

Company number: 1459056
Charity number: 279000

The Tree Council

Report and financial statements
For the year ended 31 March 2022



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For the year ended 31 March 2022

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The Tree Council

Reference and administrative information

For the year ended 31 March 2022

Company number 1459056
Country of incorporation United Kingdom

Charity number 279000
Country of registration England & Wales

Registered office and operational address 14 Dock Offices
Surrey Quays Road
LONDON
SE16 2XU

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Joel Cadbury	Chair
Elizabeth Hiester	Deputy Chair
Jeremy Simons	
Andrew Fenwick	Treasurer
Tariq Ahmed	

Key management personnel

Sara Lom	Chief Executive & Company Secretary
Jon Stokes	Director of Trees, Science & Research
Clare Bowen	Director of Programmes, Partnerships & Communications
Ken Sleat	Director of Finance (to 31 October 2021)
Niloufer Limki	Director of Finance (from 1 November 2021)

Bankers

NatWest Bank Ltd
London Bridge Branch
PO Box 35, 10 Southwark Street
London SE1 1TJ

Solicitors

Macfarlanes LLP
20 Cursitor Street
London EC4A 1LT

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The Trustees present their report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The Tree Council was established in 1973 when Dutch elm disease swept across the land and urgent action was required to restore precious British treescapes. In response to the loss of millions of elms, The Tree Council, a national charity, brought everyone together to plant and care for trees across the UK.

Today, nearly fifty years later, The Tree Council continues to bring people together with a shared mission to care for trees, hedgerows and our planet's future. We inspire and empower organisations, government, communities and individuals, providing knowledge and tools to create positive, lasting change at a national and local level.

Our work has never been more important than it is now, as we face a global climate crisis. We and our volunteers and partners are playing a key role in helping shape policy, find practical solutions, raise awareness, and deliver tree planting and tree care to help achieve the government target of carbon net zero by 2050.

We focus our work on wider treescapes rather than forests – working with partners to protect and establish copses and spinneys, hedgerows and orchards, parkland and wood pasture trees, as well as life-enhancing street trees, urban avenues, roof gardens and city playground plantations.

Our strapline, **'Working Together for the Love of Trees'** emphasises the common thread of collaboration that runs through our history. It is the truth most often echoed back to us by our partners and stakeholders, that we bring people together for the benefit of trees. It reflects our desire for partnership and our quest for practical solutions. It expresses our deep-rooted, emotional response to trees. These two things, collaboration to find practical solutions and a love for trees, combined with good care and a great sense of fun, summarise our team and its core values today.

We are supported in our work by thousands of amazing volunteer Tree Wardens, plus a growing force of Young Tree Champions in 300 schools across the UK.

We have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. In shaping our objectives for the year and planning our activities, the Trustees have also considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Achievements & Performance

The work of The Tree Council spans the UK and has four branches – Community Action, Young Learning, Practical Science & Research, and Partnership. This year has seen renewal, growth and achievement in all four areas.

Working together to...



In 2021/22, with the help of thousands of fabulous volunteers and thanks to the generosity of our wonderful supporters, The Tree Council has enabled the planting of nearly 440,000 trees (including 79 kms of hedgerows) in 1,545 communities, throughout the length and breadth of the UK.

Community: The Tree Warden Scheme

The Tree Council's Tree Warden Scheme is a national initiative which supports local authorities and independent networks to promote, conserve and care for trees, bringing health and wellbeing and new skills to individuals, and an improved environment in their communities.

Tree Warden volunteers gather information about their local trees, engage and help with local issues and organise and take part in tree-related activities, such as seed growing, tree and

hedgerow planting, tree care, woodland walks and providing alerts to pests and diseases. Their role promoting, protecting, planting and celebrating trees is vital to help tackle climate change, meet nationally ambitious planting targets, increase biodiversity, and enhance everyone's health and wellbeing.

Thousands of volunteer Tree Wardens across the country work within local networks which, with our help and support, are set up and managed by public and civil society organisations such as local authorities, parish councils and voluntary groups. The Tree Warden Scheme was launched in 1990 in the aftermath of the Great Storm of 1987.

The Tree Council is enormously grateful to the Tree Wardens for their support. They are capable, committed and inspirational and participate in activities as our representatives, for example, gathering field data, planting and caring for trees, and disseminating information.

As part of the objective to increase communication and cooperation between and with the Tree Wardens, The Tree Council holds annual Tree Warden Forums across the country. Since the pandemic, these have been a mix of online and in person events. The Forums are an opportunity for volunteers to hear key speakers present on locally and nationally important tree related topics and to see and hear about other Tree Wardens' projects.

We are pleased to see the growth in interest from volunteers across the country, including eight newly established Networks, which represents the greatest number of developing Networks since 2005. This growth has been enabled with the kind support of 29th May 1961 Charitable Trust, helping us establish and offer training to new networks.

The national Advisory Group with representatives and deputies from each of our nine regions has continued to meet regularly.

Community: National Tree Week 2021

The Tree Council's year has five focal points: Seed Gathering Season (autumn), National Tree Week (end of November), Trees Love Care (March/April), National Hedgerow Week, and Walk in the Woods (May). The highlight and main focus of activity is National Tree Week. Launched by The Tree Council in 1975, this is the annual event that brings everyone together to celebrate trees and mark the start of the winter tree planting season.

Highlights of the 2021 National Tree Week include:

- Wombles launch photocall – Great Uncle Bulgaria planting with pupils from Green Lane Primary School, Pinner
- Our first corporate planting day, establishing a new 183 metre hedgerow, plus a stretch of riverine trees near Bicester
- Webinar series on topics ranging from tree planting and care, to mistletoe, and photography and music inspired by the Highlands of Scotland
- A national story-writing competition in partnership with The Week Junior: Science & Nature

Community: Network Rail

In August 2021, Network Rail Southern confirmed a £1 million community planting programme over three years, to sit alongside the existing four-year national partnership already in place.

By the end of the planting season in March 2022, the combined programmes had established 75,753 trees (including 11.8 kms of hedgerow), working with 23 community partners and 785 volunteers on sites ranging from Glasgow to Plymouth. The schemes have brought a wide variety of environmental and social benefits, including flood attenuation, ancient woodland restoration, habitat conservation and connectivity, urban improvements, and climate change and air pollution mitigation.

Community: ‘Close the Gap’ Hedgerow Project

Close the Gap, a £1.8 million project to raise awareness of the value of urban and rural hedges and establish bigger, healthier, better-connected hedgerows, was a primary focus for The Tree Council this year.

The 18-month initiative was designed to help tackle climate change, capture carbon, improve biodiversity, increase wellbeing, and inspire younger generations to consider land-based careers. It also exemplifies our motto, ‘working together for the love of trees’ being jointly delivered by The Tree Council, with People’s Trust for Endangered Species (PTES), Farming & Wildlife Advisory Group (FWAG), Moor Trees, University of Reading and Hedgelink, (the partnership organisation for those with an interest in hedgerows). The Tree Council was the lead partner guiding the delivery of the programme, supported by a Steering Group with representatives from each organisation.

Achievements of the programme include:

- 51 kms of hedgerows and 2,906 hedgerow trees planted with 142 communities and 2,367 volunteers
- Launch of National Hedgerow week in May 2021 on the quirky theme of ‘Talk to the Hedge’
- ‘Healthy Hedgerows App’ to help landowners assess the condition of their hedges – downloaded more than 2,000 times by Spring 2022
- Series of six green careers podcasts – with more than 5,000 listens by Spring 2022
- New Hedgelink website, a go-to place for hedgerow knowledge and guidance
- ‘The Tree Grower’s Guide’ published on-line and in print – a beautifully illustrated pocket-book to identify trees, grow them from seed and how to create a community tree nursery
- ‘Discovery Day’ at London’s Olympic Park for 200 young apprentices, trainees and schoolchildren to inspire them to consider land-based careers
- Capital works to Moor Trees community nursery in Exmoor, Devon, enabling them to raise their tree-growing capacity from 15,000 pa to 50,000 pa
- ‘Copse in a Box’ kits given to 360 community groups to help them launch their own nursery

We are delighted that, although ‘Close the Gap’ finished officially in March 2022, we heard on 25 March 2022 that our work with hedgerows will continue through a new, £500,000, three-year programme, funded by Defra’s Trees Call to Action Fund, starting in June 2022.

*The Green Recovery Challenge Fund is funded by Defra and is being delivered by The National Lottery Heritage Fund in partnership with Natural England and the Environment Agency.

Community: Grants Programme

The Tree Council’s ‘Branching Out’ small grants programme focuses on supporting smaller planting projects, hedges, copses and orchards – establishing the right trees, in the right places, to create greener and healthier local communities, in city and rural locations, for the benefit of the public.

The grants require the involvement of young people and, through the programme, thousands of children have engaged with the wonders of the natural world and started to explore the importance of nature in their everyday lives. They have learnt how to plant and care for trees; increased their knowledge of maths and science; discovered the joy of preparing and eating home-grown produce; and seen the benefits of working together as a team.

Equally importantly, the programme instils an understanding of the importance of trees for the future of our planet and for their own wellbeing – and it nurtures the next generation of active environmentalists.

In 2021/22, our Branching Out grants continued to support small planting schemes with funds from our Jubilee Partners and Animal Friends partnership. More than 19,371 trees were planted with help from young people, usually under the age of 16, in schools and community spaces across the UK. The children were helped by their parents, teachers, the community and The Tree Council’s volunteer Tree Wardens.

Young Learning: National Schools Programme

Learning has underpinned The Tree Council’s work for decades, whether it be skills shared with volunteer Tree Wardens, the learning acquired through science and research, or the knowledge acquired by young people benefiting from the charity’s community tree planting grants.

Our learning programme has become more formal and strategic in nature following the significant receipt of funds from the Daily Mail ‘Be a Tree Angel’ campaign in 2019 and from M&G plc in 2020. We launched our new National Schools Programme in 2020/21 and the programme has continued to thrive and grow in 2021/22, focusing on work with some of the most diverse and deprived communities across the UK.

We have identified four issues that negatively impact children, young people and nature in schools:

1. Growing social anxiety and other related mental health concerns associated with the climate and biodiversity crises (eco-anxiety) and the global pandemic.
2. Gap in understanding the value and role of trees in addressing the crises and in particular a lack of technical horticulture knowledge and skills.
3. Inequality that is prevalent in society with regards to children and young people having a voice and opportunity to influence positive change.
4. Nature poor school grounds and access to nature for the purposes of learning and health and wellbeing.

The schools' team (comprising a National Programme Manager and an Officer), with support from the wider Tree Council team, aims to tackle these issues and is responsible for the three elements of the programme: 'Orchards for Schools' 'Young Tree Champions' and 'Young Tree Champion Ambassadors'.

The programme's call to action is to be a #ForceForNature, with young people working together to connect, learn and share the power of trees and nature to help tackle the climate crisis.

Highlights of 2021/22 include:

Orchards for Schools planted 5,595 fruit trees and 8 kms of fruiting hedgerow in 1,219 schools across England, Wales, Scotland and Northern Ireland. The schools received a package of teacher training and curriculum-linked resources to support them in planning and learning to care for their trees and share their experiences. Online evaluation with participating teachers was very encouraging with 95% of 83 respondents finding the materials and support extremely helpful.

Young Tree Champions continued to be supported by generous three-year funding from M&G plc, working in partnership with Speakers Trust, Learning through Landscapes and Derby University.

Each of the 300 or more Young Tree Champion schools has benefited from a combination of free trees, a tech kit and access to an online hub to network and share activities, as well as a comprehensive package of teacher training, support and resources. Pupils also take part in public speaking workshops to build their confidence and help them find their voice and become ambassadors for trees and nature. In 2021/22, 109 of the schools who had not yet planted, took up the tree offer and planted 515 mixed trees and 270 metres of hedgerow.

Young Tree Champion Ambassadors (15–26 years old) In March 2021, the programme was given an exciting boost with a grant confirmed by The Kusuma Trust. This has enabled us to appoint and provide training to eight Young Ambassadors from a wide range of backgrounds, including musicians, artists, poets and horticulture students. Their role is to inspire young people to become a #ForceForNature and to help create, plan and deliver the annual #ForceForNature Schools Tour

and Festival. In 2021/22, this also included filming a message for the leaders at COP26, with one young ambassador, James Owen Thomas, invited to meet the Prime Minister at 10 Downing Street.

Science & Research: Ash Dieback (ADB) and Oak Processionary Moth (OPM)

The Tree Council partners with Defra, Fera Science, Forest Research, Network Rail and leading universities on a variety of research programmes that help shape national policy and best practice. We aim to increase knowledge and apply science to help establish varied and biodiverse treescapes across Britain, which will be resilient to climate change and pests and diseases.

Our science and action research this year has continued to support government and local authorities in England and Scotland as they tackle threats from ash dieback and Oak Processionary Moth.

- Throughout 2021, we continued our series of workshops with Scottish local authorities, to develop the core resources for a Scottish Ash Dieback Toolkit to complement the England and Wales Toolkits published in 2019. The Toolkit was launched with Scottish Forestry and other agencies in June 2021.
- We also undertook workshops designed to gather a range of perspectives from local authorities and other relevant stakeholders at different stages of their Ash Dieback response. These sessions were in high demand, greatly exceeding the proposed participant numbers; this reflects the scale of challenge and interest in ADB response. In total, 130 individuals attended representing 65 different Local Authorities.
- The findings of these workshops, and additional interviews, have shaped new modules for the Ash Dieback Toolkit, which will expand the content on managing ash dieback around roads and public rights of way.
- In tandem with our work on ash dieback, we have also focused on helping local authorities manage the risks of Oak Processionary Moth. In a series of sessions with local authorities, we finalised the toolkit, testing potential changes to the way the pest is managed, with a more Local Based Risk Approach. The toolkit was published in October 2021 at a joint event with The Tree Council, Defra and the Forestry Commission. We are a key partner in the ongoing research to evaluate the resources and financial support mechanisms for OPM, particularly in light of policy changes and to ensure that oak is protected in the landscape while public health risks are mitigated.

Science & Research: Local Authority Tree Strategies

A strategic approach is one of the most important factors underpinning well-planned and resourced, thriving treescapes – and yet just over one third of local authorities have a tree strategy. A well-written local tree strategy sets out the vision for how a local treescape will be managed now and for the future and acts as go-to reference for a wide range of local stakeholders.

As large and increasing numbers of local authorities are announcing climate emergencies, we have continued our work with Defra and Fera Science to give practical guidance to help local authorities develop tree strategies for themselves.

During the research phase of this project, we held cross-departmental government workshops with representatives from Defra, Forestry Commission, Natural England, Department for Transport, Department for Levelling Up, Housing and Communities. We also engaged with 40 individuals, from 22 local authorities, and 5 non-governmental organisations/consultants, plus separate workshops to elicit perspectives from community volunteer groups involving 30 individuals.

This work will culminate in a Trees and Woodland Strategy Toolkit, which we have consulted widely on in 2021/22 and will be launched in 2022/23.

Science & Research: Shared Outcomes

This research project with Defra and Natural England aims to establish new techniques to grow 'Trees outside Woodlands' and is funded through Treasury's 'Shared Outcomes Fund'. The project's vision is to develop new ways of expanding bio-secure tree cover at reduced costs, to meet increased UK tree planting ambitions and reverse trends in tree losses. The Tree Council is co-ordinating five pilot schemes with local authority partners looking at: urban tree establishment, agro-forestry and orchards, community tree nurseries, hedgerow tree management, and subsidised planting.

Science & Research: Sentinel Treescapes

This tree-health monitoring project, in partnership with Newcastle University, Fera Science and our Norfolk Tree Wardens, has installed 'tree talkers' on the trunks of Sentinel Trees and, through the year, has been recording data on their health. Volunteer Tree Wardens have downloaded their observations onto a new App, alongside the data provided by the 'Tree Talkers'. This is the first step towards developing a Regional Tree Health Index, using the Sentinel Trees as signposts for the state of the wider health of the tree population.

Science & Research: UK Treescapes and Connected Treescapes

We are a core part of the 'Connected Treescapes' project funded under the UK Treescapes programme. This 3-year research project with the Universities of York, Derby, Strathclyde, Newcastle, Edinburgh and the James Hutton Institute, aims to understand how we can expand treescapes in a way that is resilient and facilitates connection between people and trees. The Tree Council will produce a tool to help land managers navigate decision-making around tree planting, identifying risks and benefits.

Partnership: Hedgelink

Hedges are Britain's most widespread Priority Habitat – providing connectivity and homes to more than 130 national priority species. They have a high biodiversity and carbon storage value, as well as helping improve air quality in cities.

The Tree Council is Chair of Hedgelink, the partnership that brings everyone interested in hedgerows together, to share knowledge and ideas, to encourage and inspire, and to work with farmers and other land managers to conserve and enhance our hedgerow heritage.

The partnership comprises nearly 30 organisations including, People's Trust for Endangered Species (PTES), Farming & Wildlife Advisory Group (FWAG), Campaign to Protect Rural England (CPRE), Defra, Woodland Trust, National Farmers Union (NFU) and the Centre for Ecology and Hydrology (CEH).

This year, in addition to grant giving for hedgerows and hedgerow trees through our community programme, we have worked with partners to develop joint responses to consultations and policy announcements, such as the Environmental Land Management (ELM) schemes.

With the ongoing work of 'Talk to the Hedge' hedgerows will remain an important component of The Tree Council's work going forward.

Partnership: National Representation

The Tree Council chairs or serves on more than a dozen, national, high-level, policy, practice and advisory boards to governments in the UK nations and EU on the topics of tree health/disease, tree safety, habitats, biodiversity, climate change, and tree features. In these fora, we represent the views and concerns of our member organisations, enhancing the operating environment and highlighting issues of concern.

Partnership: Membership

The Tree Council began as an informal coalition of tree organisations at the time Dutch elm swept through the UK and it was instituted as a registered charity in 1973.

This model of collaboration between a diverse range of public, not-for-profit and private bodies united by concern for trees is a powerful one and our membership remains the driver for lobbying, joint consultation responses, campaigning and influencing, helping to develop policy with a stronger, unified voice. We speak with the combined weight and expertise of our member organisations behind us and are generally recognised as the trusted voice of the tree sector.

In 2021/22, working with our charity coalition group, we reviewed and fed back to government on Plant Biosecurity and the new Environmental Land Management (ELMs) schemes.

In June 2021, we completed a review of our membership, its purpose, structure and benefits, and introduced a three-tier scheme recognising the differing sizes of our partners. On 31 March 2022, our membership stood at around 100, including not-for-profit organisations with a national remit (full members); local authorities and Tree Warden networks; consultative members; and commercial enterprises that support our objectives (associate members).

Partnership: The Queen's Green Canopy

The Tree Council sits on the Urban Greening Advisory Board of The Queen's Green Canopy, a unique tree planting initiative encouraging people across the UK to 'Plant a tree for the Jubilee' in honour of Her Majesty The Queen's 70 years of service to the nation. The Jubilee planting and tree care takes place over two winter seasons, 21/22 and 22/23.

We have been delighted to welcome a group of corporate Jubilee Partners who collectively, have pledged support to plant 35,000 trees and 7 kms of hedgerow over the two planting seasons. While most of the planting will take place in the 2022/23 season, the first 4,000 trees have already been established in 2021/22 and corporate volunteers have created two new green corridors in Bicester, Oxfordshire. This included planting some rare black poplar trees, only c10,000 of which remain in the UK.

Looking forward to 2022/23 & beyond

Management:

- In 2022/23, Trustees and Team Tree Council will work to develop a new three-year strategy and action plan for The Tree Council 2023 – 2025
- We will review our Finance function to ensure that it continues to be well-resourced as the charity grows and manages increasing numbers of transactions

Community:

- In 2022/23, we will continue to work with the Tree Warden networks to support and develop the Tree Warden Scheme, establishing new networks and supplementing the training programme with new modules relating to hedgerow management.
- We will continue to promote National Hedgerow Week to raise public awareness of the importance and value of hedgerows and we will seek funding to continue our hedgerow work beyond the end of 'Close the Gap'.
- We will develop our community planting partnerships with Network Rail to include more trees in riparian and urban settings, work with groups with special needs and the addition of PhD research into wood pasture landscapes.

Young Learning:

- We will continue the Orchards for Schools programme, establishing orchards and fruiting hedgerows with pupils in around 100 (2020/21: 800) new schools across the UK, and providing teacher training, support and curriculum-related resources.

- We will deepen the impact of the Young Tree Champion programme through delivering a research study of nature connectedness in collaboration with the University of Derby.
- We will launch a new Young Tree Champion Ambassadors programme for c100 young people (7–14 years old) to complement the existing programme for 15 – 26 year olds and continue to support our Young Ambassadors by developing and delivering training and ‘masterclasses’ to schools.
- Our Young Ambassadors will help develop an exhibit at the Big Bang! Schools Fair in Birmingham in June 2022

Science & Research:

- We will publish the Trees and Woodland Strategy Toolkit in autumn 2022 in partnership with Defra and Forestry Commission, and will work with local authorities to establish its value in enabling the development of local trees and woodland Strategies
- We will launch the Oak Processionary Moth Toolkit for local authorities in October/November 2021 in partnership with Defra, Forestry Commission and Forest Research.
- We will work with Forest Research to evaluate the impact of the resources included in the Oak Processionary Moth and Ash Dieback Toolkits and update them periodically
- We will continue our research into biosecurity, working with Fera to identify gaps in training provision and work with Defra and Scottish Forestry on developing new materials and resources for local authorities dealing with Ash Dieback.

Partnership:

- In 2022/23, we aim to develop our fundraising strategy with opportunities for individual, corporate and trust support. This will include new initiatives and events with our Jubilee Partners, pilot campaigns with the Big Green Give and Big Give Christmas Challenge.
- The Tree Council has a heritage of convening cross-sector forums to address challenges relating to the tree sector. We aim to hold three such Forums in 2022/23.

Beneficiaries of our services

The beneficiaries of our services include: our volunteers and members; pupils and teachers participating in our National Schools Programme; communities and landowners receiving grant-funding to establish trees; local authorities supported to help tackle tree pests and diseases and plan future tree strategies; our coalition of conservation charities whom we bring together to comment on consultations and address tree-related challenges; and the UK general public who receive the important social benefits of our tree, hedgerow and orchard planting. In addition, our work helps conserve wildlife and habitats, improves biodiversity and contributes to tackling climate change and safeguarding the future health of our planet. All these are covered in greater detail in the achievements and performance section above.

Financial review

The Tree Council is entirely self-funding with income generated through grants and gifts from major donors, charitable trusts, corporate partnership, membership fees and legacy giving.

In 2021/22, the charity boosted restricted income to £2,157,869. The charity's unrestricted reserves increased by £168,084. Total income for the year was £2,803,166 (compared to £1,294,902 the previous year) and total expenditure was £2,794,169 (compared to £1,177,714 last year).

Unrestricted reserves at the end of the financial year were £447,063 and restricted reserves (mainly tree planting funds) were £642,052. Total reserves were £1,089,115.

Reserves policy and going concern

It is the policy of the Tree Council to maintain unrestricted funds at a level which equates to at least six months core costs. The budgeted core costs for 2022/23 are about £666,000 and so unrestricted reserves at £447,063 are equivalent to 8 months of core costs.

The Trustees continue to keep the risks facing The Tree Council under close review and ensure that costs are carefully controlled. The Trustees continue to keep all the reserves in the form of interest-earning bank accounts and deposits.

The Trustees, as part of their continuous risk assessment, monitor any ongoing implications of the pandemic, the rapid changes in the economy, and their normal activities.

The Tree Council has generated many new grants and contracts over the past two years and is confident of its ability to operate as a going concern.

Risk Assessment

The Board maintains a risk assessment system which is based on a numerical assessment of risk, with an accompanying management commentary. Trustees consider these reports regularly both for the organisation as a whole and for major projects. The aim is to highlight and measure potential risks to the success of an activity or process, assess the impact, and put in place appropriate management action. The system encompasses all areas of our activities, although the continuing increased projects and programmes with corporate partners marks this area out for ongoing development.

Risks are reviewed in depth under six headings: financial, operational, regulatory, reputational, strategic and external.

Our top two key risks identified and their mitigation are:

- Unrestricted reserves falling below the recommended level approved by Trustees (a band equivalent to 6–12 months of core operating costs). The Finance Committee monitors unrestricted reserves levels quarterly and if the level falls below 6 months, the Chairman, Treasurer and CEO keep income/expenditure under monthly review. We stay in close touch with principal funding partners and begin grant renewal or tender processes in good time to

allow alternative funding to be found if necessary. With our supporters' approval, we build a contribution towards core costs into major projects.

- Team retention and succession planning have become ever more important with the move to flexible working, a rapidly changing employment market and The Tree Council's growing programme of activities. We work hard to maintain a strong and positive team ethic and to motivate, support, develop and reward the team, recognising achievements and delivering appraisals in a constructive context. We have brought more employees into the team with formal arboricultural qualifications to ensure adequate cover. Now that the team is more widespread geographically, we are establishing an induction programme for new team members to meet and engage with each other operationally and personally. Succession planning will form part of our next 3–5 year strategy and action plan

Accordingly, we can confirm that the major risks to which the Council is exposed have been reviewed and systems are in place to mitigate those risks.

Fundraising

The charity's fundraising objective was to reach £1m sustainable annual income by 2021, of which c25% to be unrestricted. This has been achieved once again in 2022, which will enable us to develop and, in the longer-term, establish ambitious programmes for public benefit in our four key areas of work: Community Action, Young Learning, Practical Science & Research, and Partnership.

We are incredibly grateful to our partners for their support, which has included funding for core costs on projects, as well as key activities such as comms and marketing. Grants from M&G, National Lottery Heritage Fund, Network Rail and C. Hoare & Co have been greatly appreciated to help us invest in the future successful growth of the charity. These funds have enabled us to achieve significant public benefit with little additional fundraising expenditure.

The current fundraising approach focuses on a mix of corporate partnerships, research applications and philanthropic fundraising. Our fundraising does not include direct marketing or telephone campaigns and we remain mindful at all times of the need to safeguard vulnerable people.

The Tree Council does not use professional fundraisers or agencies and received no complaints in this financial year.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 5 December 1979 and registered as a charity on 17 December 1979.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. The Trustees have not claimed any expenses.

The members of the Board of Trustees meet regularly to review its affairs, review the charity's aims, objectives and activities, as well as report on the benefits for the public good. The Board has a Finance Committee, chaired by the Treasurer, to oversee the charity's financial affairs, to report to the Board and make recommendations as appropriate at each meeting.

The Chief Executive, Sara Lom, together with the Senior Team comprising the Director of Trees, Science & Research, the Director of Programmes, Partnerships & Comms and the Director of Finance manage the day-to-day administration of the charity.

The Tree Council moved offices this year upon expiry of its current lease. The team has grown over recent years but since the pandemic, more team members are based across the UK and people continue to work flexibly with some days from home. A new lease for 14 Dock Offices, a slightly smaller space in the same building, was therefore signed by all parties on 2 March 2022, including a Deed of Surrender for 4 Dock Offices, together with a notice relating to the Landlord & Tenant Act 1954. British Land will pay £18,000 to The Tree Council following the Surrender.

I would like to thank our outgoing Deputy Chair, Elizabeth Hiester and Jeremy Simons, for their outstanding support over more than half a decade and my fellow Trustees for their wonderful commitment and shared expertise.

We have appointed new team members through the year. We offer a warm welcome to them and huge thanks to the existing team, who manage to juggle daily deadlines and a wide range of national programmes and projects – always with enthusiasm, professionalism and smiles on their faces.

Appointment of Trustees

The Tree Council subscribes to the seven principles of the Nolan Rules in appointing trustees. These are: selflessness, integrity, objectivity, accountability, openness, honesty and leadership. In addition, the Tree Council looks for the following qualities, skills and experience:

- An appreciation of the importance of trees and the environment
- A willingness to make the time commitment to attend Board meetings, strategic review meetings and other related meetings and activities, including familiarisation with the work of the Council
- An ability to think strategically, formulate direction for the organisation and support management
- An ability to contribute to board discussions, seek advice, exercise sound judgement and contribute to good governance
- A willingness to use their networks on behalf of The Tree Council, in advocacy, fundraising (including pro bono contributions), public affairs and communications

The number of Trustees is required to be no less than three, with no maximum number. One third of Trustees retire at each annual meeting and are eligible for reappointment, subject to the provision in the Articles that Trustees shall normally serve for no more than six years.

The Board is responsible for ensuring that an appropriate succession strategy is adopted for the replacement of Trustees. The Chair and Chief Executive take responsibility for informing the Board when new Trustees need to be appointed.

In order to identify Trustees, when a vacancy is about to occur, the Chair and Chief Executive review the balance of skills, attributes and experience on the current Board relative to the future needs of the organisation. Trustees are appointed to ensure the positive evolution of the charity. Prior to appointment, new Trustees meet formally with at least two current Trustees and usually attend at least one Board Meeting as an observer.

Induction for new Trustees is carried out by the Chief Executive and includes familiarisation with people, activities and events over a number of months.

Remuneration policy for key management personnel

The Tree Council's Remunerations Committee, chaired by the Treasurer, comprises 3 appropriately experienced Trustees, reviews the remuneration of all employees, based on market data and performance.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of The Tree Council for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2022 was 14 (2021: 14). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The Trustees' annual report has been approved by the Trustees on 18 October 2022 and signed on their behalf by

Joel Cadbury
Chairman

Andrew Fenwick
Treasurer

Opinion

We have audited the financial statements of The Tree Council (the ‘charitable company’) for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 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
- 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 Tree Council’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 trustees' 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.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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 trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

Independent auditor`s report

To the members of

The Tree Council

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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor`s report

To the members of

The Tree Council

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

Fleur Holden (Senior statutory auditor)

11 November 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

The Tree Council

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

		Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
	Note						
Income from:							
Donations and legacies	2	163,890	37,500	201,390	39,504	-	39,504
Charitable activities							
Tree and hedge planting		10,000	1,955,869	1,965,869	-	712,868	712,868
Science and Research		441,097	-	441,097	396,708		396,708
Education and community engagement	3	10,990	164,500	175,490	-	142,800	142,800
Investments	4	174		174	392	-	392
Other		19,146	-	19,146	2,629	-	2,629
Total income		645,297	2,157,869	2,803,166	439,234	855,668	1,294,902
Expenditure on:							
Raising funds	5	147,837	54,000	201,837	139,540	19,838	159,378
Charitable activities							
Tree and hedge planting	5	86,428	2,129,743	2,216,171	17,723	741,228	758,951
Science and Research	5	59,111	-	59,111	38,543		38,543
Education and community engagement	5	183,838	133,212	317,050	220,842	-	220,842
Total expenditure		477,213	2,316,955	2,794,169	416,648	761,066	1,177,714
Net income / (expenditure)		168,084	(159,086)	8,998	22,586	94,602	117,187
Transfer between funds		-	-	-	-	-	-
Net movement in funds		168,084	(159,086)	8,998	22,586	94,602	117,187
Reconciliation of funds:							
Total funds brought forward		278,979	801,138	1,080,117	256,393	706,536	962,930
Total funds carried forward		447,063	642,052	1,089,115	278,979	801,138	1,080,117

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements."

The Tree Council

Balance sheet

Company no. 01459056

As at 31 March 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	12		25,254		3,859
			25,254		3,859
Current assets:					
Debtors	13	515,781		153,620	
Cash at bank and in hand		1,098,453		1,149,210	
		1,614,234		1,302,831	
Liabilities:					
Creditors: amounts falling due within one year	14	(550,374)		(226,574)	
Net current assets			1,063,859		1,076,257
Total assets less current liabilities			1,089,114		1,080,117
Total net assets			1,089,115		1,080,117
The funds of the charity:	17a				
Restricted income funds			642,052		801,138
Unrestricted income funds:					
General funds		447,063		278,979	
Total unrestricted funds			447,063		278,979
Total charity funds			1,089,115		1,080,117

Approved by the trustees on 18 October 2022 and signed on their behalf by:

Joel Cadbury
Chairman

Andrew Fenwick
Treasurer

Statement of cash flows

For the year ended 31 March 2022

	Note	2022 £	£	2021 £	£
Cash flows from operating activities					
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		8,998		117,187	
Depreciation charges		5,730		4,941	
(Increase)/decrease in debtors		(362,161)		30,603	
Increase in creditors		323,801		165,413	
Net cash provided by operating activities			(23,632)		318,144
Cash flows from investing activities:					
Purchase of fixed assets		(27,125)		(1,854)	
Net cash used in investing activities			(27,125)		(1,854)
Change in cash and cash equivalents in the year			(50,757)		316,289
Cash and cash equivalents at the beginning of the year			1,149,210		832,921
Cash and cash equivalents at the end of the year			1,098,453		1,149,210
Analysis of cash and cash equivalents					
				At 31 March 2022	
	At 1 April 2021	Cash flows	Other non- cash changes		
	£	£	£		£
Cash at bank and in hand	1,149,210	(50,757)	-		1,098,453
Total cash and cash equivalents	1,149,210	(50,757)	-		1,098,453

1 Accounting policies

a) Statutory information

The Tree Council is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 4 Dock Offices, Surrey Quays Road, LONDON, SE16 2XU

b) 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 (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees have considered the covid-19 pandemic, inflation, the uncertain economic climate and their normal activities and confirm that there are no material uncertainties about the charity's ability to continue as a going concern. In particular they have reviewed the future cash flows and commitments and have ascertained that there are sufficient unrestricted reserves and future cash flows to confirm that the charity is a going concern.

Key judgements that the charity has made which have a significant effect on the accounts include estimating the liability for multi-year grant commitments.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, 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.

g) Interest receivable

Interest on 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.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

1 Accounting policies (continued)

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of salary time by each activity each year. For this year the percentages are

●	Tree and hedge planting	75%
●	Education and community activities	9%
●	Science & Research	2%
●	Fundraising	6%
●	Support costs	6%
●	Governance costs	2%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

●	Tree and hedge planting	79%
●	Education and community activities	11%
●	Science & Research	2%
●	Fundraising	7%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

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

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. Fixtures & Fittings and Office & Computer Equipment are depreciated over 3 years.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Cash at bank and in hand

Cash at bank and cash 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.

p) Creditors and provisions

Creditors and provisions are recognised where the charity 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

q) 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.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Donations and legacies	91,685	4,000	95,685	10,440	-	10,440
Jubilee Partners Fund	25,000	33,500	58,500	-	-	-
Friends of the Tree Council	29,310	-	29,310	23,034	-	23,034
Subscriptions	17,896	-	17,896	6,030	-	6,030
	<u>163,890</u>	<u>37,500</u>	<u>201,390</u>	<u>39,504</u>	<u>-</u>	<u>39,504</u>

3 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Tree and hedge planting						
Network Rail Community Planting	-	682,000	682,000	-	395,000	395,000
Close the Gap	-	1,226,545	1,226,545	-	250,000	250,000
Tree planting grants	-	7,324	7,324	-	58,268	58,268
Animal Friends	10,000	40,000	50,000	-	-	-
Science & Research	441,097	-	441,097	396,708	-	396,708
Education and community engagement						
M & G	10,990	164,500	175,490	-	142,800	142,800
Kusuma Trust	-	-	-	-	9,600	9,600
Total income from charitable activities	<u>462,087</u>	<u>2,120,369</u>	<u>2,582,457</u>	<u>396,708</u>	<u>855,668</u>	<u>1,252,376</u>

4 Income from investments

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from cash deposits	498	-	498	392	-	392
	<u>498</u>	<u>-</u>	<u>498</u>	<u>392</u>	<u>-</u>	<u>392</u>

5a Analysis of expenditure (current year)

	Charitable activities							
	Raising funds	Tree and	Education and	Science &	Governance	Support costs	2022	2021
	£	hedge planting	community	Research	costs		Total	Total
	£	£	engagement	£	£	£	£	£
Staff costs (Note 8)	115,467	240,055	238,001	32,826	50,251	56,954	733,553	530,185
Tree Warden Scheme	-	-	7,857	-	-	-	7,857	7,611
Office and Facility costs	-	-	-	-	-	56,546	56,546	25,843
Grants Payable (Note 6)	-	1,847,087	-	-	-	-	1,847,087	503,884
Audit and other governance costs	-	-	-	-	8,100	-	8,100	9,291
Recruitment, Training & Consultancy	-	3,624	-	-	-	15,746	19,370	42,531
Website, IT,data management & telephone costs	-	-	-	-	-	31,203	31,203	21,483
Marketing and Brand costs	63,917	-	-	-	-	-	63,917	27,962
Depreciation	-	-	-	-	-	5,730	5,730	4,941
Travel costs	-	13,140	3,833	3,833	-	-	20,806	3,983
	179,384	2,103,906	249,691	36,659	58,351	166,178	2,794,169	1,177,714
Support costs	16,618	83,089	49,853	16,618	-	(166,178)	-	-
Governance costs	5,835	29,175	17,505	5,835	(58,351)	-	-	-
Total expenditure 2022	201,837	2,216,171	317,050	59,111	-	-	2,794,169	
Total expenditure 2021	159,378	758,952	220,842	-	-	-		1,177,714

5b Analysis of expenditure (prior year)

	Charitable activities						
	Raising funds	Tree and	Education and	Science &	Governance	Support costs	2021
	£	hedge planting	community	Research	costs	£	Total
		£	engagement		£	£	£
Staff costs (Note 8)	90,899	153,129	165,538	38,543	37,749	44,328	530,186
Tree Warden Scheme	-	-	7,611	-	-	-	7,611
Office and Facility costs	-	-	-	-	-	25,843	25,843
Grants Payable (Note 6)	-	503,884	-	-	-	-	503,884
Audit and other governance costs	-	600	-	-	8,691	-	9,291
Recruitment, Training & Consultancy	-	24,921	-	-	-	17,610	42,531
Website, IT,data management & telephone costs	-	-	-	-	-	21,483	21,483
Marketing and Brand costs	27,962	-	-	-	-	-	27,962
Depreciation	-	-	-	-	-	4,941	4,941
Travel costs	258	2,343	993	-	-	388	3,982
	119,120	684,877	174,142	38,543	46,440	114,593	1,177,714
Support costs	28,648	52,713	33,232	-	-	(114,593)	-
Governance costs	11,610	21,362	13,467	-	(46,440)	-	-
Total expenditure 2021	159,378	758,952	220,841	38,543	-	-	1,177,714

Notes to the financial statements

For the year ended 31 March 2022

6a Grant making (current year)

	Grants to institutions £	Support costs £	2022 £
Cost			
Network Rail	262,724	-	262,724
M & G	38,857	-	38,857
Schools & community groups	1,545,506	-	1,545,506
At the end of the year	<u>1,847,087</u>	<u>-</u>	<u>1,847,087</u>

During 2022 and 2021 the Tree Council used an internal committee to assess grant applications as well as having a joint committee with Network Rail for the grants made from their restricted funds. The most significant individual grants were to Moor Trees for capital works and trainee programme of a community tree nursery in Devon £423,876, the University of Reading for work to deliver an online Hedgerow Hub on best practise management of hedgerows £31,000, PTES for development of Hedgerow App and volunteer training £74,860 and FWAG for hedgerow planting £385,000 (2021: Farming and Wildlife Advisory Group South West £32,987, Harting Parish Council £32,179 & Another Way Cumbria £31,229).

6b Grant making (prior year)

	Grants to institutions £	Support costs £	2021 £
Cost			
Schools, community groups and Good Gifts Guide	503,884	-	503,884
At the end of the year	<u>503,884</u>	<u>-</u>	<u>503,884</u>

7 Net income for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Depreciation	5,730	4,941
Operating lease	30,546	-
Auditor's remuneration (excluding VAT):		
Audit	<u>8,100</u>	<u>7,750</u>

Notes to the financial statements

For the year ended 31 March 2022

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	628,587	456,642
National insurance	62,671	44,389
Employer's contribution to defined contribution pension schemes	42,294	29,154
	<u>733,553</u>	<u>530,185</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022 No.	2021 No.
£60,000 - £69,999	<u>2</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £276,399 (2021: £236,125).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

There were no payments to trustees for expenses (2021: nil).

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 15.2 (2021: 12.2).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2022 No.	2021 No.
Tree and hedge planting	4.5	3.5
Science & Research	1.5	1.0
Education and community engagement	6.9	2.8
Support, Fundraising and marketing	2.0	3.9
Governance	0.3	0.6
	<u>15.2</u>	<u>11.8</u>

10 Related party transactions

There are no related party transactions to disclose for 2022 (2021: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Fixtures and furniture £	Office and computer equipment £	Total £
Cost			
At the start of the year	2,838	40,267	43,105
Additions in year	-	27,125	27,125
At the end of the year	2,838	67,392	70,230
Depreciation			
At the start of the year	2,838	36,408	39,246
Charge for the year	-	5,730	5,730
At the end of the year	2,838	42,138	44,976
Net book value			
At the end of the year	-	25,254	25,254
At the start of the year	-	3,859	3,859

All of the above assets are used for charitable purposes.

13 Debtors

	2022 £	2021 £
Grants and sponsorship receivable	256,339	112,923
Prepayments and other debtors	3,836	11,368
Accrued income	255,605	59,932
	515,781	184,223

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	235,564	6,626
Taxation and social security	84,536	38,708
Accruals	230,275	15,827
	550,374	61,161

15 Pension scheme

The company pays 7% to nest for its employees, and the employee contributes 1% in compliance with the rules of auto enrolment.

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	25,254	-	-	25,254
Net current assets	421,809	-	642,052	1,063,861
Net assets at 31 March 2022	447,063	-	642,052	1,089,115

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	3,859	-	-	3,859
Net current assets	275,120	-	801,138	1,076,258
Net assets at 31 March 2021	278,979	-	801,138	1,080,117

17a Movements in funds (current year)

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Restricted funds:					
Branching Out 1	109,263	2,500	(8,693)	-	103,070
Vernon Hill Branching Out 2	81,650	180	(2,133)	-	79,697
Good Gifts Guide	10,411	-	-	-	10,411
Tree Angel Planting Funds	52,349	-	(167)	-	52,183
Orchards for Schools	292,043	144	(169,528)	-	122,659
Special Assignment Fund	628	-	-	-	628
Network Rail Fund	1,807	408,000	(374,725)	-	35,082
M & G Fund	29,439	164,500	(133,212)	-	60,727
Siemens Fund	19,790	-	(16,000)	-	3,790
Close the Gap Fund	195,118	1,226,545	(1,397,008)	-	24,655
Kusuma Trust Fund	8,640	-	(5,500)	-	3,140
Southern Network Rail	-	274,000	(160,114)	-	113,886
Jubilee Partner Fund	-	33,500	(14,449)	-	19,051
Animal Friends Fund	-	40,000	(33,926)	-	6,074
Shoosmiths	-	1,500	(1,500)	-	-
29 May Charitable Trust	-	7,000	-	-	7,000
Total restricted funds	801,138	2,157,869	(2,316,955)	-	642,052
General funds	278,979	645,297	(477,213)	-	447,063
Total unrestricted funds	278,979	645,297	(477,213)	-	447,063
Total funds	1,080,117	2,803,166	(2,794,169)	-	1,089,115

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Branching Out 1	141,195	18,970	(50,902)	-	109,263
Vernon Hill Branching Out 2	110,237	-	(28,587)	-	81,650
Good Gifts Guide	10,411	-	-	-	10,411
Tree Angel Planting Funds	39,821	14,098	(1,570)	-	52,349
Orchards for Schools	404,244	-	(112,201)	-	292,043
Special Assignment Fund	628	-	-	-	628
Network Rail Fund	-	395,000	(393,193)	-	1,807
M & G Fund	-	142,800	(113,361)	-	29,439
Siemens Fund	-	25,200	(5,410)	-	19,790
Close the Gap Fund	-	250,000	(54,882)	-	195,118
Kusuma Trust Fund	-	9,600	(960)	-	8,640
Total restricted funds	706,536	855,668	(761,066)	-	801,138
Unrestricted funds:					
General funds	256,393	439,234	(416,648)	-	278,979
Total unrestricted funds	256,393	439,234	(416,648)	-	278,979
Total funds	962,929	1,294,902	(1,177,714)	-	1,080,117

Purposes of restricted funds

The Branching Out 1 Tree Planting Funds are for planting with schools and community groups. The majority of the funds have been donated by an anonymous donor's Charitable Trust.

The Vernon Hill Branching Out 2 Tree Planting Funds are for planting projects for schools and community groups. The Fund was made possible by a generous gift from Vernon Hill to the Daily Mail 'Be a Tree Angel' campaign.

The Good Gifts Catalogue makes grants to the Tree Council for the planting of oak saplings, bluebell woods and meadows of flowers.

Tree Angel Funds are dedicated to a variety of tree planting and have been funded by public and corporate gifts to the 'Be a Tree Angel' campaign.

The Orchards for Schools Funds are to fund orchards and fruiting hedgerows planting in schools. The fund was created following generous gifts from Lord Sugar, Richard Caring and Sir Jony Ive plus an anonymous donor following the Daily Mail campaign.

The Special Assignment Fund is to carry out specific tree research projects in overseas countries.

The Network Rail Fund is a four-year programme of community tree and hedgerow planting in cities and the countryside, mainly in England.

M&G Fund is a three-year programme dedicated to inspiring young people in schools across the UK to become Young Tree Champions and to gain the skills to become a #ForceForNature

The Welsh Trees Siemens fund is dedicated to a tree planting project with the local community at Wolf's Castle in Pembrokeshire

The Green Recovery Fund supports an 18-month programme, 'Close the Gap', to establish bigger, healthier, better connected hedgerows and hedgerow trees in England, working with Defra, National Lottery Heritage Fund and five charity partners.

17b Movements in funds

Purposes of restricted funds (continued)

The Kasuma Trust funds The Tree Council's Young Ambassadors programme.

The Southern Network Rail fund is a four-year programme of community tree and hedgerow planting in the Southern Network Rail region.

The Jubilee Partner Fund is a two-year programme in partnership with the Queen's Green Canopy to plant trees in celebration of Her Majesty's 70 years on the throne.

Animal Friends Fund is a programme focussed on tree and hedgerow planting projects that prioritise wildlife and biodiversity benefits.

Shoosmiths was a fund to plant trees at Cold Ashby in Northants.

29 May Charitable Trust is a fund to support volunteer Tree Warden networks, especially new networks, with training and other materials.

18 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Land and buildings	
	2022	2021
	£	£
Within one year	17,600	-
Within one to two years	35,200	-
	<u>52,800</u>	<u>-</u>

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.