

Company number: 1459056
Charity number: 279000

The Tree Council

Report and financial statements
For the year ended 31 March 2023



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For the year ended 31 March 2023

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The Tree Council

Reference and administrative information

For the year ended 31 March 2023

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 (to 18 October 2022)
Andrew Fenwick	Treasurer
Tariq Ahmed	
Jeremy Simons	(to 18 October 2022)
Anna Goulandris	(from 18 October 2022)

Key management personnel Sara Lom Chief Executive & Company Secretary
Clare Bowen Director of Programmes, Partnerships & Communications
Niloufer Limki Director of Finance
Jon Stokes Director of Trees, Science & Research

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 2023.

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 benefit communities and 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, community tree nurseries, 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 Ambassadors and Young Tree Champions in 243 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)'.

Summary: Achievements & Performance

The work of The Tree Council spans the UK and has three branches – Community Action, Young Learning, and Practical Science & Research. Partnership working underpins everything we do and reflects our role as a membership organisation bringing together a diverse range of public, not-for-profit and private bodies united by their concern for trees.

This year has seen renewal, growth and achievement in all three branches of our work.



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.

Total income has grown from £446,202 in 2018/19 to £2,524,224 in 2022/23.

In 2022/23, the charity's restricted income was £1,830,714. The charity's unrestricted reserves increased by £143,075. Total income for the year was £2,524,224 (compared to £2,803,166 for the previous year) and total expenditure was £2,291,346 (compared to £2,794,169 last year).

During the year, 'Close the Gap', one of our major projects funded by the National Lottery Heritage Fund came to an end. Although our total revenue fell from £2.8m to £2.5m because of the project ending, we increased our unrestricted income from £645,297 to £693,509, and grew our team from 15 to 17 people.

Unrestricted reserves at the end of the financial year were £590,138 and restricted reserves (mainly tree planting funds) were £731,855. Total reserves were £1,321,993.

Highlights of the Year include:

- **In 2022/23, with the help of thousands of enthusiastic volunteers and thanks to the generosity of our wonderful supporters, The Tree Council has enabled the planting of nearly 220,000 trees (including c24 kms of hedgerows) in 852 communities, throughout the length and breadth of the UK.**
- Ceremonial plum tree planting by our Patron, HRH The Duke of Kent, with members of the Grenfell community at the Lancaster West Estate
- Orchards for Schools planted 1,710 fruit trees and 2.73 kms of fruiting hedgerow in 373 schools across England, Wales, Scotland and Northern Ireland
- Launch of a new Trees and Woodland Strategy Toolkit following consultation with 22 local authorities and a range of conservation charities and community volunteer groups
- Young Tree Champion Ambassadors played an inspirational role at Birmingham's Big Bang Science Fair and a green careers Discovery Day at RHS Wisley
- 14.6 kms of new hedgerows planted in cities and rural communities in partnership with The Queen's Green Canopy as a legacy to celebrate the life of the late HM Queen Elizabeth
- Five new volunteer Tree Warden networks established (Fife, North Northamptonshire, Barnsley Volunteers, Gloucestershire and London Borough of Ealing)

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 the nation'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 our work that adds social value and transforms communities nationwide, The Tree Council holds annual Tree Warden Forums across the country. These are 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 five newly established Networks (Fife, North Northamptonshire, Barnsley Volunteers, Gloucestershire and London Borough of Ealing). This growth has been enabled with the kind support of 29th May 1961 Charitable Trust, helping us establish and offer training to new networks.

Community: National Tree Week 2022

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 2022 National Tree Week included:

- Ceremonial plum tree planting by our Patron, HRH The Duke of Kent, with members of the Grenfell community at the Lancaster West Estate
- Launch of Trees and Woodland Strategy Toolkit in partnership with Defra, Fera Science, Forest Research, the Forestry Commission and dozens of local authorities
- National story-writing competition in partnership with The Week Junior: Science & Nature
- First Miyawaki forest planting in Hants as part of the Shared Outcomes initiative
- Launch of #TreeTime – a social media campaign to encourage people to take a break and appreciate nature around them.

Community: *Talk to the Hedge* Project

Hedgerows are a vulnerable and declining part of our heritage, with an estimated 50% loss since WW2, leaving huge gaps in the ecological, environmental, educational and social map of our country.

We were therefore delighted to hear, on 25 March 2022, that our application for £500,000 to Defra's Trees Call to Action Fund to continue our work raising awareness of the value of urban and rural hedges and helping establish bigger, healthier, better-connected hedgerows, had been successful.

The new three-year programme called *Life on the Hedge* began in June 2022 and follows on from *Close the Gap*, which finished in March 2022.

Life on the Hedge develops existing partnerships with People's Trust for Endangered Species (PTES), Farming & Wildlife Advisory Group (FWAG), Hedgelink and Royal Parks Guild. In addition, it is establishing new collaborations with two smaller conservation charities, Another Way (led by 20-year-old Defra Plant Health Ambassador, Amy Bray) and the National Hedgelaying Society (NHLS). The project also includes partnerships with The Queen's Green Canopy and The Week Junior, Science & Nature.

The Tree Council is the lead partner guiding the delivery of the programme, which will build capacity in four charities, safeguard heritage hedge-laying skills, engage hundreds of students attending 'Green Careers Discovery Days', find sites for community tree nurseries, inspire urban and rural planting, and bring new long-term finance for planting hedgerows and their trees.

A major achievement in June 2023 was the publication of The Tree Growers Guide – a beginner's guide to identifying and growing trees from seed and starting a community tree nursery. The 100-page, richly illustrated book retails at £12.60 and was created in partnership with Moor Trees, Norfolk County Council and Cornwall Council.

**The Trees Call to Action 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: Network Rail

For the past three years, we have worked with Network Rail on two £1 million community planting programmes focused on National and Southern regions.

By the end of the planting season in March 2023, the combined programmes had established more than 250,000 trees, in collaboration with 108 community partners, who contributed more than 1,000 volunteer hours, on sites ranging from Glasgow, to Oswestry, 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: Branching Out Grants Programme

The Tree Council's 'Branching Out' 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 2022/23, our Branching Out grants continued to support small planting schemes with funds from our Jubilee Partners and Animal Friends partnership. More than 60,803 trees and hedge whips 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.

Community: The Queen's Green Canopy

The Tree Council sat on the Urban Greening Advisory Board of The Queen's Green Canopy (QGC) until its work was complete in March 2023. This unique tree planting initiative encouraged 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 took place over two winter seasons, with the majority being planted in 22/23.

To support the programme, we have been delighted to welcome a group of corporate Jubilee Partners who have collectively, pledged funds to plant 35,000 trees and 7 kms of hedgerow and have joined us for volunteer days not only planting, but also caring for the trees over the summer of 2022.

We are hugely grateful to QGC and Defra for an additional grant of £180,000 to establish 14.6 kms of new hedgerows as a legacy to celebrate the life of HM Queen Elizabeth following her demise in September 2022. This was delivered in partnership with Farming and Wildlife Group, local farming communities and our volunteer Tree Wardens across England.

Young Learning: National Schools Programme

Learning has been a thread running through The Tree Council's work for decades, whether it be skills shared with volunteer Tree Wardens, the learning acquired through citizen science, or the new knowledge gained by young people benefiting from the charity's community 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, since then, the programme has continued to thrive and grow, 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 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, care and share the power of trees and nature to help tackle the climate crisis.

Highlights of 2022/23 include:

Orchards for Schools planted 1,710 fruit trees and 2.73 kms of fruiting hedgerow in 373 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.

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 63 special project 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 2022/23, the 63 special project schools who took up the tree offer planted 320 fruit trees and 1,530 metres of hedgerow.

Young Tree Champion Ambassadors (15–26 years old) Eight young Ambassadors have been appointed from a wide variety of backgrounds including musicians, artists, poets, marine scientists and horticulture students. Following training, 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 2022/23, the Ambassadors also played a key role at the Big Bang Science Fair in Birmingham and a green careers Discovery day at RHS Wisley.

Junior Ambassadors (11–14 years old) – Thanks to a Big Give Green Match Fund campaign for Young Tree Champion Junior Ambassadors, c78 inspiring 7–14 year olds from schools across the UK became powerful ‘Forces for Nature’, speaking up for trees and encouraging their fellow pupils to connect with the natural world. Senior Ambassadors delivered six carefully crafted, online Masterclasses throughout the year including ‘Art in Nature’, ‘Story in Nature’ and ‘Words in Nature’ before the end of March, with two more planned before the end of the academic year.

Force for Nature Festival – The academic year culminated in a national Force for Nature Festival on 15 June 2022 which celebrated all the fabulous achievements of the Young Tree Champions Schools. It brought together thousands of students from across the UK who had been championing trees and nature. A recording of the event attracted 92 schools to watch and was later made available on The Tree Council’s YouTube channel. Highlights included: Artist Rachel Gadsden and Young Ambassador Muhammed, leading an interactive poetry in motion session.

Big Bang Science Fair – The Tree Council’s schools team engaged thousands of young people at the ‘Routes into Rail’ stand hosted by our partners, Network Rail, at Birmingham NEC’s Big Bang Young Scientists & Engineers Fair over four days in June 2022. Team Tree Council and young ambassadors contributed a 15-foot centrepiece silver birch and gave attendees an opportunity to engage with trees in new and unexpected ways. The Team recorded ‘newsflash’ interviews with young people, who used mobile microscope cameras to look at soil particles and mycorrhizal networks and the micro-structure of trees.

‘Discovery Day’ Green Careers at RHS Wisley (September 2022) – The Tree Council joined a green careers day for 200 horticulture trainees and apprentices organised by the Royal Parks Guild. This included a ‘words in nature’ workshop and a session focused for 50 secondary school children focused on the importance of hedgerows to nature and society.

Science & Research:

The Tree Council began as an informal coalition of tree organisations and our model of collaboration with the public, private and third sector helps develop tree and hedgerow policy with a strong, trusted and unified voice.

In our role as a convenor for the sector, 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 and climate change.

In these fora, we represent the views and concerns of our charity member organisations, local authorities and volunteer Tree Warden networks, enhancing the operating environment and highlighting issues of concern.

In 2022/23, working with members of our charity coalition group, we reviewed and fed back to government on the review of Environmental Land Management System (ELMS) and worked with our partners to persuade the nation's water companies to lift the hosepipe ban for local authorities so that they could water young trees through the prolonged summer drought.

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.

Science & Research: Local Authority Tree Strategies

A strategic approach is one of the most important factors underpinning well-planned and well-resourced 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.

Following consultation with 22 local authorities and a range of conservation charities, community volunteer groups and expert consultants, we launched a new Trees and Woodland Strategy Toolkit in Spring 2023, with workshops in the North East, Midlands, South East and London. Each workshop had its own character and reflected the regional context and perspectives of those in the room. Overall, there was a real sense of positivity, ambition, and collaboration, with a desire for practical support and an appreciation of the collective opportunity to work together to develop useful resources.

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.

Science & Research: Hedgeline

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 Hedgeline, 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.

Science & Research: PhD Programmes

The Tree Council is currently supporting three PhD researchers studying topics relevant to The Tree Council's broader aims. As part of the programme, each student will take up a three-month placement with The Tree Council, becoming members of our team and contributing to wider programmes.

- In partnership with the University of Oxford and Oxford Botanic Gardens, one student is investigating the impact of mistletoe on trees, with a new citizen science app to be launched in winter 2023.
- We are working with a student at Newcastle University and Fera Science to explore the carbon and biodiversity value of agroforestry – crucial to getting more trees on farms.
- Finally, with the UK Centre for Ecology and Hydrology and the University of Reading, we are supporting a student focused on hedgerow expansion; this complements our hedgerow programme and our role as chair of Hedgelink.

Looking forward to 2023/24 & beyond

Community:

- In 2023/24, we will continue to work with the Tree Warden networks to support and develop the Tree Warden Scheme
- We will develop a programme to help establish 18 community tree nurseries in England over the coming three years
- 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 PhD research into wood pasture landscapes

Young Learning:

- Working with schools and our Young Tree Champion Ambassadors, we will develop and deliver the Force4Nature light and sound installation and tour it to at least four UK venues in 2023/24
- We will publish a 'Young Tree Growers Guide' online with Hampshire County Council in Autumn 2023
- We will focus on securing/renewing Principal Partner funding for the Young Tree Champions programme 2024–2027

Science & Research:

- We will launch the citizen science element of the mistletoe research with Oxford University and Oxford Botanic Garden
- We will research tree mortality, looking for ways to identify the causes of young tree death and develop a system for recording it that can be used by everyone
- We will work with the Defra team and our local authority partners to secure funding to continue the Shared Outcomes programme for the next three years 2023–25
- We will update our suite of ash dieback resources to reflect the latest science and practice

Fundraising:

- We will celebrate The Tree Council's 50th anniversary, launching a BBC Radio4 Charity of the Week appeal in December 2023
- We will launch 'Tree Partners' – the exciting next chapter of our Jubilee Partners programme

Management:

- We will continue to review our Finance function to ensure that it continues to be managed securely and is well-resourced as the charity grows and manages increasing numbers of transactions
- We will appoint a new member to the Finance Committee to replace the outgoing member
- We will transition to a new Royal London workplace pension and introduce a salary sacrifice scheme on 1 May 2023

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 2022/23, the charity's restricted income was £1,830,714. The charity's unrestricted reserves increased by £143,075. Total income for the year was £2,524,224 (compared to £2,803,166 for the previous year) and total expenditure was £2,291,346 (compared to £2,794,169 last year).

During the year, 'Close the Gap', one of our major projects funded by the National Lottery Heritage Fund came to an end. Although our total revenue fell from £2.8m to £2.5m because of the project ending, we increased our unrestricted income from £645,297 to £693,509, and grew our team from 15 to 17 people.

Unrestricted reserves at the end of the financial year were £590,138 and restricted reserves (mainly tree planting funds) were £731,855. Total reserves were £1,321,992.

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 2023/4 are about £943,212 and so unrestricted reserves at £590,138 are equivalent to 7.5 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 and scientific 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.

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 2022/23, which will enable us to develop and, in the longer-term, establish ambitious programmes for public benefit in our three key areas of work: Community Action, Young Learning, and Practical Science & Research.

Talk to the Hedge is supporting the core costs of our Head of Development 2022–2025 (in addition to two hedge-related roles), which gives us confidence and continuity to grow our fundraising initiatives.

In April 2022 we took part in our first ever Big Give fundraising challenge (Big Green Give), raising £11,722 for our Young Tree Champion Junior Ambassador programme. Learnings from the Green Give campaign informed our next campaign with the Big Give Christmas Challenge in December 2022, which raised £23,774 to support Orchards for Schools. Nearly half the supporters were previously unknown to us so, although the campaigns were resource intensive, they offered a good opportunity to reach new audiences.

We are incredibly grateful to our partners for their support, which has included funding for core costs on projects and programmes, as well as activities such as comms and marketing. Grants from M&G, National Lottery Heritage Fund, Network Rail, The Queen's Green Canopy 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, formally incorporated on 5 December 1979 and registered as a charity on 17 December 1979. The organisation's genesis however, dates back to '*Plant a Tree in '73*', hence the 50th anniversary celebrations in 23/24.

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.

In October 2022, The Tree Council commissioned specialist consultants SecondSight to undertake a pensions review on behalf of The Tree Council. Following discussion of SecondSight's report and recommendations, the Trustees approved a transition from Nest to Royal London to take effect on 1 May 2023, including setting up a new salary sacrifice scheme.

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 them a warm welcome and huge thanks to the existing team, who 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 three 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 2023 was 14 (2022: 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 7 November 2023 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 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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.

Independent auditor`s report

To the members of

The Tree Council

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 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;

Independent auditor`s report

To the members of

The Tree Council

- 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.
- 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.

Independent auditor`s report

To the members of

The Tree Council

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)

Date: 7 December 2023

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 2023

		Unrestricted	Restricted	2023 Total	Unrestricted	Restricted	2022 Total
	Note	£	£	£	£	£	£
Income from:							
Donations and legacies	2	200,172	10,259	210,431	163,890	37,500	201,390
Charitable activities							
Tree and hedge planting		82,649	1,594,972	1,677,621	10,000	1,955,869	1,965,869
Science and Research		399,368	-	399,368	441,097		441,097
Education and community engagement	3	2,000	225,483	227,483	10,990	164,500	175,490
Investments	4	774		774	174	-	174
Other		8,546	-	8,546	19,146	-	19,146
Total income		693,509	1,830,714	2,524,224	645,297	2,157,869	2,803,166
Expenditure on:							
Raising funds	5	122,980	20,442	143,422	147,837	54,000	201,837
Charitable activities							
Tree and hedge planting	5	11,503	1,514,517	1,526,020	86,428	2,129,743	2,216,171
Science and Research	5	264,215	-	264,215	59,111		59,111
Education and community engagement	5	151,736	205,953	357,689	183,838	133,212	317,050
Total expenditure		550,434	1,740,912	2,291,346	477,214	2,316,955	2,794,169
Net income / (expenditure)		143,075	89,803	232,878	168,083	(159,086)	8,998
Transfer between funds		-	-	-	-	-	-
Net movement in funds		143,075	89,803	232,878	168,084	(159,086)	8,998
Reconciliation of funds:							
Total funds brought forward		447,063	642,052	1,089,115	278,979	801,138	1,080,117
Total funds carried forward		590,138	731,855	1,321,993	447,063	642,052	1,089,115

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 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	12		19,030		25,254
			19,030		25,254
Current assets:					
Debtors	13	227,937		515,781	
Cash at bank and in hand		1,705,981		1,098,453	
		1,933,918		1,614,234	
Liabilities:					
Creditors: amounts falling due within one year	14	(630,955)		(550,374)	
Net current assets			1,302,963		1,063,859
Total assets less current liabilities			1,321,993		1,089,115
Total net assets			1,321,993		1,089,115
The funds of the charity:	17a				
Restricted income funds			731,855		642,052
Unrestricted income funds:					
General funds		590,138		447,063	
Total unrestricted funds			590,138		447,063
Total charity funds			1,321,993		1,089,115

Approved by the trustees on 7 November 2023 and signed on their behalf by:



Joel Cadbury
Chairman



Andrew Fenwick
Treasurer

Statement of cash flows

For the year ended 31 March 2023

	Note	2023 £	£	2022 £	£
Cash flows from operating activities					
Net income for the reporting period (as per the statement of financial activities)		232,877		8,998	
Depreciation charges		10,536		5,730	
Decrease in debtors		287,844		(362,161)	
Increase in creditors		80,581		323,801	
Net cash provided by operating activities			611,839		(23,632)
Cash flows from investing activities:					
Purchase of fixed assets		(4,312)		(27,125)	
Net cash used in investing activities			(4,312)		(27,125)
Change in cash and cash equivalents in the year			607,527		(50,757)
Cash and cash equivalents at the beginning of the year			1,098,453		1,149,210
Cash and cash equivalents at the end of the year			1,705,981		1,098,453
Analysis of cash and cash equivalents					
					At 31 March 2023
	At 1 April 2022	Cash flows	Other non-		
	£	£	cash changes	£	£
Cash at bank and in hand	1,098,453	607,527	-		1,705,981
Total cash and cash equivalents	1,098,453	607,527	-		1,705,981

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 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.

Notes to the financial statements

For the year ended 31 March 2023

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	60%
●	Education and community activities	12%
●	Science & Research	10%
●	Fundraising	5%
●	Support costs	11%
●	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	67%
●	Education and community activities	16%
●	Science & Research	12%
●	Fundraising	5%

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 £750. 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.

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 £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Donations and legacies	160,985	10,259	171,244	91,685	4,000	95,685
Jubilee Partners Fund	-	-	-	25,000	33,500	58,500
Friends of the Tree Council	22,089	-	22,089	29,310	-	29,310
Subscriptions	17,098	-	17,098	17,896	-	17,896
	200,172	10,259	210,431	163,891	37,500	201,390

3 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Tree and hedge planting						
Network Rail Community Planting	-	795,500	795,500	-	682,000	682,000
Close the Gap	-	358,255	358,255	-	1,226,545	1,226,545
Tree planting grants	-	7,000	7,000	-	7,324	7,324
Jubilee Partners Fund	81,000	110,500	191,500			
Animal Friends	1,649	23,351	25,000	10,000	40,000	50,000
Queen's Green Canopy	-	180,000	180,000	-	-	-
Trees Call to Action Fund	-	120,366	120,366	-	-	-
Science & Research	399,368	-	399,368	441,097	-	441,097
Education and community engagement						
M & G	2,000	161,927	163,927	10,990	164,500	175,490
YTC Ambassadors Programme	-	40,900	40,900	-	-	-
Orchards for Schools	-	22,656	22,656	-	-	-
Total income from charitable activities	484,017	1,820,455	2,304,472	462,087	2,120,369	2,582,456

4 Income from investments

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from cash deposits	774	-	774	498	-	498
	774	-	774	498	-	498

5a Analysis of expenditure (current year)

	Charitable activities							
	Raising funds £	Tree and hedge planting £	Education and community engagement £	Science & Research £	Governance costs £	Support costs £	2023 Total £	2022 Total £
Staff costs (Note 8)	62,672	196,968	250,687	214,875	35,812	134,297	895,311	733,553
Tree Warden Scheme	-	-	2,777	-	-	-	2,777	7,857
Office and Facility costs	-	33,831	-	-	-	43,187	77,018	56,546
Grants Payable (Note 6)	-	1,104,679	-	-	-	-	1,104,679	1,847,087
Audit and other governance costs	-	2,941	-	-	16,656	-	19,598	8,100
Recruitment, Training & Consultancy	-	5,381	-	-	-	4,690	10,071	19,370
Website, IT,data management & telephone costs	-	-	-	-	-	46,229	46,229	31,203
Marketing and Brand costs	51,153	-	-	-	-	-	51,153	63,917
Depreciation	-	-	-	-	-	10,536	10,536	5,730
Travel costs	-	34,231	15,431	19,742	1,654	2,916	73,974	20,806
	113,825	1,378,031	268,895	234,617	54,123	241,855	2,291,346	2,794,169
Support costs	24,186	120,928	72,557	24,186	-	(241,855)	-	-
Governance costs	5,412	27,061	16,237	5,412	(54,123)	-	-	-
Total expenditure 2023	143,422	1,526,020	357,689	264,215	-	-	2,291,346	
Total expenditure 2022	201,837	2,216,171	317,050	59,111	-	-		2,794,169

5b Analysis of expenditure (prior year)

	Charitable activities						
	Raising funds	Tree and	Education and	Science &	Governance	Support costs	2022
	£	hedge planting	community	Research	costs		Total
	£	£	£	£	£	£	£
Staff costs (Note 8)	115,467	240,055	238,001	32,826	50,251	56,954	733,554
Tree Warden Scheme	-	-	7,857	-	-	-	7,857
Office and Facility costs	-	-	-	-	-	56,546	56,546
Grants Payable (Note 6)	-	1,847,087	-	-	-	-	1,847,087
Audit and other governance costs	-	-	-	-	8,100	-	8,100
Recruitment, Training & Consultancy	-	3,624	-	-	-	15,746	19,370
Website, IT,data management & telephone costs	-	-	-	-	-	31,203	31,203
Marketing and Brand costs	63,917	-	-	-	-	-	63,917
Depreciation	-	-	-	-	-	5,730	5,730
Travel costs	-	13,140	3,833	3,833	-	-	20,806
	179,385	2,103,906	249,691	36,659	58,351	166,179	2,794,170
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

Notes to the financial statements

For the year ended 31 March 2023

6a Grant making (current year)

	Grants to institutions £	Support costs £	2023 £
Cost			
Network Rail	329,441	-	329,441
M & G	-	-	-
Schools & community groups	775,238	-	775,238
At the end of the year	1,104,679	-	1,104,679

During 2023 and 2022 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. We collaborated with FWAG on the Queen's Green Canopy initiative in awarding £156,263 of grants to support tree planting. Our 'Close the Gap' project with NLHF came to an end this year, with the most significant grants awarded to Moor Trees for capital works and trainee programme of a community tree nursery in Devon £68,041, the University of Reading for work to deliver an online Hedgerow Hub on best practise management of hedgerows £70,075 and PTES for development of Hedgerow App and volunteer training £42,283 (2022: Moor Trees £423,876, the University of Reading £31,000, PTES £74,860 and FWAG £385,000).

6b Grant making (prior 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	1,847,087	-	1,847,087

7 Net income for the year

This is stated after charging:

	2023 £	2022 £
Depreciation	10,536	5,730
Operating lease	11,602	30,546
Auditor's remuneration (excluding VAT):		
Audit	9,300	8,100
Under-provision in respect of 2022	3,700	-

Notes to the financial statements

For the year ended 31 March 2023

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

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	762,343	628,587
National insurance	80,781	62,671
Employer's contribution to defined contribution pension schemes	52,187	42,294
	895,311	733,553

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

	2023 No.	2022 No.
£90,000 - £99,999	1	-
£60,000 - £69,999	2	2

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £325,781 (2022: £276,399).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

There were no payments to trustees for expenses (2022: nil).

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 17 (2022: 15.2).

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

	2023 No.	2022 No.
Tree and hedge planting	4.8	4.5
Science & Research	3.2	1.5
Education and community engagement	5.3	6.9
Support, Fundraising and marketing	3.6	2.0
Governance	0.3	0.3
	17.2	15.2

10 Related party transactions

There are no related party transactions to disclose for 2023 (2022: 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	67,392	70,230
Additions in year	-	4,312	4,312
At the end of the year	<u>2,838</u>	<u>71,704</u>	<u>74,542</u>
Depreciation			
At the start of the year	2,838	42,138	44,976
Charge for the year	-	10,536	10,536
At the end of the year	<u>2,838</u>	<u>52,674</u>	<u>55,512</u>
Net book value			
At the end of the year	<u>-</u>	<u>19,030</u>	<u>19,030</u>
At the start of the year	<u>-</u>	<u>25,254</u>	<u>25,254</u>

All of the above assets are used for charitable purposes.

13 Debtors

	2023 £	2022 £
Grants and sponsorship receivable	129,480	256,339
Prepayments and other debtors	6,086	3,836
Accrued income	92,372	255,605
	<u>227,937</u>	<u>515,781</u>

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	511,418	235,564
Taxation and social security	84,287	84,536
Accruals	35,250	230,275
	<u>630,955</u>	<u>550,374</u>

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.

Notes to the financial statements

For the year ended 31 March 2023

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

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	19,030	-	-	19,030
Net current assets	571,108		731,855	1,302,963
Net assets at 31 March 2023	590,138	-	731,855	1,321,993

16b Analysis of net assets between funds (prior 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

17a Movements in funds (current year)

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Restricted funds:					
Branching Out 1	103,070	10,259	502	-	113,831
Vernon Hill Branching Out 2	79,697	-	(1,000)	-	78,697
Good Gifts Guide	10,411	-	-	-	10,411
Tree Angel Planting Funds	52,183	-	-	-	52,184
Orchards for Schools	122,659	22,656	(30,485)	(15,054)	99,776
Special Assignment Fund	628	-	-	-	628
Network Rail Fund	35,082	408,000	(376,229)	-	66,853
M & G Fund	60,727	161,927	(170,032)	-	52,622
Siemens Fund	3,790	-	-	-	3,790
Close the Gap Fund	24,655	358,255	(382,910)	-	-
Kusuma Trust Fund	3,140	-	-	-	3,140
Southern Network Rail	113,886	387,500	(291,443)	-	209,943
Jubilee Partner Fund	19,051	110,500	(144,605)	15,054	-
Animal Friends Fund	6,074	23,351	(29,425)	-	-
Shoosmiths	-	-	-	-	-
29 May Charitable Trust	7,000	7,000	(8,021)	-	5,979
YTC Ambassadors Programme	-	40,900	(5,436)	-	35,464
Trees Call to Action Fund	-	120,366	(122,229)	-	(1,863)
The Queen's Green Canopy	-	180,000	(179,598)	-	402
Total restricted funds	642,052	1,830,714	(1,740,912)	-	731,855
General funds	447,063	693,509	(550,434)	-	590,138
Total unrestricted funds	447,063	693,509	(550,434)	-	590,138
Total funds	1,089,115	2,524,224	(2,291,346)	-	1,321,993

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 2021 £	Income & gains £	Expenditure & losses £	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)	-	52,182
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
Unrestricted funds:					
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

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

Notes to the financial statements

For the year ended 31 March 2023

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.

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.

YTC Ambassadors Programme supports young people in schools to develop into effective Senior Brand Ambassadors.

The Trees Call to Action Fund is a programme which supports the planting and management of hedgerows and Community Seed nurseries.

Queen's Green Canopy is an initiative to support the planting of a million trees to celebrate the late Queen Elizabeth's Jubilee celebrations.

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	
	2023	2022
	£	£
Within one year	17,580	17,600
Within one to two years	16,115	35,200
	33,695	52,800

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.