/>	<hr/>
NET MOVEMENT IN FUNDS		610,470	610,470	(521,277)
RECONCILIATION OF FUNDS:				
Total funds brought forward		3,569,807	3,569,807	4,091,084
Net movement in funds		610,470	610,470	(521,277)
		<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		4,180,277	4,180,277	3,569,807
		<hr/>	<hr/>	<hr/>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 12 to 23 form part of these financial statements.

STANLEY SMITH (UK) HORTICULTURAL TRUST

**BALANCE SHEET
AS AT 5 APRIL 2021**

	Note	2021 £	2020 £
FIXED ASSETS			
Investments	11	3,993,100	3,045,567
		<u>3,993,100</u>	<u>3,045,567</u>
CURRENT ASSETS			
Investments	12	106,975	436,657
Cash at bank and in hand		102,531	139,458
		<u>209,506</u>	<u>576,115</u>
Creditors: amounts falling due within one year	13	(22,329)	(51,875)
		<u>187,177</u>	<u>524,240</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,180,277</u>	<u>3,569,807</u>
TOTAL NET ASSETS		<u><u>4,180,277</u></u>	<u><u>3,569,807</u></u>
CHARITY FUNDS			
Restricted funds	14	-	-
Unrestricted funds	14	4,180,277	3,569,807
TOTAL FUNDS		<u><u>4,180,277</u></u>	<u><u>3,569,807</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

A De Brye

P R Sykes

E N Reed

J David

S Knees

T Upson

Date: 8 September 2021

The notes on pages 12 to 23 form part of these financial statements.

STANLEY SMITH (UK) HORTICULTURAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition of the Charities SORP (FRS102) October 2019, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Stanley Smith (UK) Horticultural Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

There were no significant estimates or judgements made by management in preparing these financial statements except the valuation of investments as calculated by Rathbone Investment Management.

1.2 GOING CONCERN

The Trustees have reviewed the financial position of the Trust, including the potential impact of Covid-19, and have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the future. Accordingly, the financial statements continue to be prepared on the going concern basis.

1.3 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

STANLEY SMITH (UK) HORTICULTURAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Support costs are those costs incurred directly in support of expenditure on the objectives of the charity, being the awarding of grants and traineeships. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of raising funds represent investment management costs charged by Rathbone Investment Management.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Traineeships are recognised in the year in which the training opportunity commences, which is usually in September. If funds have been designated for this purpose in anticipation of an award being made, the expenditure is met from those designated funds.

All expenditure is inclusive of irrecoverable VAT.

STANLEY SMITH (UK) HORTICULTURAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.6 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

Current asset investments represent cash held on deposit with a maturity date of less than one year which is being held for investment purposes rather than to meet short term cash commitments as they fall due.

1.7 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

1.9 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.10 PENSIONS

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

STANLEY SMITH (UK) HORTICULTURAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

2. INCOME FROM DONATIONS

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	14,970	14,970	21,893
	<u>14,970</u>	<u>14,970</u>	
TOTAL 2020	<u>21,893</u>	<u>21,893</u>	

3. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income - UK Unit Trusts & Treasury Stock	100,786	100,786	124,465
Investment income - Bank deposit interest	15	15	28
Investment income - Other interest	19,192	19,192	18,896
	<u>119,993</u>	<u>119,993</u>	<u>143,389</u>
TOTAL 2020	<u>143,389</u>	<u>143,389</u>	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Publication income	405	405	597
	<u>405</u>	<u>405</u>	
TOTAL 2020	<u>597</u>	<u>597</u>	

STANLEY SMITH (UK) HORTICULTURAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

5. INVESTMENT MANAGEMENT COSTS

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment management fees	28,108	28,108	27,760
	<u>28,108</u>	<u>28,108</u>	
TOTAL 2020	<u>27,760</u>	<u>27,760</u>	

6. CHARITABLE ACTIVITIES

	2021 £	2020 £
Traineeships (see note 7)	25,000	25,000
Grants (see note 8)	62,957	87,918
Support and governance costs (see note 9)	53,665	48,464
	<u>141,622</u>	<u>161,382</u>

In 2021 there were 2 Traineeships (2020 - 2) and 25 Grants (2020: 29).

In 2021 and 2020 all expenditure on charitable activities was unrestricted.

7. DESIGNATED TRAINEESHIP FUND

	2021 £	2020 £
University of Cambridge Botanic Garden	12,500	-
Chelsea Physic Garden	12,500	-
National Botanic Garden Wales	-	12,500
Sir Harold Hillier Gardens	-	12,500
	<u>25,000</u>	<u>25,000</u>

STANLEY SMITH (UK) HORTICULTURAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

8. GRANTS

	2021 £	2020 £
Approved September 2020:		
Horatio's Garden, London	4,000	-
New Wellbeing Garden at RHS Garden Wisley	5,000	-
Howes Primary School Coventry, new Japanese Peace Garden	1,000	-
Lemon Tree Trust, creation of community garden in the Duhok's Zakho region of Iraq	3,000	-
Backhouse Rossie, Fife, development of historic daffodil collection	3,000	-
Marble Hill Revived, Flower Bed Planting, Richmond	3,000	-
Arduaine, near Oban, restoration & replacement of wind shelter planting	4,000	-
Chiltern Open Air Museum, Chalfont St Giles	1,000	-
Dr Philip Cribb, reintroduction of <i>Cypripedium calceolus</i> into the Swiss Jura Mountains using horticultural expertise	3,000	-
Horticultural practice to conserve threatened fruit & nut trees in Tajikistan	4,000	-
Approved March 2021:		
Winterbourne House & Garden, University of Birmingham	3,000	-
Museum of North Craven Life, Settle, North Yorkshire	1,000	-
Shree Swaminarayan Mandir Oldham	2,500	-
Turner's House Trust, London	4,000	-
Deep Green Space, Dumfries	1,600	-
Liverpool Cathedral	3,000	-
Tagsa Uibhist, Isle of Benbecula	1,500	-
Westonbirt Gardens Revealed, Gloucestershire	4,000	-
Fourth Reserve Foundation, Brockley, London	1,100	-
Castle Bromwich Historic Gardens, Birmingham	3,000	-
Glasgow Seed Library	1,500	-
Rise:61, Salisbury, Community Garden project	750	-
Young Propagator's Society	2,500	-
Publication of 'Complete Guide to <i>Ginkgo biloba</i> and cultivars'	2,500	-
PlantNetwork Online 2021	3,000	-
Approved March 2018:		
Helsinki University	(2,993)	-
Approved September 2019:		
New community wildlife garden at Rye Harbour Nature Reserve	-	3,000
Garden of tranquility, a dementia garden, Royal Botanic Garden Edinburgh	-	4,000
Inverewe Garden, NTS, Wester Ross, creation of a new garden area	-	4,000
Catherine Street Play Park and Community Garden, Dumfries	-	1,862
Dartmouth's Plantation Garden, Dartmouth Green Partnerships	-	2,450
Painshill Park restoration of east facing fruit bays in the walled garden	-	2,675
Restoration of the historic landscape at Marble Hill, Twickenham	-	3,000

STANLEY SMITH (UK) HORTICULTURAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

Restoration of Castle Drogo Rose Garden, Exeter	-	2,860
Restoration of 'Dock Track' Orchard Area of Auchincruive Estate	-	4,000
Amicus Trust, Bedford	-	500
Arley Arboretum, purchase of plant label machine & production of labels	-	821
Jamie McCormack, plant study trip to Manipur and Nagaland	-	750
Mark Bodin, plant study to Arunachal Pradesh	-	2,000
Jonathan Hutchinson, congress and plant study trip to Zambia	-	500
Interpretation, Haddington Garden Trust, East Lothian	-	1,000
Publication of Brogdale collections, Kent	-	2,000
Remediation of acid tar lakes using willows, Clean Rivers Trust	-	2,000
Approved March 2020:		
Royal Caledonian Horticultural Society, creation of a demonstration garden	-	3,500
Newby Hall, North Yorkshire, restoration of historic rock garden	-	4,000
Restoration of the National Collection of flowering cherries	-	4,000
Restoration of the American Garden in Peckham, London	-	3,000
New propagation facilities at the University of Bristol Botanic Garden	-	3,000
Paul Bartlett, plant study and collecting trip to Greenland	-	1,000
Zoe Dennehy, Narcissus fieldwork in Morocco and southern Spain	-	2,500
Research on Ellen Willmott's archives	-	4,000
Collection verification at the National Pinetum Bedgebury	-	4,000
Joy Larkcom archives, move to the Garden Museum, London	-	1,500
Botanic Gardens Conservation International	-	10,000
International Commission for the Nomenclature of Cultivated Plants	-	10,000
	<hr/>	<hr/>
	62,957	87,918
	<hr/>	<hr/>

STANLEY SMITH (UK) HORTICULTURAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

9. SUPPORT AND GOVERNANCE COSTS

	Support Costs	Governance Costs	2021	2020
	£	£	£	£
Office Rent	750	-	750	750
IT Support and Photocopying Costs	750	-	750	750
Directors' remuneration and pension	31,305	-	31,305	30,746
Insurance	623	-	623	623
Independent examiner's accountancy and payroll fees	-	4,424	4,424	4,456
Independent examiner's fee	-	515	515	500
Legal fees	-	14,970	14,970	10,166
Sundry expenses	-	181	181	329
Postage and stationery	-	147	147	144
TOTAL 2021	33,428	20,237	53,665	48,464
TOTAL 2020	32,869	15,595	48,464	

10. STAFF COSTS, KEY MANAGEMENT PERSONNEL, TRUSTEE REMUNERATION AND EXPENSES

	2021 £	2020 £
Wages and salaries	28,000	27,501
Social security costs	2,652	2,604
Contribution to defined contribution pension schemes	653	641
	31,305	30,746

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
Director	1	1

STANLEY SMITH (UK) HORTICULTURAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

10. STAFF COSTS, KEY MANAGEMENT PERSONNEL, TRUSTEE REMUNERATION AND EXPENSES (CONTINUED)

No employee received remuneration amounting to more than £60,000 in either year.

The charity considers its key management personnel to be the Trustees and the Director, Dr David Rae. During the year, the Director received remuneration (comprising gross salary, employers' national insurance and employers' pension contribution) totalling £31,305 (2020: £30,746).

The Trustees all give their time and expertise without any form of remuneration or other benefit in kind. (2020: £NIL).

During the year, no Trustees received any reimbursement of expenses or had expenses paid directly to a third party (2020 - £NIL).

11. FIXED ASSET INVESTMENTS

	Rathbone Investments £
COST OR VALUATION	
At 6 April 2020	3,045,567
Additions	1,018,490
Disposals at opening market value (proceeds £715,789, gain £46,500)	(669,289)
Unrealised gains on investments	598,332
AT 5 APRIL 2021	3,993,100
NET BOOK VALUE	
AT 5 APRIL 2021	3,993,100
AT 5 APRIL 2020	3,045,567

STANLEY SMITH (UK) HORTICULTURAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

11. FIXED ASSET INVESTMENTS (CONTINUED)

All the fixed asset investments are held in the UK.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The Trustees delegated the management of their investments to Rathbones during the year. The charity is operating an investment policy that provides for a degree of diversification of holdings within different unit trust investments. The charity has invested in a number of unit trusts in order to protect the charity's exposure to volatility in the market and seek low risk investments wherever possible.

The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term growth and annual income.

The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

12. CURRENT ASSET INVESTMENTS

	2021	2020
	£	£
Cash held on deposit	106,975	436,657
	<u>106,975</u>	<u>436,657</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other taxation and social security	835	1,016
Pension payable	127	128
Accruals	21,367	50,731
	<u>22,329</u>	<u>51,875</u>

STANLEY SMITH (UK) HORTICULTURAL TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 6 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2021 £
DESIGNATED FUNDS						
Capital Fund	3,444,635	-	-	(45,396)	644,832	4,044,071
Traineeship Fund	25,000	-	(25,000)	30,000	-	30,000
	<u>3,469,635</u>	<u>-</u>	<u>(25,000)</u>	<u>(15,396)</u>	<u>644,832</u>	<u>4,074,071</u>
GENERAL FUNDS						
General Funds	<u>100,172</u>	<u>135,368</u>	<u>(144,730)</u>	<u>15,396</u>	<u>-</u>	<u>106,206</u>
TOTAL UNRESTRICT ED FUNDS	<u>3,569,807</u>	<u>135,368</u>	<u>(169,730)</u>	<u>-</u>	<u>644,832</u>	<u>4,180,277</u>

The Capital Fund is represented by investments, whilst the Traineeship Fund and General Fund are represented by tangible fixed assets and net current assets.

The Designated funds are those funds designated at the discretion of the Trustees for particular purposes.

The Designated Capital Fund represents the designation of the original settlement together with the subsequent capital appreciation and gains/(losses), less capital applied in the making of grants, as a fund to provide income for fulfillment of the objectives of the Trust in the future. A transfer between funds is made periodically in order to carry forward the same fund balance as the value of the Rathbones investment portfolio, which also includes an element of cash that has been disclosed in current assets.

The Designated Traineeship Fund represents monies due to be paid by the trust for traineeships. These are paid in September each year.

From time to time the Trustees also utilise a Designated Approved Grants Fund, which represents monies due to be paid by the trust for grants awarded during the year and earlier.

STANLEY SMITH (UK) HORTICULTURAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021**

14. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 6 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2020 £
DESIGNATED FUNDS						
Capital Fund	3,942,649	-	-	-	(498,014)	3,444,635
Traineeship Fund	25,000	-	(25,000)	25,000	-	25,000
	<u>3,967,649</u>	<u>-</u>	<u>(25,000)</u>	<u>25,000</u>	<u>(498,014)</u>	<u>3,469,635</u>
GENERAL FUNDS						
General Funds	123,435	165,879	(164,142)	(25,000)	-	100,172
TOTAL UNRESTRICTED FUNDS	<u>4,091,084</u>	<u>165,879</u>	<u>(189,142)</u>	<u>-</u>	<u>(498,014)</u>	<u>3,569,807</u>

15. PENSION COMMITMENTS

The charity now operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents employer contributions payable by the charity to the fund and amounted to £653 (2020: £641). £127 (2020: £128) was payable to the fund at the balance sheet date.

16. RELATED PARTY TRANSACTIONS

During the year, legal fees of £14,970 (2020: £10,166) were paid to Macfarlanes LLP. Mr E Reed, a Trustee of Stanley Smith (UK) Horticultural Trust is a partner of Macfarlanes LLP.

The legal fees have been settled directly by another of the Stanley Smith (UK) Horticultural Trust Trustee board and have therefore been disclosed in these accounts as a donation and a cost to the trust. There are no conditions attached to this donation arrangement.

There were no other related party transactions during the year.