THE CHELSEA PHYSIC GARDEN COMPANY

England & Wales · Charity number 286513

Details

Other names	CHELSEA PHYSIC GARDEN COMPANY, CHELSEA PHYSIC GARDEN ENTERPRISES LTD
Status	Registered
Legal form	Charitable company
Company number	01690871
Registered	1983-03-02
Register	View on the Charity Commission register

Contact

Address	Chelsea Physic Garden 66 Royal Hospital Road London SW3 4HS
Phone	02073525646
Email	smedway@chelseaphysicgarden.co.uk
Website	www.chelseaphysicgarden.co.uk

Activities

Objects: A) TO ADVANCE PUBLIC EDUCATION AND IN PARTICULAR TO PROMOTE THE STUDY OF BOTANY AND RELATED SCIENCES; TO PROMOTE AND FURTHER RESEARCH INTO ALL ASPECTS OF THE SAME, AND TO PUBLISH OR PROCURE THE PUBLICATION OF THE USEFUL RESULTS OF ALL SUCH RESEARCH.B) PROMOTE FOR THE BENEFIT OF THE PUBLIC THE CONSERVATION, PROTECTION AND IMPROVEMENT OF THE PHYSICAL AND NATURAL ENVIRONMENT AND IN PARTICULAR BOTANICAL BIODIVERSITY.

Activities: The Charity maintains and provides public access to and interpretation of a historic botanic garden. It provides formal and informal opportunities for all people to learn about plants, their use and their history.

Downloaded from opencharities.uk/ew/286513

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Kensington And Chelsea
- Surrey

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£2,243,361	£2,628,394	£7,720,650	42
2024-12-31	£2,479,979	£2,628,731	£8,037,145	42
2023-12-31	£2,585,010	£2,545,201	£7,854,531	42
2022-12-31	£3,061,397	£2,063,199	£7,612,345	36
2021-12-31	£3,550,431	£1,681,388	£7,099,088	30
2020-12-31	£1,761,180	£1,801,904	£4,981,386	31

Downloaded from opencharities.uk/ew/286513

Trustees

Name	Role	Appointed
Andrew Woodward		2021-07-22
Anna Villar do Valle		2023-01-01
Bernadette O'Sullivan		2025-07-22
David Richard Mathers		2025-07-22
Dr Helen Charman		2021-02-04
Dr Philippa Simpson		2021-07-22
Jennie Veronica Younger		2025-05-13
Lucinda Frances Clark		2025-07-22
Matthew George Pottage		2025-07-22
Professor Jane Anderson		2025-02-26
Sarah Elisabeth Flannigan		2025-02-26
Simon Major		2021-11-01
William Graham Victor Kenney		2024-01-01

Linked charities

- CHELSEA PHYSIC GARDEN (286513-1)

Downloaded from opencharities.uk/ew/286513

THE CHELSEA PHYSIC GARDEN COMPANY

England & Wales - Charity number 286513

Accounts

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and Consolidated Financial Statements

Year Ended

31 December 2025

Company Number 01690871

Charity Number 286513

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and financial statements
for the year ended 31 December 2025

Contents

Page:

1	Trustees' Annual Report
11 - 12	Trustees' responsibilities statement
13 - 16	Independent auditor's report
17	Consolidated statement of financial activities
18	Consolidated balance sheet
19	Charity balance sheet
20	Statement of consolidated cash flows
21 - 41	Notes forming part of the financial statements

The Chelsea Physic Garden Company

(a company limited by guarantee)

Trustees' report
for the year ended 31 December 2025

The Trustees, who are also directors for the purpose of company law, present their report together with the audited financial statements for the year ended 31 December 2025 which are also prepared to meet the requirements for a Director's report and accounts for Companies Act purposes.

Status and Constitution

Charity Name:	Chelsea Physic Garden Company (The)
Charity registration number:	286513
Company registration number:	01690871
Registered office and operational address:	66 Royal Hospital Road London SW3 4HS

The charity is constituted as a company limited by guarantee. The charity is governed by its Articles of Association dated 17 May 2019.

The company was incorporated to act as a trustee of the charity known as The Chelsea Physic Garden (Charity registration number 286513) to advance public education and to promote the study of botany and related sciences.

Directors and members of the Board

The Trustees and members of the Board (who also act as Trustees for the charitable activities of The Chelsea Physic Garden Company) who served during the year, and up to the date these financial statements have been signed, are:

Ms Sarah Flannigan	(Chair of the Board – appointed 26 February 2025)
Mr Andrew Woodward	(appointed Deputy Chair on 13 May 2025)
Mr Will Kenney	(appointed Hon.Treasurer from 01 January 2025)
Prof Jane Anderson	(appointed 26 February 2025)
Dr Helen Charman	
Ms Lucy Clark	(appointed 22 July 2025)
Mr Alan Dempsey	(resigned 26 February 2025)
Mr Tony Kirkham	(retired 31 December 2025)
Mr Simon Major	
Mr David Mathers	(appointed 22 July 2025)
Ms Bernadette O'Sullivan	(appointed 22 July 2025)
Mr Matthew Pottage	(appointed 22 July 2025)
Dr Philippa Simpson	
Ms Anna Valle	
Ms Jennie Younger	(appointed 13 May 2025)

Senior Leadership Team

The Director and Company Secretary	Mrs Susan Medway MBE
Development Director	Ms Joanna Wells
Commercial Director	Mrs Danielle Sargent
Deputy Director (Visitor Experience)	Ms Frances Sampayo (maternity leave)
Finance Director	Mr David Strange (to 30 May 2025)
Finance Director	Mrs Ishwant Basra (from 2 June 2025)
Head of Plant Collections	Ms Emily Hazell
Head of Learning & Public Engagement	Ms Katy Parry
Head of Learning & Public Engagement	Mr Thabo Stuck (maternity cover)
Executive Assistant	Ms Rita Bhatia
Project Manager	Mrs Bridget McGee (to 31 July 2025)
Project Director	Ms Laura Ferguson (from 27 August 2025))
Visitor Experience Director	Ms Katy Parry (maternity secondment)

Professional advisors

Bank:	National Westminster Bank plc 55 Kensington High Street London W5 5EQ
Solicitors:	Farrer & Co 66 Lincolns' Inn Fields London WC2A 3LH
Auditor:	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Fund Managers:	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

Organisation and Structure

Appointments to the Board are for an initial period of three years after which Trustees can seek re-election, serving two additional terms each of three years. These provisions also apply to appointments to the Board of CPG Enterprises Limited, the Advisory Committee and other board sub-committees. There is provision to extend the appointment of a director or Trustee for a limited period where the experience or organisational knowledge of that Trustee supports an important or timely activity.

Alan Dempsey stepped down from the Board in February in order to focus on new work secured by his architectural practice. Mr Tony Kirkham retired from the Board at the end of December having served his maximum term of office and has accepted a role as one of the Garden's Ambassadors.

Ms Sarah Flannigan was appointed Chair on 26 February 2025. Throughout the year a number of new Trustees have joined the Board including Professor Jane Anderson, Ms Lucy Clark, Mr David Mathers, Ms Bernadette O'Sullivan, Mr Matt Pottage and Ms Jennie Younger.

The Trustees determine the overall strategy and policies of the charity. The delivery of the Garden's strategic plans, fundraising and external professional relations together with day-to-day management are delegated to the Garden's Director, Mrs Susan Medway, who is also appointed as Company Secretary. The Director takes a lead on major project activity as the most senior executive of the charity. She is supported by a small team of senior managers and staff.

Charity Governance Code

The Board is committed to good governance and to its own and the charity's continuous improvement in delivering its purposes most effectively for public benefit.

The Trustees are mindful of the Charity Corporate Governance Code and considering whether to implement any changes in response.

Recruitment and Appointment of the Board

All members of the Board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 10 to the financial statements.

The Nominations, Appointments & Reward Committee is charged with setting and regularly reviewing the requisite skills and competencies for board members and members of committees/panels, undertaking recruitment searches and recommending appointments as required to ensure there is an appropriate mix of skills. They review and recommend to the Board any reward and recognition for staff and volunteers.

Trustee Induction and Training

New Trustees are encouraged to attend the Garden to familiarise themselves with the charity and the context within which it operates, including meeting with senior management and taking tours with the volunteer Guides. They are invited to attend the annual main Spring briefing and briefed quarterly on the activities of the charity and trading subsidiary. Newly appointed Trustees spend a period shadowing an existing Trustee. Throughout their term of office, they are offered appropriate training in their role as charity Trustees.

The principal departments and senior roles are:

The Deputy Director (Visitor Experience) is responsible for the welcome provided to visitors and for management of the buildings and their services. Through the learning and public programme team they have oversight of all learning activity and the public programme, as well as volunteers. In the second half of 2025 the postholder has been on maternity leave and an alternative role of Visitor Experience Director appointed internally to cover the principal responsibilities of the role whilst focussing on commissioning new audience research, driving visitor income, and preparing for a new Learning Strategy.

The Commercial Director is responsible for all commercial activity including retail, venue hire and commercial partnerships; they also manage the relationship with the catering partner as well as a small number of commercial contracts. They are responsible for the Friends' scheme; through their team they undertake all PR, marketing and communications.

The Development Director is responsible for supporting senior fundraising volunteers as well as direct fundraising for both specific capital projects and to support the charity's horticultural and learning programmes.

The Finance Director is responsible for all finance activities for the charity and the wholly owned trading subsidiary CPG Enterprises Limited. Through the department they also currently oversee the financial matters of the Chelsea Heritage Quarter (charity number 1215016).

The Head of Plant Collections is responsible for the horticultural management of the garden and its plant collections together with the herbarium and seed bank. They ensure delivery of the horticultural training programmes.

The Project Director leads on coordinating the Project Board, the Project Team, the capital design team and supporting colleagues to achieve progress on all funded capital and programme activities including plans towards the Gardens building refurbishment programme.

The Executive Assistant supports the Board, its sub-committees and senior staff. They take minutes for all meetings including the Board and its sub-committees as well as the Project Board and project meetings. They support with human resource administration.

The Deputy Chair led a review of the number and responsibilities of the charity's sub committees and amalgamated these into a smaller number of committees. The principal changes are that Finance & Operations now includes Audit and Nominations & Appointments has responsibility for overall organisational reward and recognition.

The Finance Operations & Audit Committee meet with senior management quarterly to review the performance and financial stability of the charity and its trading subsidiary. They monitor and review key performance indicators, all

major income and expenditure and available cash balances to ensure that the charity and trading subsidiary can meet their liabilities and continue to trade on a going concern basis. They oversee the annual Audit and preparation of the Financial Statement.

Related parties and co-operation with other organisations

None of the Trustees receive remuneration or other benefits from their work with the charity. Any connection between a Trustee or senior manager of the charity with another organisation, another charity or an individual that the

charity may encounter, while pursuing its objectives must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party.

The charity's wholly owned subsidiary, CPG Enterprises Limited, was established on 20 December 1995 (company number 3140004). It is responsible for overseeing commercial activities, retail, catering, venue hire and any licensing for commercial purposes of the charity's trademark. CPG Enterprises Limited has a licence from the charity to occupy the shop premises, and gift aids its profits to the charity (see note 13b to the financial statements). The catering operation is contracted out with an agreed percentage of net turnover paid to CPG Enterprises Limited. Most of the venue hire bookings are fulfilled outside of the visitor opening periods.

The charity has working relationships and maintains networks with numerous organisations at a local, national and international level. As a small independent charity these are important to raise and maintain its profile, to promote its diverse work and to share information and best practice. The charity maintains membership of the Botanic Gardens Education Network, Botanic Gardens Conservation International, the Association of Independent Museums, Plant Heritage, The Heritage Alliance and The National Council for Voluntary Organisations. The Garden is a member of Historic Houses Association (HHA) and the Garden offers their members free admission receiving a credit from the HHA for each member visit.

Close networks exist between a number of national and international botanic gardens. The Garden also maintains good working relationships with staff at the Royal Botanic Gardens, Kew; Cambridge and Oxford Botanic Gardens; Edinburgh and Bristol Botanic Gardens and the National Botanic Garden of Wales. The Royal Horticultural Society and Kew support the Garden with technical advice, expertise and plant material. The Garden has reciprocated with similar exchanges of expertise and hosted visits from horticultural trainees from many of these Gardens. There is an established network through the charity's outreach programme with organisations such as the Octavia Foundation, Chelsea Academy, Kings' College (Civic Leadership Academy) and Social Farms and Gardens.

At a local level the charity engages with activities in the Royal Borough of Kensington and Chelsea, and particularly in Chelsea and Kings Road area. The Garden engages with activities relating to tourism, education and community initiatives. Garden representatives attend meetings and local networking events including The Chelsea Society and Cheyne Walk Trust.

They work with the Royal Hospital, Chelsea, the National Army Museum and are supported by Cadogan and the organisations have formalised a long-standing arrangement into a separate charity registered as Chelsea Heritage Quarter (1215016), collaborating to generate interest and drive visits to Royal Hospital Road as a destination. The Director and the Commercial Director of Chelsea Physic Garden are Trustees of Chelsea Heritage Quarter

The Director is a Trustee of The London Gardens Society and the Gardening with Disabilities Trust, a Liveryman and Court Assistant of the Worshipful Company of Gardeners and a Fellow of the Linnean Society. She was awarded an MBE for services to horticulture and charity in the New Year's Honours List receiving her award from the Garden's Patron, His Majesty the King in June 2025.

Aims and Objectives

Purpose and principal activities

The charity's mission is to 'demonstrate the medicinal, economic, cultural and environmental importance of plants to the survival and well-being of humankind.' Its vision is to inspire wonder, wellbeing, and discovery by uniting people with plants that heal.

Chelsea Physic Garden carries out this charitable purpose for the public benefit by:

- providing programmes of learning activities, publications and events;
- maintaining documented plant collections in labelled and interpreted displays in an historic Botanic Garden;
- demonstrating the development of the science and practice of horticulture, botany and related disciplines through the historical role of the garden; and
- promoting the importance of the conservation of plants and the natural environment.

Ensuring the Garden's work delivers its aims for public benefit

In late 2025 the Board approved an ambitious ten year strategic plan. The goals are organised under five headings:

- Champion horticultural innovation
- Create enriching experiences
- Cultivate curiosity and lifelong learning
- Reimagine our environment
- Ensure a sustainable future

A detailed two year programme and investment plan has been agreed whilst further progress of the Garden's capital-built masterplan is developed.

The principal performance indicators in the two-year plan include:

- Total footfall;
- Number of Volunteers
- Number of Friends recruited
- Progress of the Learning Strategy
- Stakeholder Engagement
- Environmental/Sustainability baseline
- Collections care/conservation progress

The Impact Report is available to view at www.chelseaphysicgarden.co.uk.

Key highlights include:

The Garden was formally accredited as a Botanic Garden by Botanic Gardens Conservation International (BGCI), recognising the charity's commitment to best practice in plant conservation, collections care and public engagement. The accreditation marks an important moment in the Garden's continued evolution as a modern botanic garden and reflects sustained work across the organisation to strengthen collections care, embed biosecurity and plant records best practice and also develop a clearer conservation focus. 2025 also saw an audit of the Garden's biodiversity, and a survey of the important and diverse tree collection. The major project 'Pathways to knowledge' was completed, which resulted in resurfacing existing gravel paths with a more accessible material. A programme of new visitor interpretation was commissioned to support this project and as part of the wider roll-out of new signage.

Public benefit statement

The charity Trustees consider that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission and that the benefits that the charity provides are not unreasonably restricted.

The Trustees ensure the charity delivers public benefit by:

- admitting the public to the Garden on payment of an admission charge
- maintaining a Friends scheme
- providing a range of learning and public programmes on and off-site
- working with partner organisations to identify groups that would benefit from community membership access
- site and collections interpretation
- publications and digital resources
- providing guided tours, visitor services and on-line access

Activities

The charity's aim is to demonstrate horticultural and botanical excellence in the presentation of the Garden, whilst interpreting it in an interesting and accessible way. The gardening team works to refresh horticultural displays and, whilst the layout of the Garden remains largely unchanged, wider activities ensure that visitors and learners are engaged throughout the year through seasonal planting, exhibitions, and collaborations that seek to share the collections in new ways. Maintenance and redecoration work continues annually, particularly in the short period of closure in early January, ensuring that we maintain standards of presentation pending any major refurbishment.

The Garden has been open to visitors eleven months of the year, six days a week, it maintains longer opening hours (11am- 5pm) between April and October and has evening openings in July and August. Saturdays are exclusively reserved for private hire although this will change in 2027 when Saturdays will become a public open day.

In 2025 the Garden welcomed 60,830 visitors (43,499 in 2024) and an overall footfall total of 74,605 visitors (2024: 56,268) including day visitors and attendees of visitor enhancement events such as the Chelsea History Festival, Christmas Fair and Lates. The number of Friends memberships at 31 December was 5,905 (6,094 in 2024).

Income from commercial lettings forms a significant part of the charity's income. Information relating to private hire and to the Garden's public programme of activities is posted on the website and is promoted via the monthly e-newsletter. Venue hire and a range of public programme activities have taken place throughout the year.

The agreement with Octopus Publishing continues to develop product under the Garden's trademark. The additional benefit added to the Friends scheme with reciprocal complimentary access between the gardens of the Royal Botanic Gardens Edinburgh and Chelsea Physic Garden is proving popular.

The Garden has continued to deliver learning both onsite, offsite and online. There has been an increase in the delivery of activities through a programme of community partnerships. The total number of schools, tertiary and community participants for the year was 5,330 (2024: 4,160). In addition, we welcomed a further 9,625 (2024: 7,145) participants to one of our public programme activities throughout the year, which include summer outdoor music, interactive theatre, a family activity day or a workshop on chocolate making or herbal remedies. This gave us a total of 14,955 attendees during 2025 (2024: 11,305).

A marketing campaign to drive visits from the UK has been beneficial and seen as contributing to the increase in visits offsetting what remains a challenging overseas tourist market.

The Chelsea Heritage Quarter, the initiative between the Royal Hospital, Chelsea, the National Army Museum, Cadogan Estates and the Garden has been formalised into a separately registered charity. Each party contributes funds, and there is a separate Director and Programme Manager appointed to lead on coordinating the activity for the quarter.

Volunteers

The Garden's team of volunteers provides invaluable support across the charity, and the Garden continually looks to diversify the activities in which volunteers are involved. Work has been ongoing to diversify how volunteers are recruited and ensure the ongoing training and support for existing and new volunteers. Of the 196 registered volunteers 132 were active over the year, contributing 6,639 hours of volunteered time. The former Youth Panel have evolved to become 'Young Producers' and are contributing to the Learning team's efforts to attract young audiences producing content for the website and social channels.

Fundraising statement

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not currently undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." We have an on-line donation page for the public to make donations to support the Garden fundraising appeals. At 31 December 2025 £5,929 (2024: £855) had been received from website donations. Such amounts received are presented in our accounts as "voluntary income" and can include legacies and grants.

In relation to the above it is confirmed that all solicitations are managed internally, without involvement of commercial participators, professional fundraisers, or third parties. The day-to-day management of all income generation is delegated to the senior management team, who are accountable to the Trustees.

The charity is registered with the Fundraising Regulator which governs all its fundraising activity in addition to following The Code of Fundraising Practice.

The charity has received no formal complaints in relation to fundraising activities in 2025. The charity monitors the activities of its employees, including those responsible for fundraising, through regular reporting to Trustees.

Principal Funding Sources

Income is principally generated by the charity through philanthropy and fundraising activities, charging visitors admission to enter the Garden, from annual subscriptions from Friends of the Garden and from the public programme. In addition, the commercial activities of CPG Enterprises Limited make a significant contribution to the funding of the charity.

The charity holds long-term investments in the form of an Endowment Fund. This fund was established between 1983-87 from a fundraising appeal which attracted donations from individuals and charitable trusts. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustees' discretion in support of the Charity's work. As at 31 December 2025 the endowment fund value was £4,159,783 (£4,091,245 in 2024).

Trusts and Major Donors 2025

The Garden is fortunate to have the support of a number of charitable trusts and foundations together with individuals who make donations supporting capital works and charitable activities. In 2025 notable grants and donations were received from:

General
Ancaster Trust
Britwell Trust
Craig Swick
Prof Dianne Edwards
James and Shirley Sherwood Foundation
John Armitage Charitable Trust
John and Diana Kemp-Welch Charitable Trust
Joseph Rochford Gardens Limited
The Master Charitable Trust
Christine and Stefan Riesenfeld
Riverstone Living
Leslie Rogers
Sloane Stanley
Tesco Bags of Help

And Chelsea Physic Garden Patrons

Trusts and Major Donors 2025 *(continued)*

Horticulture, Horticultural Trainees and Garden Projects
Barbara Whatmore Charitable Trust
ERANDA Rothschild Foundation
Rick Mather David Scrase Foundation
Dr Martin Schoernig

Biodiversity Audit
Catherine Armitage
Eddie Dinshaw Foundation
Gretna Charitable Trust

And everyone who gave to our Green Horizons appeal

Learning and Engagement Projects
BAND Trust
The D'Oyly Carte Charitable Trust
National Lottery Community Fund
The Royal Borough of Kensington and Chelsea
R.U.B. White Charitable Trust
Sir James Scott
And everyone who gave to our book conservation appeal

Capital Works
Julia Rausing Trust

And all our donors who wish to remain anonymous.

Investment Policy

The Investment policy takes into consideration Charity Commission Guidance CC14. The policy addresses the charity's endowment funds and unrestricted reserves including cash and short-term investments. It delegates investment strategy to the Finance, Operations & Audit Committee (FinOps). A specialist Investment Fund Manager (IFM), Sarasin & Partners LLP, is responsible for the investment of the charity's endowment fund in accordance with an investment mandate set by FinOps. The investment mandate is to provide a level of annual income to help support the running of the charity, whilst also looking to achieve long-term capital growth of the funds. All investments are monitored by nominated members of FinOps and all banks, IFMs and deposit accounts are reviewed annually.

Towards the end of 2025 a review was undertaken of the provision of professional advice and services of the specialist Investment Fund Manager for the charity and invitations for the provision of the service invited from suitable alternative fund management services. From early 2026 the charity has appointed Cazenove Capital to manage its investment funds.

Financial review

The results for 2025 show a net deficit of £385,033 before gains on investments, this compares to a deficit of £148,752 in 2024. A net deficit during 2025 (after unrealised gains) of £316,495 compared with a surplus of £182,614 in 2024.

The Garden's trading subsidiary, CPG Enterprises Limited, showed a pre-tax profit of £444,857 (2024: £462,773), before a donation under deed of covenant was made to the Garden.

Total unrestricted income is £2,053,455 (2024: £2,049,528).

Income from unrestricted donations was £162,227 (2024: £225,430). restricted income was £189,906 (2024 - £430,451), legacies totaling £0 were received in 2025 (2024: £26,000).

Financial Review (*continued*)

Income from letting rooms, external events in the Garden and commission on the café is £552,924 (2024: £590,644), which is 25% (2024 - 24%) of total income. Income from the Friends annual subscriptions was £302,373 (2024: £302,831).

Total expenditure in 2025 was £2,628,394 (2024 - £2,628,731). Spending is constantly reviewed to align with the Garden's needs and objectives.

Reserves

Total funds at the year-end amount to £7,720,650 (2024: £8,037,145) of which £2,370,486 (2024: £2,772,123) can only be used for restricted purposes as stipulated by the donors. The assets and liabilities attributable to the various funds are shown in notes 18 and 19 to the financial statements which also describe the various funds of the charity.

Unrestricted funds amount to £5,350,164 (2024: £5,265,022), of which £272,264 (2024 - £221,529) are free reserves as the Trustees consider the endowment funds of £4,159,783 (2024: £4,091,245) to be available only in exceptional circumstances. The charity relies on the income generated from these long-term investments (and from its own activities) for the day-to-day upkeep of the Garden and for capital growth to ensure continued income generation in future years.

Other funds amounting to £488,764 (2024: £591,310) have been designated by the Trustees for specific purposes. These funds are designated for capital redevelopment and specific maintenance works.

The Trustees maintain a risk-based reserves policy. The four key risks with the potential to impact the charity's reserves were identified and their likely financial impact assessed. Cyber-attack, physical damage to the Garden, business interruption owing to a natural or man-made disastrous event and loss of key staff were the risks identified and the likely cost assessed.

Based on a review of the charity's sources of income the Trustees are satisfied that there is sufficient diversity that the risk of income being impacted significantly by external factors is low enough that no additional reserves need to be allocated for this. Seasonal fluctuations in operational cash in- and out-flows also need to be considered and cashflow forecasts confirm the recommendation in the reserves policy that free reserves of between £200,000 and £300,000 should be set aside for this purpose.

Free reserves at the year-end are £272,264 which is within the range of the free reserves policy recommendation and Trustees are satisfied with this position.

Risk Management

The Trustees actively review the major risks which the charity might face, in particular those relating to governance, reputation, operations and finance. As part of the risk monitoring infrastructure the charity maintains an active risk register, business continuity and disaster plan. These are regularly reviewed to ensure relevance. The charity annually reviews its insurance provision including the type of cover and overall levels of cover.

The Trustees believe that maintaining adequate free reserves combined with regular reviews of the controls over key financial systems provides sufficient protection for the charity in the event of adverse operating conditions.

Amongst the most serious risks listed in the current risk register are:

- **Cyber attack**
  This might result in loss of access to vital IT systems, compromise of the personal data of Friends, visitors and others or financial loss as a result of virus or ransomware attack. Our response is to review our IT security continuously, to ensure safeguards and staff training are up to date. To the extent that cyber risks can be insured against we have that cover.

Risk Management *(continued)*

- **Unauthorised access to the Garden and buildings by intruders for the purposes of theft or vandalism**
  Our response to this includes physical and monitored security systems, electronic access controls and CCTV. We are insured against the potential financial loss that could result from such an event.

- **An unforeseen disastrous event**
  This might take the form of a natural disaster or an act of terrorism, for example. The Garden has a Business Continuity Plan which would enable key personnel to continue to work offsite with access to backed up systems. Full records of the living collections are maintained should it be necessary to recreate them.

- **Impact of climate change on the living collection**
  This is largely outside our control but actions can be taken, and we have commissioned a report on sustainability to identify how we can achieve "carbon neutrality" and by when. We review our plant collections to ensure we can maintain a collection in line with our mission as an organisation but that is more resilient to a changing climate.

Going concern

In assessing any lasting impact of financial pressures brought about by rising inflation and consequent price increases on The Chelsea Physic Garden Company group, the Trustees have considered all the matters described in the Trustees' Report, including the group's operations, the impact on subscriptions, donations, and other trading activities, as well as the impact on the group's investment portfolio. In particular, to support the Trustees' assessment of the sustainability of the group's activities, management continues to prepare quarterly cash-flow forecasts based on assumptions, through to the end of 2026. The major revenue and expenditure budgets are tracked on a month-by-month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure up to 12 months from the signing of these accounts. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsidiary which undertakes certain commercial trading activities of the group, has been subjected to a separate stress test for a period which extends forward to the end of 2026. Provided that trading activities ordinarily undertaken by CPG Enterprises Ltd can be undertaken, the stress test demonstrates that, throughout, the trading company remains an independent company.

At the date of signing these financial statements, forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern. The Trustees therefore consider that no material uncertainty exists in relation to going concern for the Group.

Plans for Future Periods

The Trustees continue to develop and refine plans for a phased approach to an architectural masterplan to improve and refurbish visitor, horticultural, and learning facilities and infrastructure, as well as to enhance overall accessibility and experience for visitors.

The ten-year strategy (2025-2035) focuses on the Garden's role to champion horticultural innovation, horticultural craft and the Garden's role to safeguard biodiversity. It recognises the opportunity the Garden has to create enriching experiences and to welcome a greater diversity of people, enabling them to find wellbeing in the natural world. It acknowledges our longstanding role to cultivate curiosity and inspire lifelong learning by connecting people with nature. The strategy will be enabled by us reimaging our natural, built and digital environment and regenerating our estate to enhance, protect and sustain our green space and through this ensuring that we are sustainable in future, environmentally socially and financially.

In February 2026 the Board approved the first two years of seed funding from designated funds and reserves to advance these plans.

Plans for Future Periods (continued)

Architects, and a small number of specialist consultants have been commissioned to support the work expected to be developed throughout 2026 and beyond. Other capital projects are modest in nature and only commence when full cost funding is in place.

Carbon Footprint

A Sustainability Framework is being developed which will cover accessibility, biodiversity, energy, water, materials, waste and pollution to provide a benchmark by which the Garden can track, reduce and mitigate its environmental footprint.

Pay policy of senior staff

The Appointments, Nominations & Reward Committee is responsible for annually reviewing the pay and conditions of staff including volunteer reward and recognition. Benchmarking is undertaken within the relevant sector of all vacant roles prior to re-advertising.

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company and charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the group and parent charity and of the incoming resources and application of resources, including its income and expenditure, of the group for the year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

Each of the persons who are Trustees at the time when the Directors' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- that the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charity's auditor in connection with preparing their report and to establish that the charity's auditor is aware of that information.

Auditors

Moore Kingston Smith LLP will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

Small company exemption

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 12 May 2026 and signed on its behalf by:

Sarah Flannigan
Trustee

Will Kenney
Trustee

The Chelsea Physic Garden Company

(a company limited by guarantee)

Independent auditor's report
To the Directors of The Chelsea Physic Garden Company
for the year ended 31 December 2025

Opinion

We have audited the financial statements of the Chelsea Physic Garden Company (the 'parent charitable company') for the year ended 31 December 2025 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 group and the parent charitable company's affairs as at 31 December 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 group and parent charitable company and their 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 where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11 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 group and parent 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 group or parent 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

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 is detailed below.

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

.....

Samir Chandoo (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 27 May 2026

6th Floor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated statement of financial activities (including consolidated income and expenditure account) for the year ended 31 December 2025

	Note	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Income from :						
Donations and legacies	2	162,227	-	189,906	352,133	655,881
Other trading activities	3	1,079,860	-	-	1,079,860	1,061,353
Charitable activities	4	671,806	-	-	671,806	594,798
Other income		2,569	-	-	2,569	225
Investments	5	136,993	-	-	136,993	167,722
Total income		2,053,455	-	189,906	**2,243,361**	2,479,979
Expenditure On:						
Charitable activities	8	1,586,568	-	591,543	2,178,111	2,175,101
Raising funds	9	450,283	-	-	450,283	453,630
Total Expenditure	7	2,036,851	-	591,543	**2,628,394**	2,628,731
Net (expenditure)/ income before gains, losses and transfers	6	16,604	-	(401,637)	(385,033)	(148,752)
Net gains on investments	13	-	68,538	-	68,538	331,366
Net surplus/(deficit) before transfers		**16,604**	**68,538**	**(401,637)**	**(316,495)**	182,614
Transfers between funds	18					
Net movement in funds		**16,604**	**68,538**	**(401,637)**	**(316,495)**	182,614
Reconciliation of funds						
Total funds brought forward at 1 January 2025	18	1,173,777	4,091,245	2,772,123	**8,037,145**	7,854,531
Total funds carried forward at 31 December 2025	18	**1,190,381**	**4,159,783**	**2,370,486**	**7,720,650**	**8,037,145**

All results are derived from continuing activities.

The group has no other recognised gains and losses other than those stated above.

The notes on pages 21 to 41 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated balance sheet
at 31 December 2025

Company number 01690871

	Note	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	12		2,414,798		2,284,057
Investments	13		4,159,783		4,091,245
			6,574,581		6,375,302
Current assets					
Stocks	14	23,837		22,901	
Debtors	15	93,640		81,913	
Cash at bank and in hand	21	1,531,654		1,956,628	
		1,649,131		2,061,442	
Creditors: amounts falling due within one year	16	(503,062)		(399,599)	
Net current assets			1,146,069		1,661,843
Total assets less current liabilities			7,720,650		8,037,145
Net assets	19		**7,720,650**		8,037,145
Funds					
Unrestricted					
General	18		701,617		582,467
Designated	18		488,764		591,310
Endowment funds	18		4,159,783		4,091,245
Restricted funds	18		2,370,486		2,772,123
Total funds	18		**7,720,650**		8,037,145

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard FRS 102 SORP.

The financial statements were approved and authorised for issue by the Board on 12 May 2026

Sarah Flannigan
Trustee

Will Kenney
Trustee

The notes on pages 21 to 41 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Charity balance sheet
at 31 December 2025

Company number 01690871

	Note	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	12		2,376,127		2,232,494
Investments	13		4,159,883		4,091,345
			6,536,010		6,323,839
Current assets					
Debtors	15	60,310		151,252	
Cash at bank and in hand	21	1,470,595		1,850,965	
		1,530,905		2,002,217	
Creditors: amounts falling due within one year	16	(350,938)		(293,589)	
Net current assets			1,179,967		1,708,628
Total assets less current liabilities			7,715,977		8,032,467
Net assets	19		**7,715,977**		8,032,467
Funds					
Unrestricted					
General	18		696,943		577,789
Designated	18		488,764		591,310
Endowment funds	18		4,159,783		4,091,245
Restricted funds	18		2,370,487		2,772,123
Total funds	18		**7,715,977**		8,032,467

As permitted by section 408 of the Companies Act 2006, the Parent Charitable Company's profit and loss account has not been included in these financial statements. The deficit for the year was £316,495 (2024: £182,614).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the companies Act 2006 and with the Financial Reporting Standard FRS 102 SORP.

The financial statements were approved and authorised for issue by the Board on 12 May 2026

Sarah Flannigan
Trustee

Will Kenney
Trustee

The notes on pages 21 to 41 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Statement of consolidated cash flows at 31 December 2025

	Note	2025 £	2024 £
Reconciliation of net income to cash flows from operating activities			
Net movement in funds	18	(316,495)	182,614
(Gain)/loss on investments	13a	(68,538)	(331,366)
Investment income	5	(136,993)	(167,722)
Depreciation	6	165,462	133,814
Loss/(Profit) on disposal of assets		222	-
(Increase)/decrease in debtors		(56,871)	57,621
(Decrease)/increase in creditors		148,606	(140,382)
(Increase)/decrease in stocks		(936)	3,789
Cash flows from operating activities		(265,543)	(261,632)
Cash flows from investing activities			
Investment income	5	136,993	167,722
Purchase of property, plant and equipment	12	(296,425)	(210,217)
		(159,432)	(42,495)
Decrease in cash for the year		(424,974)	(304,127)
Cash at beginning of year		1,956,628	2,260,755
Cash at end of year	21/22	1,531,654	1,956,628

The notes on pages 21 to 41 form part of these financial statements.

1 Accounting policies

The Chelsea Physic Garden Company is a registered charity and incorporated in England and Wales under the Companies Act 2006. It is a company limited by guarantee. The address of the registered office is given on page 1 of the Directors' report.

The principal accounting policies adopted, judgements and key sources of estimation or uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared on a historic cost basis except for the revaluation of investments.

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) (effective 1 January 2019) - (Charities SORP, 2nd Edition (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

Exemptions for qualifying entities under FRS 102

The parent charitable company has taken the following disclosure exemptions:

- from preparing a statement of cash flows on the basis that it is a qualifying entity and the group cash flow statement included within these financial statements, include the company's cash flows; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

Going concern

In assessing the impact of the cost-of-living crisis, inflationary pressures and the slow recovery of tourism the Trustees have considered all the matters described in the Trustees' Report, including the group's operations, the impact on subscriptions, donations, and other trading activities, as well as the impact on the group's investment portfolio. To support the Trustees' assessment of the sustainability of the group's activities, management continues to prepare cash-flow forecasts based on assumptions, through to the end of 2026. The major revenue and expenditure budgets are tracked on a month-by-month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsidiary which undertakes certain commercial trading activities of the group, has been subjected to a separate stress test for a period which extends forward to the end of 2026. Provided that trading activities ordinarily undertaken by CPG Enterprises Ltd can be undertaken, the stress test demonstrates that the trading company remains an independent going concern throughout.

At the date of signing these financial statements, the Trustees' forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern. The Trustees therefore consider that no material uncertainty exists in relation to going concern for the Group.

1 Accounting policies *(continued)*

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary of CPG Enterprises Limited on a line-by-line basis. A separate Statement of Financial Activities, or income and expenditure account for the charitable company itself, is not presented in these accounts because the charitable company has taken advantage of the exemptions offered by Section 408 of the Companies Act 2006.

Income

Donations, grants and legacies

Cash donations and gifts are included in the Statement of Financial Activities when conditions for their receipt have been met. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods.

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 Trust 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 likely 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.

Government grants

Government grants are recognised as due when there is reasonable assurance that:

- the charity will comply with the conditions attached to the payments; and
- the grants will be received

Grants received for which conditions have not been satisfied are carried in the Balance Sheet as creditors.

Commercial trading operations

Shop income comprises revenue recognised by the company in respect of goods supplied, exclusive of Value Added Tax and trade discounts. Lettings income comprises revenue recognised by the company in relation to the lettings of the grounds and associated facility fees.

Income from fundraising events is included in the financial statements in the period in which the fundraising event takes place.

Income from royalties comprises of revenue from the sale and publication of botanical books.

Gift Aid

The charity owns the whole of the issued share capital of CPG Enterprises Limited.

Each year CPG Enterprises Limited pays to the charity, under the provisions related to Gift Aid, a sum based on the taxable profits of the company. The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

1 Accounting policies *(continued)*

Investment income

Dividends are included in the Statement of Financial Activities when they are declared.

Interest is included when receivable by the group.

Income from charitable activities

Admissions are recognised when received by the group. Friends' subscriptions are recognised over the period to which they relate, any relating to future periods is deferred. Life subscriptions are recognised as they are received.

Expenditure

Expenditure is recognised on an accruals basis in the period in which it is incurred. Costs of raising funds for commercial trading operations comprise the costs associated with the letting of grounds and goods supplied.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs including governance costs are allocated between the expenditure categories of the charity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are charged directly, others are apportioned on an appropriate basis.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees. These include the assets of the trading company. The Trustees use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

The **Endowment** Fund is an expendable Endowment and represents investments and cash which continue to be used by the Trustees in the best interests of the charity. The endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustees' discretion in support of the charity's work.

Restricted funds can only be used for the particular restricted purposes within the objectives of the charity. Restrictions are imposed by the donor or when funds are raised for specified restricted purposes. The notes to the financial statements provide further details.

Tangible fixed assets

Generally, tangible fixed assets are capitalised if they can be used for more than one year and cost at least £2,500. They are valued at cost.

The charity does not have a policy on revaluation, a nominal value of £1 is put on the main buildings and gardens. The freehold of the land and buildings are owned by the charity with a Deed of Covenant in place which restricts its use.

1 **Accounting policies** *(continued)*

Tangible fixed assets (continued)

Depreciation of fixed assets is charged at rates estimated to write off their costs over the expected useful lives. The rates used are as follows:

Buildings	-	2% of cost
Improvements	-	10%-20% of cost
Office fixtures and equipment	-	20% of cost
Horticultural equipment	-	20% of cost
Computer equipment	-	20% of cost

Stock

Stock is included at the lower of cost and net realisable value and consists of goods for resale.

Investments

Listed investments are stated at closing market value at the balance sheet date. Unrealised gain or loss is calculated as the difference between opening and closing market value, as adjusted for additions and disposals in the year.

Investments held in subsidiary companies are recognised at cost.

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.

Cash at bank and in hand

Cash and cash equivalents include cash in hand; deposits held at call with banks and other short-term liquid investments with original maturities of 100 days or less.

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.

Financial instruments

The group 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.

1 Accounting policies *(continued)*

Leased assets

The group has operating leases. Their annual rentals are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

Pension scheme contribution

The charity does not operate its own pension scheme. Pension costs relate to payments made by the group to a group personal pension scheme administered independently.

Estimates and judgments

There are not considered to be any significant estimates and judgements involved in the preparation of the financial statements. Those estimates and judgements made, which are not considered to be significant, are covered by the other accounting policies.

2 Income from donations, grants and legacies

	Unrestricted funds £	Restricted funds £	2025 £
Donations and legacies	162,227	189,906	352,133
	162,227	189,906	352,133

	Unrestricted funds £	Restricted funds £	2024 £
Donations and legacies	225,430	430,451	655,881
	225,430	430,451	655,881

3 Income from other trading activities

	2025 £	2024 £
Commissions and letting of rooms	552,924	590,644
Shop income	204,201	174,776
Fundraising events	322,735	295,933
	1,079,860	1,061,353

All income from trading activities was unrestricted in the current and preceding year.

4 Income from charitable activities

	2025 £	2024 £
Admissions	369,430	291,967
Friends' subscriptions	302,373	302,831
	671,803	594,798

All income from charitable activities was unrestricted in the current and preceding year.

5 Investment income

	2025 £	2024 £
Income from fixed asset distribution unit funds	136,993	167,722
	136,993	167,722

Income from investments was unrestricted in the current and preceding year.

6 Net Income

	2025 £	2024 £
Net income for the year is stated after charging:		
Auditor's remuneration	27,240	26,000
Auditor's remuneration – prior periods		2,674
Corporation tax services	3,780	2,915
Other accountancy services	7,000	9,329
Depreciation of tangible fixed assets	165,462	133,814

7 Total expenditure

	Staff Costs £	Premises costs £	Depreciation £	Other costs £	Total 2025 £
Charitable activities (note 8)	1,182,739	227,834	148,901	618,637	2,178,111
Raising funds (note 9)	246,828	3,191	16,554	183,709	450,283
	1,429,567	231,025	165,455	802,346	2,628,394

	Staff Costs £	Premises costs £	Depreciation £	Other costs £	Total 2024 £
Charitable activities (note 8)	1,124,741	177,299	116,052	757,009	2,175,101
Raising funds (note 9)	233,221	3,031	17,762	199,618	453,632
	1,357,962	180,330	133,814	956,627	2,628,733

8 Expenditure on charitable activities

	Direct £	Support £	Total 2025 £
Science and horticulture	**849,457**	-	**849,457**
Educational programmes	**141,119**	-	**141,119**
Other projects	**956,567**	**230,968**	**1,187,535**
	1,947,143	**230,968**	**2,178,111**

	Direct £	Support £	Total 2024 £
Science and horticulture	707,118	-	707,118
Educational programmes	134,058	-	134,058
Other projects	1,088,563	245,362	1,333,925
	1,929,739	245,362	2,175,101

8 **Expenditure on charitable activities** *(continued)*

Analysis of direct costs

	Total 2025 £	Total 2024 £
Wages and salaries	**1,040,760**	994,198
Depreciation	**142,741**	110,906
Materials	**66,495**	44,911
Equipment	**15,132**	7,414
Repairs, maintenance & cleaning	**183,564**	136,668
Security	**12,253**	8,143
Advertising and marketing	**44,594**	31,894
Education costs	**5,045**	5,203
Recruitment	**13,495**	25,555
Rent, rates, water, heat & light	**28,538**	29,284
Travel, subsistence & entertaining	**23,038**	17,065
Insurance	**38,902**	36,810
Printing, postage & stationary	**31,317**	27,100
Telephone and internet	**8,313**	6,376
Ticket commissions	**26,029**	16,088
Professional fees	**115,290**	227,666
Other costs	**151,638**	204,458
	1,947,143	1,929,739

Analysis of support costs

	Total 2025 £	Total 2024 £
Wages and salaries	**141,979**	130,543
Depreciation	**5,146**	5,146
Security	**1,045**	697
Advertising and marketing	**3,805**	2,731
Recruitment	**1,151**	2,188
Rent, rates, water, heat & light	**2,434**	2,507
Travel, subsistence & entertaining	**1,694**	1,264
Printing, postage & stationery	**2,350**	2,313
Telephone and internet	**709**	546
Professional fees	**6,617**	17,685
Other costs	**12,077**	16,050
Governance costs	**51,961**	63,692
	230,968	245,362

Any cost that can be directly attributed to the charitable activities are allocated before any apportionment of costs.

Governance costs relate to audit and accountancy fees, legal fees and finance charges.

9 Expenditure on raising funds

	2025 £	2024 £
Wages and salaries	**246,828**	233,221
Expenditure of CPG Enterprises (including depreciation)	**117,546**	111,467
Fundraising costs of charity	**33,945**	48,361
Costs incurred on fundraising fair	**51,963**	60,581
	450,282	453,630

10 Trustees and employees

	Group 2025 £	Group 2024 £
Wages and salaries	**1,169,261**	1,129,949
Social security costs	**116,312**	101,581
Pension costs	**141,365**	126,432
Temporary staff	**2,629**	-
	1,429,567	1,357,962

The charity does not operate its own pension scheme. Pension costs relate to payments made by the group to a group personal pension scheme administered independently.

Average number of employees as a headcount:

	Group 2025	Group 2024
Charitable	**35**	36
Administration	**3**	3
Fundraising	**2**	3
	40	42

The group was helped by a substantial number of volunteers, approximately 132 (2024: 135) throughout the year.

The key management personnel of the group, include a number of senior managers across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total employment benefits paid to key management personnel of the group were £623,476 (2024: £570,058).

Salary range for employees earning £60,000 p.a. or more

	2025	2024
£60,000 - £69,999	1	1
£80,000 - £89,999	1	1

Pension contributions paid to the above amounted to £28,414 (2024 - £47,758).

10 Trustees and employees *(continued)*

Redundancy, restructuring and termination costs relating to a number of employees were £nil (2024: £nil).

Trustees' remuneration and expenses
None (2024 – none) of the Trustees received any remuneration. During the year 3 Trustees (2024 – two) had expenses reimbursed of £899 (2024 - £269). No Trustee received entertainment during the year (2024 – £91).

11 Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Chelsea Physic Garden Company is a registered charity and has no liability to taxation on its income for the year. Tax recovered from voluntary income received under gift aid is recognised when the related income is receivable and is allocated to the income category to which the income relates.

No tax charges arose in the period.

The subsidiary company makes a qualifying donation of all taxable profit to The Chelsea Physic Garden. No corporation tax liability on the subsidiary arises in the accounts.

12 Tangible assets

Group	Buildings and improvements	Glass-Houses	Office fixtures and equipment	Horticultural equipment	Computer equipment	Total
	£	£	£	£	£	£
Cost						
At 1 January 2025	855,661	2,016,061	149,165	25,984	27,006	3,073,877
Additions	281,173	1,722			13,530	296,425
Disposals	(555)					(555)
Transfers						
At December 31 2025	**1,136,279**	**2,017,783**	**149,165**	**25,984**	**40,536**	**3,369,747**
Depreciation						
At 1 January 2025	564,216	92,943	94,275	14,392	23,994	789,820
Disposals	(333)					(333)
Charge for the year	74,032	70,136	12,891	4,944	3,459	165,462
At December 31 2025	**637,915**	**163,079**	**107,166**	**19,336**	**27,453**	**954,949**
Net book value						
At 31 December 2025	**498,364**	**1,854,704**	**41,999**	**6,648**	**13,083**	**2,414,798**
At 31 December 2024	**291,445**	**1,923,118**	**54,890**	**11,592**	**3,012**	**2,284,057**

12 Tangible assets *(continued)*

Charity	Buildings and improvements	Glass-Houses	Office fixtures and equipment	Horticultural equipment	Computer equipment	Total
	£	£	£	£	£	£
Cost						
At 1 January 2025	855,626	2,016,061	80,128	25,984	27,006	3,004,805
Additions	281,208	1,722			13,530	296,460
Disposals	(555)					(555)
At December 31 2025	**1,136,279**	**2,017,783**	**80,128**	**25,984**	**40,536**	**3,300,710**
Depreciation						
At 1 January 2025	564,216	92,943	76,750	14,392	23,994	772,312
Disposals	(333)					(333)
Charge for the year	74,032	70,136		4,944	3,459	152,604
At December 31 2025	**637,915**	**163,112**	**76,750**	**19,336**	**27,453**	**924,583**
Net book value						
At 31 December 2025	**498,364**	**1,854,671**	**3,361**	**6,648**	**13,083**	**2,376,127**
At 31 December 2024	**291,410**	**1,923,118**	**3,361**	**11,592**	**3,012**	**2,232,494**

As a condition of the funding received from the National Lottery Heritage Fund for the Glasshouse Restoration project, The National Heritage Memorial Fund holds a charge over the freehold property of the charity.

13 Fixed Asset investments

13a Listed investments

	2025	2024
	£	£
Market value at 1 January 2025	**4,091,245**	3,759,879
Additions	-	-
Gain in the year	68,538	331,366
Market value at 31 December 2025	**4,159,783**	4,091,245

Investments are held in listed funds managed by Sarasin & Partners LLP.

The historical cost of the listed investment at 31 December 2025 was £3,900,521 (2024 - £3,906,950).

13 Fixed Asset investments *(continued)*

13b Investments in subsidiaries

	2025	2024
	£	£
Shares in CPG Enterprises Limited at cost	**100**	100

	Group 2025	Charity 2025	Group 2024	Charity 2024
	£	£	£	£
Total Fixed Asset Investments	**4,159,783**	**4,159,883**	4,091,245	4,091,245

The wholly owned trading subsidiary, CPG Enterprises Limited (03140004), is registered in the United Kingdom. The principal activity of CPG Enterprises Limited is the running of the Garden and the letting of the grounds of the charity. CPG Enterprises Limited is exempt from an audit under S479A of the Companies Act.

At 31 December 2025 the income of CPG Enterprises was £759,375 (2024 - £765,420) and expenditure was £314,518 (2024 - £302,647). The net assets of CPG Enterprises Limited were £4,778 (2024: £4,778) and the retained profit to that date was £4,678 (2024: £4,678), after payment to Chelsea Physic Garden Company under qualifying charitable donation of £444,857 (2024 - £462,773).

14 Stocks

	Group 2025	Charity 2025	Group 2024	Charity 2024
	£	£	£	£
Goods for resale	**23,837**	**-**	22,901	-

There is no material difference between what is stated above and the recoverable amount.

15 Debtors

	Group 2025	Charity 2025	Group 2024	Charity 2024
Amounts falling due within one year:	£	£	£	£
Trade debtors	**34,683**	**7,867**	19,265	3,602
Amounts owed by/to subsidiary	**-**	**-**	-	90,443
Prepayments and accrued income	**58,931**	**52,443**	61,688	56,247
Other debtors	**27**	-	960	960
	93,641	**60,310**	81,913	151,252

16 Creditors: Amounts falling due within one year

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Trade creditors	**33,039**	**26,557**	19,721	14,128
Amounts owed to subsidiary	**-**	**45,143**	-	-
Other creditors	**69,140**	**12,531**	33,112	10,625
Other taxation and social security	**65,063**	**62,709**	56,374	53,971
Accruals	**124,459**	**64,500**	80,220	70,844
Deferred income	**211,361**	**139,498**	210,172	144,021
	503,062	**350,938**	399,599	293,589

Included within Other creditors are amounts owing to the pension scheme of £12,530.99 (2024 – £10,625).

17 Deferred income reconciliation

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Balance at 1 January	**210,172**	**144,021**	251,571	152,508
Amount released to income earned from charitable activities	**(210,172)**	**(144,021)**	(251,571)	(152,508)
Amount deferred in the year	**211,361**	**139,498**	210,172	144,021
Balance at 31 December	**211,361**	**139,498**	210,172	144,021

Deferred income relates mainly to the income received from memberships in relation to the next financial period. Other amounts relate to income received in advance of events booked for the next financial period.

18 Analysis of charitable funds
Group – current year

	At 1 January 2025 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2025 £
Unrestricted funds						
General fund	582,467	2,053,452	(1,934,302)	-	-	701,617
Capital Redevelopment - Designated fund	302,137	-	(43,027)	-	-	259,110
Designated maintenance fund	259,740	-	(54,011)	-	-	205,729
Designated fund – Jill Hood Legacy	29,433	-	(5,508)	-	-	23,925
Total unrestricted funds	1,173,777	2,053,452	(2,036,848)	-	-	1,190,381
Endowment fund	4,091,245	-	-	-	68,538	4,159,783
Restricted funds						
Horticultural & Learning trainees	17,803	30,000	(49,504)	-	-	(1,701)
Horticultural trainees		15,000	(4,948)	-	-	10,052
Florilegium Society Fund	15,121	-	(12,000)	-	-	3,121
Garden Restricted Donations	4,872	5,208	(2,799)	-	-	7,281
R.U.B White Charitable Trust Community Outreach	7,142	4,755	(6,632)	-	-	5,265
Glasshouses Restoration/Legacy	2,402,574	-	(138,290)	-	-	2,264,284
The National Lottery Community Fund	-	240	(8,368)	20,450	-	12,322
Horticultural Therapy Programme	4,570	19,270	(1,513)	(20,450)	-	1,877
John Swire 1989 Charitable Trust	4,734	-	(5,446)	713	-	1
Interpretation Roll-Out	128,877	-	(122,773)	-	-	6,104
Youth Photography	-	1,900	(1,700)	-	-	200
James & Shirley Sherwood Fund	-					
Learning & Engagement Co-ordinator	5,859	-	(5,145)	(713)	-	1
Composting facilities	-					
Biodiversity Survey	24,353	28,582	(39,506)	-	-	13,429
Pathways to Knowledge	156,218	10,000	(166,218)	-	-	-
Botanica in Bloom	-	17,773	(17,773)	-	-	-
Collections Fund	-	3,000	(1,500)	-	-	1,500
Volunteer Uniform Fund	-	3,500	(2,477)	-	-	1,023
Tree Succession	-	6,450	(4,950)	-	-	1,500
Eranda Rothschild	-	44,228	-	-	-	44,228
Total restricted funds	2,772,123	189,906	(591,543)	-	-	2,370,487
Total funds	8,037,145	2,243,358	(2,628,391)	-	68,538	7,720,650

18 Analysis of charitable funds
Group – previous year

	At 1 January 2024 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2024 £
Unrestricted funds						
General fund	608,271	2,049,528	(2,075,332)	-	-	582,467
Capital Redevelopment - Designated fund	435,596	-	(133,459)	-	-	302,137
Designated maintenance fund	317,549	-	(57,809)	-	-	259,740
Designated fund – Jill Hood Legacy	50,057	-	(20,624)	-	-	29,433
Designated fund – Volunteers	656	-	(656)	-	-	-
Total unrestricted funds	1,412,129	2,049,528	(2,287,880)	-	-	1,173,777
Endowment fund	3,759,879	-	-	-	331,366	4,091,245
Restricted funds						
Horticultural trainees	13,318	38,517	(34,032)	-	-	17,803
Florilegium Society Fund	1,344	-	(570)	14,347	-	15,121
Digitisation Project	1,716	-	(41)	(1,675)	-	-
Garden Restricted Donations	3,661	4,149	(4,726)	1,788	-	4,872
R.U.B White Charitable Trust Community Outreach	7,062	5,000	(4,920)	-	-	7,142
Glasshouses Restoration Fund	2,479,501	145,184	(222,111)	-	-	2,402,574
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	(418)	-	-	-
Horticultural Therapy Programme	2,054	4,470	(1,954)	-	-	4,570
John Swire 1989 Charitable Trust	10,000	-	(5,266)	-	-	4,734
Interpretation Roll-Out	113,410	2,500	(22,815)	35,782	-	128,877
James & Shirley Sherwood Fund	25,000	-	(12,328)	(12,672)	-	-
Learning & Engagement Co-ordinator	21,362	2,131	(17,634)	-	-	5,859
Composting facilities	3,677	-	111	(3,788)	-	-
Biodiversity Survey	-	38,500	(14,147)	-	-	24,353
Pathways to Knowledge	-	190,000	-	(33,782)	-	156,218
Total restricted funds	2,682,523	430,451	(340,851)	-	-	2,772,123
Total funds	7,854,531	2,479,979	(2,628,731)	-	331,366	8,037,145

18 Analysis of charitable funds *(continued)*
Charity – current year

	At 1 January 2024 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2024 £
Unrestricted funds						
General fund	577,789	1,835,866	(1,716,712)	-	-	696,943
Capital Redevelopment - Designated fund	302,137	-	(43,027)	-	-	259,110
Designated building maintenance	259,740	-	(54,011)	-	-	205,729
Designated fund – Jill Hood Legacy	29,433	-	(5,508)	-	-	23,925
Designated fund – Volunteers	-	-	-	-	-	-
Total unrestricted funds	1,169,099	1,835,866	(1,819,258)	-	-	1,185,707
Endowment fund	4,091,245	-	-	-	68,538	4,159,783
Restricted funds						
Horticultural & Learning trainees	17,803	30,000	(49,504)	-	-	(1,701)
Horticultural trainees		15,000	(4,948)	-	-	10,052
Florilegium Society Fund	15,121	-	(12,000)	-	-	3,121
Digitisation Project	-	-	-	-	-	-
Garden Restricted Donations	4,872	5,208	(2,799)	-	-	7,281
R.U.B White Charitable Trust Community Outreach	7,142	4,755	(6,632)	-	-	5,265
Glasshouses Restoration Fund	2,402,574	-	(138,290)	-	-	2,264,284
The National Lottery Community Fund	-	240	(8,368)	20,450	-	12,322
Horticultural Therapy Programme	4,570	19,270	(1,513)	(20,450)	-	1,877
John Swire 1989 Charitable Trust	4,734	-	(5,446)	713	-	1
Interpretation Roll-Out	128,877	-	(122,773)	-	-	6,104
Youth Photography	-	1,900	(1,700)	-	-	200
James & Shirley Sherwood Fund Learning & Engagement Co-ordinator	5,859	-	(5,145)	(713)	-	1
Composting facilities	-					
Biodiversity Survey	24,353	28,582	(39,506)	-	-	13,429
Pathways to Knowledge	156,218	10,000	(166,218)	-	-	-
Botanica in Bloom	-	17,773	(17,773)	-	-	-
Collections Fund	-	3,000	(1,500)	-	-	1,500
Volunteer Uniform Fund	-	3,500	(2,477)	-	-	1,023
Tree Succession	-	6,450	(4,950)	-	-	1,500
Eranda Rothschild	-	44,228	-	-	-	44,228
Total restricted funds	2,772,123	189,906	(591,543)	-	-	2,370,487
Total funds	8,032,467	2,025,772	(2,410,801)	-	68,538	7,715,977

18 Analysis of charitable funds *(continued)*
Charity – previous year

	At 1 January 2024 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2024 £
Unrestricted funds						
General fund	603,593	1,837,069	(1,862,873)	-	-	577,789
Capital Redevelopment - Designated fund	435,596	-	(133,459)	-	-	302,137
Designated building maintenance	317,549	-	(57,809)	-	-	259,740
Designated fund – Jill Hood Legacy	50,057	-	(20,624)	-	-	29,433
Designated fund – Volunteers	656	-	(656)	-	-	-
Total unrestricted funds	1,407,451	1,837,069	(2,075,421)	-	-	1,169,099
Endowment fund	3,759,879	-	-	-	331,366	4,091,245
Restricted funds						
Horticultural trainees	13,318	38,517	(34,032)	-	-	17,803
Florilegium Society Fund	1,344	-	(570)	14,347	-	15,121
Digitisation Project	1,716	-	(41)	(1,675)	-	-
Garden Restricted Donations	3,661	4,149	(4,726)	1,788	-	4,872
R.U.B White Charitable Trust Community Outreach	7,062	5,000	(4,920)	-	-	7,142
Glasshouses Restoration Fund	2,479,501	145,184	(222,111)	-	-	2,402,574
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	(418)	-	-	-
Horticultural Therapy Programme	2,054	4,470	(1,954)	-	-	4,570
John Swire 1989 Charitable Trust	10,000	-	(5,266)	-	-	4,734
Interpretation Roll-Out	113,410	2,500	(22,815)	35,782	-	128,877
James & Shirley Sherwood Fund	25,000	-	(12,328)	(12,672)	-	-
Learning & Engagement Co-ordinator	21,362	2,131	(17,634)	-	-	5,859
Composting facilities	3,677	-	111	(3,788)	-	-
Biodiversity Survey	-	38,500	(14,147)	-	-	24,353
Pathways to Knowledge	-	190,000	-	(33,782)	-	156,218
Total restricted funds	2,682,523	430,451	(340,851)	-	-	2,772,123
Total funds	7,849,853	2,267,520	(2,416,272)	-	331,366	8,032,467

18 Analysis of charitable funds *(continued)*

Restricted funds have been established to provide financial support for specific projects as below:

Horticultural and Learning Trainee	-	A training programme for people interested in pursuing a career in environmental education.
Horticultural Trainees		A training programme for people interested in pursuing a career in horticulture.
The Florilegium Society Fund	-	A fund to support the development and conservation of the collection of botanical art from the Chelsea Physic Garden Florilegium Society.
Garden Fund Restricted Donations	-	Funds raised to support ad hoc horticultural projects.
R.U.B White Charitable Trust Community Outreach	-	A grant to support learning and engagement activities.
Glasshouses Restoration Fund	-	Restoration of the Glasshouses together with supporting activity programmes, re-interpretation and plant collections review. Residual funds have been divided between a maintenance fund and a legacy fund, which is drawn down via an internal application process. The fund will remain open as the Glasshouses depreciate.
Glasshouses – Maintenance fund	-	A designated fund to support the maintenance of the Glasshouses, over an initial five-year period.
Glasshouses – Legacy fund	-	An internal fund awarded to legacy projects of the Glasshouse Restoration Fund via an application and assessment process.
The National Lottery Community Fund	-	A grant to support our social and therapeutic horticulture programme.
D'Oyly Carte Community Programming	-	A grant to support individuals and community groups to access the Garden, including through social prescribing.
John Swire 1989 Charitable Trust	-	A grant to support learning and engagement programme.
Interpretation Roll-Out	-	A fund to support the research, development, and installation of new interpretation.
Youth Photography Workshops		A Community Living Local Life grant from RBKC to support young people to take part in nature photography workshops.
Learning and Engagement Coordinator	-	A fund to support the costs of a part-time Coordinator to help administer and deliver Learning and Engagement Programmes.
Biodiversity Survey		A fund to support an audit of the Garden's ecosystem, a publication of the findings, and free 'biodiversity assemblies' for schools.
Pathways to Knowledge	-	A grant to replace existing gravel pathways to improve accessibility and to replace and add interpretation.

18 Analysis of charitable funds *(continued)*

Botanica in Bloom	-	A grant to support a botanical art exhibition.
Collections Fund	-	A fund to support the conservation, care, and development of our 'non-living' collections, including a library and archive.
Volunteer Uniform Fund	-	A fund to support the purchase of protective clothing and equipment for volunteers to allow for accessible opportunities.
Tree Succession Plan	-	A fund to support the development and delivery of a tree succession plan for the Garden, to future proof our tree canopy.

Restricted funds which were closed in the prior year:

Acoustic Panels Project	-	A project to introduce acoustic panels along Embankment, reducing traffic noise supported by Patrons Funds remaining have been transferred to a fund designated for maintenance projects.
Education and Outreach Project	-	Funds raised for the education programme including the Shelf-Life project and outreach programme with Waltham Forest Young Offenders.
Judith Bronkhurst Donation	-	A donation to fund the purchase of terracotta plant pots
Friends' Scheme Review	-	A review of the Friends scheme including questionnaires to Friends, benchmarking and proposals for improvements.

Unrestricted funds are used in accordance with the charitable objectives at the discretion of the Trustees. The Trustees use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

The Endowment Fund is an expendable Endowment and represents investments and cash which continue to be used by the Trustees in the best interests of the charity. The endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustees' discretion in support of the Charity's work.

19 Analysis of net assets between funds

	Tangible Fixed assets £	Investments £	Current assets £	Creditors £	Total £
Group – Current Year					
General funds	429,353	-	768,860	(496,596)	701,617
Designated funds	-	-	488,764	-	488,764
Endowment funds	-	4,159,783	-	-	4,159,783
Restricted funds	1,854,704	-	567,392	(51,609)	2,370,487
Total	2,284,057	4,159,783	1,825,015	(548,205)	7,720,650
Group – Previous Year					
General funds	360,938	-	606,135	(384,606)	582,467
Designated funds	-	-	591,310	-	591,310
Endowment funds	-	4,091,245	-	-	4,091,245
Restricted funds	1,923,119	-	863,997	(14,993)	2,772,123
Total	2,284,057	4,091,245	2,061,442	(399,599)	8,037,145
Charity – Current Year					
General funds	377,823	100	669,958	(350,938)	696,943
Designated funds	-	-	488,764	-	488,764
Endowment funds	-	4,159,783	-	-	4,159,783
Restricted funds	1,854,671	-	515,816	-	2,370,487
Total	2,232,494	4,159,883	1,674,537	(350,938)	7,715,977
Charity – Previous Year					
General funds	309,375	100	561,903	(293,589)	577,789
Designated funds	-	-	591,310	-	591,310
Endowment funds	-	4,091,245	-	-	4,091,245
Restricted funds	1,923,119	-	849,004	-	2,772,123
Total	2,232,494	4,091,345	2,002,217	(293,589)	8,032,467

20 Liability to the members

Every member of the company undertakes to contribute an amount not exceeding £1 to the assets of the charitable company in the event of the company being wound up while he is a member, or within one year after he ceases to be a member. This contribution is for the payment of the debts and liabilities of the charitable company contracted before he ceases to be a member and of costs of winding up.

21 Analysis of cash and cash equivalents

	Group 2025 £	**Charity 2025** £	Group 2024 £	Charity 2024 £
Cash at bank and in hand	1,531,654	1,470,595	1,956,628	1,850,965

22 Analysis of net debt

At 31 December 2025 the group and charity had no loans classified as debt.

23 Commitments under operating leases

At 31 December 2025 the group and charity had future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
No later than 1 year	**3,230**	3,237
Later than 1 year and no later than 5 years	**16,150**	-
	19,380	3,237

24 Related party transactions

There are no related party transactions in 2025 or 2024 other than those detailed in note 10.

THE CHELSEA PHYSIC GARDEN COMPANY

England & Wales - Charity number 286513

Accounts

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and Consolidated Financial Statements

Year Ended

31 December 2024

Company Number 01690871

Charity Number 286513

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and financial statements
for the year ended 31 December 2024

Contents

Page:

1	Trustees' Annual Report
11	Trustees' responsibilities statement
12	Independent auditor's report
16	Consolidated statement of financial activities
17	Consolidated balance sheet
18	Charity balance sheet
19	Statement of consolidated cash flows
20	Notes forming part of the financial statements

The Chelsea Physic Garden Company

(a company limited by guarantee)

Trustees' report
for the year ended 31 December 2024

The Trustees, who are also directors for the purpose of company law present their report together with the audited financial statements for the year ended 31 December 2024 which are also prepared to meet the requirements for a Director's report and accounts for Companies Act purposes.

Status and Constitution

Charity Name:	Chelsea Physic Garden Company (The)
Charity registration number:	286513
Company registration number:	01690871
Registered office and operational address:	66 Royal Hospital Road London SW3 4HS

The charity is constituted as a company limited by guarantee. The charity is governed by its Articles of Association dated 17 May 2019.

The company was incorporated to act as a Trustee of the charity known as The Chelsea Physic Garden (Charity registration number 286513) and to advance public education and in particular to promote the study of botany and related sciences.

Directors and members of the Board

The Trustees and members of the Board (who also act as Trustees for the charitable activities of The Chelsea Physic Garden Company) who served during the year, and up to the date these financial statements have been signed, are:

Prof Jane Anderson	(appointed 26 February 2025)
Mr Colin Chisholm	(Hon. Treasurer, retired 31 December 2024)
Mr Alan Dempsey	(resigned 26 February 2025)
Dr Helen Charman	
Ms Sarah Flannigan	(Chair of the Board – appointed 26 February 2025)
Ms Anna Jobson	(resigned 15 October 2024)
Mr Will Kenney	(appointed 01 January 2024, Hon. Treasurer from 01 January 2025)
Mr Tony Kirkham	(Chair of Advisory Committee)
Mr Todd Longstaffe-Gowan	(resigned 25 March 2024)
Mr Simon Major	
Dr Philippa Simpson	
Dr Paul Thompson	(Chair of the Board - resigned 18 April 2024)
Ms Anna Valle	
Mr Andrew Woodward	
Ms J Younger	(appointed 13 May 2025)

Senior Leadership Team

The Director and Company Secretary	Mrs Susan Medway
Development Director	Ms Joanna Wells
Commercial Director	Mrs Danielle Sargent
Deputy Director (Visitor Experience)	Ms Frances Sampayo
Finance Director	Mr David Strange
Head of Plant Collections	Ms Nell Jones (to 26 May 2024)
Head of Plant Collections	Ms Emily Hazell (from 27 August 2024)
Head of Learning & Public Engagement	Ms Katy Parry
Executive Assistant	Ms Rita Bhatia
Project Manager	Mrs Bridget McGee

Professional advisors

Bank:	National Westminster Bank plc 55 Kensington High Street London W5 5EQ
Solicitors:	Farrer & Co 66 Lincolns' Inn Fields London WC2A 3LH
Auditor:	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Fund Managers:	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

Organisation and Structure

Appointments to the Board are for an initial period of three years after which Trustees can seek re-election, serving two additional terms each of three years. These provisions also apply to appointments to the Board of CPG Enterprises Limited, the Advisory Committee and other board sub-committees. There is provision to extend the appointment of a director or Trustee for a limited period where the experience or organisational knowledge of that Trustee supports an important or timely activity.

Dr Paul Thompson (Chair of the Board) resigned in April 2024. Mr Andrew Woodward and Ms Anna Jobson acted as interim Co-Chairs afterwards. On 26 February 2025 Ms Sarah Flannigan was appointed as a Trustee and Chair of the Board.

Mr Colin Chisholm retired on 31 December 2024. Mr Will Kenney took up the position of Hon. Treasurer in his place from 1 January 2025.

The Trustees determine the overall strategy and policies of the charity. The delivery of the Garden's strategic plans, fundraising and external professional relations together with day-to-day management are delegated to the Garden's Director, Mrs Susan Medway, who is also appointed as Company Secretary. The Director takes a lead on major project activity as the most senior executive of the charity. She is supported by a small team of senior managers and staff.

Recruitment and Appointment of the Board

All members of the Board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 10 to the financial statements.

The Nominations & Appointments Committee is charged with setting and regularly reviewing the requisite skills and competencies for board members and members of committees/panels, undertaking recruitment searches and recommending appointments as required to ensure there is an appropriate mix of skills.

Trustee Induction and Training

New Trustees are invited and encouraged to attend the Garden to familiarise themselves with the charity and the context within which it operates, including meeting with senior management and taking tours with the volunteer Guides. They are invited to attend the annual main Spring briefing and the subsequent quarterly staff and volunteer briefing sessions. Newly appointed Trustees spend a period shadowing an existing Trustee. Throughout their term of office, they are offered appropriate training in their role as charity Trustees.

The principal departments and senior roles are:

The Deputy Director (Visitor Experience) is responsible for the welcome provided to visitors and for management of the buildings and their services. Through the learning and public programme team they have oversight of all learning activity and the public programme, as well as volunteers. The Deputy Director deputises for the Director in their absence.

The Commercial Director is responsible for all commercial activity including retail, venue hire and commercial partnerships; they also manage the relationship with the catering partner as well as the small number of commercial contracts that exist. They are responsible for the Friends' scheme; through their team they undertake all PR, marketing and communications including digital.

The Development Director is responsible for supporting senior fundraising volunteers as well as direct fundraising for both specific capital projects and to support the charity's horticultural and learning programmes.

The Finance Director is responsible for all finance activities for the charity and the wholly owned trading subsidiary CPG Enterprises Limited.

The Head of Plant Collections is responsible for the horticultural management of the garden and its plant collections together with the herbarium and seed bank. They ensure delivery of the horticultural training programmes.

The Project Manager leads on coordinating the Project Board, the Project Team, the capital design team and supporting colleagues to achieve progress on all funded capital and programme activities including plans towards the Gardens building refurbishment programme.

The Executive Assistant supports the Board, its sub-committees and senior staff. They take minutes for all meetings including the Board and its sub-committees as well as the Project Board and project meetings.

The Finance & Operations Committee meet with senior management quarterly to review the performance and financial stability of the charity and its trading subsidiary. They monitor and review key performance indicators, all major income and expenditure and cash flow to ensure that the charity and trading subsidiary can meet their liabilities and continue to trade on a going concern basis.

Related parties and co-operation with other organisations

None of the Trustees receive remuneration or other benefits from their work with the charity. Any connection between a Trustee or senior manager of the charity with another organisation, another charity or an individual that the charity may encounter, while pursuing its objectives must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party.

The charity's wholly owned subsidiary, CPG Enterprises Limited, was established on 20 December 1995 (company number 3140004). It is responsible for overseeing commercial activities, retail, catering, venue hire and any licensing for commercial purposes of the charity's trademark. CPG Enterprises Limited has a licence from the charity to occupy the shop premises and gift aids its profits to the charity (see note 13b to the financial statements). The catering operation is contracted out with an agreed percentage of net turnover paid to CPG Enterprises Limited. Most of the venue hire bookings are fulfilled outside of the visitor opening periods.

Related parties and co-operation with other organisations *(continued)*

The charity has working relationships and maintains networks with numerous organisations at a local, national and international level. As a small independent charity these are important to raise and maintain its profile, to promote its diverse work and to share information and best practice. The charity maintains membership of the Botanic Gardens Education Network, Botanic Gardens Conservation International, the Association of Independent Museums, the National Council for the Conservation of Plants and Gardens, The Heritage Alliance and The National Council for Voluntary Organisations. The Garden has joined the Historic Houses Association (HHA). The Garden offers their members free admission receiving a credit from the HHA for each member visit.

Close networks exist between a number of national and international botanic gardens. The Garden also maintains good working relationships with staff at the Royal Botanic Gardens, Kew; Cambridge and Oxford Botanic Gardens; Edinburgh and Bristol Botanic Gardens and the National Botanic Garden of Wales. The Royal Horticultural Society and Kew support the Garden with technical advice, expertise and plant material. The Garden has reciprocated with similar exchanges of expertise and hosted visits from horticultural trainees from many of these Gardens. There is an established network through the charity's outreach programme with organisations such as the Octavia Foundation, Chelsea Academy, Kings' College (Civic Leadership Academy) and Social Farms and Gardens.

At a local level the charity engages with activities in the Royal Borough of Kensington and Chelsea, and particularly in Chelsea and Kings Road area. The Garden engages with activities relating to tourism, education and community initiatives. Garden representatives attend meetings and local networking events including The Chelsea Society and Cheyne Walk Trust. They work with the Royal Hospital, Chelsea and the National Army Museum taking part in the annual Chelsea History Festival, collaborating to generate interest and drive visits to Royal Hospital Road as a destination. The Director is a Trustee of The London Gardens Society and the Gardening with Disabilities Trust, a Liveryman and Court Assistant of the Worshipful Company of Gardeners and a Fellow of the Linnean Society.

Aims and Objectives

Purpose and principal activities

The charitable purpose and objectives of the charity are to 'demonstrate the medicinal, economic, cultural and environmental importance of plants to the survival and well-being of humankind'.

Chelsea Physic Garden carries out this charitable purpose for the public benefit by:

- providing programmes of learning activities, publications and events;
- maintaining documented plant collections in labelled and interpreted displays in an historic Botanic Garden;
- demonstrating the development of the science and practice of horticulture, botany and related disciplines through the historical role of the garden; and
- promoting the importance of the conservation of plants and the natural environment.

Ensuring the Garden's work delivers its aims for public benefit

In May 2024 the Garden's Board and Executives embarked on a review of activities towards the development of a ten year strategy. The charity works to engage the public in its botanic collections, the conservation and care of which is at the core of its activities. The Impact Report illustrates the charity's achievements of the previous 12 months against key performance, monitored throughout the year.

The principal performance indicators relate to:

- overall number of visitors to the Garden and admissions income;
- total number of School Learners;
- total number of Learners on Outreach visits and Community Engagement participants;

Ensuring the Garden's work delivers its aims for public benefit *(continued)*

- number of participants on public programmes and family activity days;
- the number of Friends of the Garden;
- retail revenue
- venue hire revenue;
- website and social media activity
- fundraising activity to support operating and capital projects.

The Impact Report is available to view at www.chelseaphysicgarden.co.uk.

Key highlights include:
A detailed audit of the Inner Library collection through the help and expertise of a volunteer historian and archivist.
The launch of new online resources to support classroom teaching, developed in consultation with teachers. The web resources form part of our Glasshouses-funded activity to engage teachers in our schools' programme.
A pilot series of dementia-friendly events, 'Forget-me-nots', designed in consultation with people with early-stage dementia and their carers.

Public benefit statement

The charity Trustees consider that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission and that the benefits that the charity provides are not unreasonably restricted.

The Trustees ensure the charity delivers public benefit by:
- admitting the public to the Garden on payment of an admission charge
- maintaining a Friends scheme
- providing a range of learning and public programmes on and off-site
- working with partner organisations to identify groups that would benefit from community membership access
- site and collections interpretation
- publications and digital resources
- providing guided tours, visitor services and on-line access

Activities

The charity's aim is to demonstrate horticultural and botanical excellence in the presentation of the Garden, whilst interpreting it in an interesting and accessible way. The gardening team works to refresh horticultural displays and, whilst the layout of the Garden remains largely unchanged, wider activities ensure that visitors and learners are engaged throughout the year through seasonal planting, exhibitions, and collaborations that seek to share the collections in new ways. Maintenance and redecoration work continues annually, particularly in the short period of closure in early January, ensuring that we maintain standards of presentation pending any major refurbishment.

The Garden has been open to visitors eleven months of the year, six days a week, it maintains longer opening hours (11am- 5pm) between April and October and has evening openings in July and August. Saturdays are exclusively reserved for private hire.

In 2024 the Garden welcomed 43,499 visitors (46,280 in 2023) and an overall footfall total of 56,340 visitors including day visitors and attendees of visitor enhancement events such as the Chelsea History Festival, Christmas Fair and Lates. The number of Friends memberships at 31 December was 6,094 (6,001 in 2023).

Income from commercial lettings forms a significant part of the charity's income. Information relating to private hire and to the Garden's public programme of activities is posted on the website and is promoted via the monthly e-newsletter. Venue hire and a range of public programme activities have taken place throughout the year.

Activities *(continued)*

The collaboration with Beefeater Gin through the London Garden Gin product and their charitable donation to the Garden was discontinued in 2024. The agreement with Octopus Publishing continues to develop product under the Garden's trademark. From January 2025 additional benefit will be added to the Friends scheme with reciprocal complimentary access between the gardens of the Royal Botanic Gardens Edinburgh and Chelsea Physic Garden.

The Garden has continued to deliver learning both onsite, offsite and online. There has been an increase in the delivery of activities through a programme of community partnerships. The total number of schools and community participants for the year was 4,160. In addition, we welcomed a further 7,145 participants to one of our public programme activities throughout the year, which may have been anything from summer outdoor music, interactive theatre, a family activity day or a workshop on chocolate making or herbal remedies.

There was a minor upturn of visitors from the USA and no such recovery has been evident from China and the Far East. Domestic visitor numbers decreased in 2024 with many visitors citing cost of living pressure in survey responses.

Venue hire activity was higher than the previous year when hires were restricted by the newly implemented lawn policy and the activities to recognise the 350th anniversary. In 2024 we learnt that improved scheduling enabled more events to be used without a huge increase in marquees used. The lawn was worn but not damaged to the extent it had been in 2023.

The initiative between the Royal Hospital, Chelsea, the National Army Museum, Cadogan Estates and the Garden to form the Chelsea Heritage Quarter, continued this year. Each party contributes funds, initially managed by CPG Enterprises Ltd. A Business Development Manager was sub-contracted to scope the opportunities to create a Heritage Quarter in the part of Chelsea where our three institutions are located. The potential for joint programming, ticketing and other initiatives to encourage visitors and build awareness of the area as a diverse cultural experience was felt worthwhile, and the intention is to set up a separate charitable body during 2025.

Volunteers

The Garden's team of volunteers, provides invaluable support across the charity and the Garden continually looks to diversify the activities in which volunteers are involved. Work has been ongoing to diversify how volunteers are recruited and ensure the ongoing training and support for existing and new volunteers. Of the 188 registered volunteers 135 were active over the year, contributing 5,076 hours of volunteered time. The former Youth Panel have evolved to become "Young Producers" and are contributing to the Learning team's efforts to attract young audiences. The group ran a "takeover day" with a number of events and programmes they had created.

Fundraising statement

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not currently undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." We have an on-line donation page for the public to make donations to support the Garden fundraising appeals. At 31 December 2024 £855 (2023: £4,883) had been received from website donations. Such amounts received are presented in our accounts as "voluntary income" and can include legacies and grants.

In relation to the above it is confirmed that all solicitations are managed internally, without involvement of commercial participators, professional fundraisers, or third parties. The day-to-day management of all income generation is delegated to the senior management team, who are accountable to the Trustees.

The charity is registered with the Fundraising Regulator which governs all its fundraising activity in addition to following The Code of Fundraising Practice.

The charity has received no formal complaints in relation to fundraising activities in 2024. The charity monitors the activities of its employees, including those responsible for fundraising, through regular reporting to Trustees.

Principal Funding Sources

Income is principally generated by the charity through philanthropy and fundraising activities, charging visitors admission to enter the Garden, from annual subscriptions from Friends of the Garden and from the public programme. In addition, the commercial activities of CPG Enterprises Limited make a significant contribution to the funding of the charity. Page 7/8

The charity holds long-term investments in the form of an Endowment Fund. This fund was established between 1983-87 from a fundraising appeal which attracted donations from individuals and charitable trusts. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustees' discretion in support of the Charity's work. As at 31 December 2024 the endowment fund value was £4,091,245 (£3,759,879 in 2023).

Trusts and Major Donors 2024

The Garden is fortunate to have the support of a number of charitable trusts and foundations together with individuals who make donations supporting capital works and charitable activities. In 2024 notable grants and donations were received from:

General
Ancaster Trust
Auriens
The Estate of Peter Barclay
Belmond Management Limited
Centurion Management Limited
Craig Swick
Prof Dianne Edwards
John and Diana Kemp-Welch Charitable Trust
The Estate of Jane Langley
Richard Mansell Jones
The Pamela Matthews Charitable Trust
Peter Stormonth Darling Charitable Trust
Christine and Stefan Riesenfeld
Leslie Rogers
Sloane Stanley

And Chelsea Physic Garden Patrons

Horticulture, Horticultural Trainees and Garden Projects
Lord Leverhulme's Charitable Trust
New to Nature (Groundwork UK)
Rick Mather David Scrase Foundation
Stanley Smith (UK) Horticultural Trust

Biodiversity Audit
Eddie Dinshaw Foundation
The Golden Bottle Trust
The John Armitage Charitable Trust
Joseph Rochford Gardens Ltd
Dr Martin Schoernig

Learning and Engagement Projects
The D'Oyly Carte Charitable Trust
The Royal Borough of Kensington and Chelsea
R.U.B. White Charitable Trust

Trusts and Major Donors 2024 *(continued)*

Capital Works
Julia Rausing Trust
National Lottery Heritage Fund

And all our donors who wish to remain anonymous.

Investment Policy

The Trustees approved an investment policy in January 2024, taking into consideration Charity Commission Guidance CC14. The policy addresses the charity's endowment funds and unrestricted reserves including cash and short term investments. It delegates investment strategy to the Finance & Operations Committee (FinOps). A specialist Investment Fund Manager (IFM), Sarasin & Partners LLP, is responsible for the investment of the charity's endowment fund in accordance with an investment mandate set by FinOps. The investment mandate is to provide a level of annual income to help support the running of the charity, whilst also looking to achieve long-term capital growth of the funds. All investments are monitored by nominated members of FinOps and all banks, IFMs and deposit accounts are reviewed annually.

Financial review

The results for the year show net deficit of £148,754 before gains on investments, this compares to a surplus of £39,808 in 2023 and a net surplus (after unrealised gains) of £182,612 compared with £242,186 in 2023. The balance sheet shows a positive position.

The Garden's trading subsidiary, CPG Enterprises Limited, showed a pre-tax profit of £462,773 (2023: £331,973), before a donation under deed of covenant was made to the Garden.

Total unrestricted income is £2,049,528 (2023: £1,992,320).

Income from unrestricted donations and legacies was £225,430 (2023: £382,498). Legacies totalling £26,000 were received in 2024 (2023: £nil).

Income from letting rooms, external events in the Garden and commission on the café is £590,644 (2023: £440,759) which is 24% (2023 - 17%) of total income. Income from the Friends annual subscriptions was £302,831 (2023: £318,322) although total number of friends increased slightly during the year

Total expenditure of £2,628,733 increased by 3% (2023 - £2,545,201). The increase was of course driven by inflationary pressure but spending is constantly reviewed in order to align with the Garden's needs and objectives.

Reserves

Total funds at the year-end amount to £8,037,145 (2023: £7,854,531) of which £2,772,123 (2023: £2,682,523) can only be used for particular restricted purposes as stipulated by the donors. The assets and liabilities attributable to the various funds are shown in notes 18 and 19 to the financial statements which also describe the various funds of the charity.

Unrestricted funds amount to £5,265,022 (2023: £5,172,008), of which £350,579 (2023 - £350,579) are free reserves as the Trustees consider the endowment funds of £4,091,245 (2023: £3,759,879) to be available only in exceptional circumstances. The charity relies on the income generated from these long-term investments (and also from its own activities) for the day to day upkeep of the Garden and for capital growth to ensure continued income generation in future years.

Other funds amounting to £591,310 (2023: £803,858) have been designated by the Trustees for specific purposes. These funds are listed in note 18 and described on page 38.

Reserves *(continued)*

The Trustees approved a new risk-based reserves policy in July 2023. The four key risks with the potential to impact the charity's reserves were identified and their likely financial impact assessed. Cyber attack, physical damage to the Garden, business interruption owing to a natural or man-made disastrous event and loss of key staff were the risks identified and the likely cost assessed. In line with the policy a further assessment was undertaken at the year-end concluding that £190,000 of reserves should be allocated to these risks.

Based on a review of the charity's sources of income the Trustees are satisfied that there is sufficient diversity that the risk of income being impacted significantly by external factors is low enough that no additional reserves need to be allocated for this. Seasonal fluctuations in operational cash in- and out-flows also need to be considered and cashflow forecasts confirm the recommendation in the reserves policy that free reserves of between £200,000 and £300,000 should be set aside for this purpose.

Free reserves at the year-end are £404,747 which is higher than the reserves policy recommendation however the Trustees are satisfied with this position.

Going concern

In assessing any lasting impact of financial pressures brought about by rising inflation and consequent price increases on The Chelsea Physic Garden Company group, the Trustees have considered all the matters described in the Trustees' Report, including the group's operations, the impact on subscriptions, donations, and other trading activities, as well as the impact on the group's investment portfolio. In particular, in order to support the Trustees' assessment of the sustainability of the group's activities, management continues to prepare quarterly cash-flow forecasts based on assumptions, through to the end of 2026. The major revenue and expenditure budgets are tracked on a month-by-month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure up to 12 months from the signing of these accounts. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsidiary which undertakes certain commercial trading activities of the group, has been subjected to a separate stress test for a period which extends forward to the end of 2026. Provided that trading activities ordinarily undertaken by CPG Enterprises Ltd can be undertaken the stress test demonstrates that the trading company remains an independent going concern throughout.

At the date of signing of these financial statements, forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern. The Trustees therefore consider that no material uncertainty exists in relation to going concern for the Group.

Charity Governance Code

The Board is committed to good governance and to its own and the charity's continuous improvement in delivering its purposes most effectively for the public benefit.

The Trustees are mindful of the Charity Corporate Governance Code and considering whether to implement any changes in response.

Plans for Future Periods

Progress on achieving the overall objective to update the Garden's horticultural and learning facilities and infrastructure; to improve and enhance the overall accessibility and experience for visitors continue.

Restoration and reinterpretation of the Garden's historic Glasshouses, supported by a National Lottery Heritage grant of £924,100 was completed in 2023, the accompanying activity programmes completed in 2024.

Plans for Future Periods *(continued)*

The Trustees are continuing to develop and refine plans for a phased approach to an architectural masterplan to improve and refurbish visitor, horticultural and learning facilities and infrastructure, as well as to enhance the overall accessibility and experience for visitors. Fundraising consultants, business planning consultants, surveyors and architects have been commissioned to support the work expected to be developed throughout 2025 and beyond. Other capital projects are modest in nature and only commence when full cost funding is in place.

Carbon Footprint

During the development phase of the Glasshouses project the Garden created a Sustainability Framework through which it evaluated the deliverables for the repair and improvements to the Glasshouses. It is proposed that a Sustainability Framework which covers accessibility, biodiversity, energy, water, materials, waste and pollution be further developed to provide a benchmark by which the Garden can track, reduce and mitigate its environmental footprint. A Premises Manager was appointed for a fixed term of two years to further this work.

Pay policy of senior staff

The charity is committed to the London Living Wage, including for Trainee roles. The Reward & Recognition Committee is responsible for annually reviewing the pay and conditions of staff and volunteer expense remuneration. Benchmarking is undertaken within the relevant sector of all vacant roles prior to re-advertising.

Risk Management

The Trustees actively review the major risks which the charity might face, in particular those relating to governance, reputation, operations and finance. As part of the risk monitoring infrastructure the charity maintains an active risk register, business continuity and disaster plan. These are regularly reviewed to ensure relevance. The charity annually reviews its insurance provision including the type of cover and overall levels of cover.

The Trustees believe that maintaining adequate free reserves combined with regular reviews of the controls over key financial systems, provides sufficient protection for the charity in the event of adverse operating conditions.

Amongst the most serious risks listed in the current risk register are :

- **Cyber attack**
  This might result in loss of access to vital IT systems, compromise of the personal data of Friends, visitors and others or financial loss as a result of virus or ransomware attack. Our response is to review our IT security continuously, to ensure safeguards and staff training are up to date. To the extent that cyber risks can be insured against we have that cover.

- **Unauthorised access to the Garden and buildings by intruders for the purposes of theft or vandalism**
  Our response to this includes physical and monitored security systems, electronic access controls and CCTV. We are insured against the potential financial loss that could result from such an event.

- **An unforeseen disastrous event**
  This might take the form of a natural disaster or an act of terrorism, for example. The Garden has a Business Continuity Plan which would enable key personnel to continue to work offsite with access to backed up systems. Full records of the living collections are maintained should it be necessary to recreate them.

- **Impact of climate change on the living collection**
  This is largely outside our control but actions can be taken and we have commissioned a report on sustainability to identify how we can achieve "carbon neutrality" by 2030. We review our plant collections to ensure we can maintain a collection in line with our mission as an organisation but that is more resilient to a changing climate.

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company and charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the group and parent charity and of the incoming resources and application of resources, including its income and expenditure, of the group for the year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

Each of the persons who are Trustees at the time when the Directors' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- that the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charity's auditor in connection with preparing their report and to establish that the charity's auditor is aware of that information.

Auditors

Moore Kingston Smith LLP will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

Small company exemption

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 13 May 2025 and signed on its behalf by:

Sarah Flannigan
Trustee

Will Kenney
Trustee

Independent auditor's report
To the Directors of The Chelsea Physic Garden Company
for the year ended 31 December 2024

Opinion

We have audited the financial statements of the Chelsea Physic Garden Company (the 'parent charitable company') for the year ended 31 December 2024 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 group's and the parent charitable company's affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 group and parent charitable company and their 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 where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11 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 group and parent 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 group or parent 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

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 is detailed below.

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

.....
Samir Chandoo (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 15 May 2025

6th Floor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated statement of financial activities (including consolidated income and expenditure account) for the year ended 31 December 2024

	Note	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Income from :						
Donations and legacies	2	**225,430**	**-**	**430,451**	**655,881**	975,188
Other trading activities	3	**1,061,353**	**-**	**-**	**1,061,353**	865,418
Charitable activities	4	**594,798**	**-**	**-**	**594,798**	599,180
Other income		**225**	**-**	**-**	**225**	7,171
Investments	5	**167,722**	**-**	**-**	**167,722**	138,053
Total income		**2,049,528**	**-**	**430,451**	**2,479,979**	2,585,010
Expenditure On:						
Charitable activities	8	**1,834,250**	**-**	**340,851**	**2,175,101**	2,124,468
Raising funds	9	**453,630**	**-**	**-**	**453,630**	420,733
Total Expenditure	7	**2,287,880**	**-**	**340,851**	**2,628,731**	2,545,201
Net (expenditure)/ income before gains, losses and transfers	6	**(238,352)**	**-**	**89,600**	**(148,752)**	39,809
Net gains on investments	13	**-**	**331,366**	**-**	**331,366**	202,377
Net surplus/(deficit) before transfers		**(238,352)**	**331,366**	**89,600**	**182,614**	242,186
Transfers between funds	18	**-**	**-**	**-**	**-**	-
Net movement in funds		**(238,352)**	**331,366**	**89,600**	**182,614**	242,186
Reconciliation of funds						
Total funds brought forward at 1 January 2024	18	**1,412,129**	**3,759,879**	**2,682,523**	**7,854,531**	7,612,345
Total funds carried forward at 31 December 2024	18	**1,173,777**	**4,091,245**	**2,772,123**	**8,037,145**	7,854,531

All results are derived from continuing activities.

The group has no other recognised gains and losses other than those stated above.

The notes on pages 20 to 40 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated balance sheet
at 31 December 2024

Company number 01690871

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	12		**2,284,057**		2,207,654
Investments	13		**4,091,245**		3,759,879
			6,375,302		5,967,533
Current assets					
Stocks	14	**22,901**		26,690	
Debtors	15	**81,913**		139,534	
Cash at bank and in hand	21	**1,956,628**		2,260,755	
		2,061,442		2,426,979	
Creditors: amounts falling due within one year	16	**(399,599)**		(539,981)	
Net current assets			**1,661,843**		1,886,998
Total assets less current liabilities			**8,037,145**		7,854,531
Net assets	19		**8,037,145**		7,854,531
Funds					
Unrestricted					
General	18	**582,467**		608,271	
Designated	18	**591,310**		803,858	
Endowment funds	18	**4,091,245**		3,759,879	
Restricted funds	18	**2,772,123**		2,682,523	
Total funds	18		**8,037,145**		7,854,531

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard FRS 102 SORP.

The financial statements were approved and authorised for issue by the Board on 13 May 2025

Sarah Flannigan
Trustee

Will Kenney
Trustee

The notes on pages 20 to 40 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Charity balance sheet
at 31 December 2024

Company number 01690871

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	12		**2,232,494**		2,179,671
Investments	13		**4,091,345**		3,759,979
			6,323,839		5,939,650
Current assets					
Debtors	15	**151,252**		111,403	
Cash at bank and in hand	21	**1,850,965**		2,138,703	
		2,002,217		2,250,106	
Creditors: amounts falling due within one year	16	**(293,589)**		(339,903)	
Net current assets			**1,708,628**		1,910,203
Total assets less current liabilities			**8,032,467**		7,849,853
Net assets	19		**8,032,467**		7,849,853
Funds					
Unrestricted					
General	18	**577,789**		603,593	
Designated	18	**591,310**		803,858	
Endowment funds	18	**4,091,245**		3,759,879	
Restricted funds	18	**2,772,123**		2,682,523	
Total funds	18		**8,032,467**		7,849,853

As permitted by section 408 of the Companies Act 2006, the Parent Charitable Company's profit and loss account has not been included in these financial statements. The surplus for the year was £182,614 (2023: £242,186).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the companies Act 2006 and with the Financial Reporting Standard FRS 102 SORP.

The financial statements were approved and authorised for issue by the Board on 13 May 2025

Sarah Flannigan
Trustee

Will Kenney
Trustee

The notes on pages 20 to 40 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Statement of consolidated cash flows at 31 December 2024

	Note	2024 £	2023 £
Reconciliation of net income to cash flows from operating activities			
Net movement in funds	18	**182,614**	242,186
(Gain)/loss on investments	13a	**(331,366)**	(202,377)
Investment income	5	**(167,722)**	(138,053)
Depreciation	6	**133,814**	52,006
(Increase)/decrease in debtors		**57,621**	(88,593)
(Decrease)/(increase) in creditors		**(140,382)**	157,578
(Increase)/decrease in stocks		**3,789**	6,297
Cash flows from operating activities		**(261,632)**	29,044
Cash flows from investing activities			
Investment income	5	**167,722**	138,053
Purchase of property, plant and equipment	12	**(210,217)**	(976,635)
		(42,495)	(838,582)
Decrease in cash for the year		**(304,127)**	(809,538)
Cash at beginning of year		**2,260,755**	3,070,293
Cash at end of year	21/22	**1,956,628**	2,260,755

The notes on pages 20 to 40 form part of these financial statements.

1 Accounting policies

The Chelsea Physic Garden Company is a registered charity and incorporated in England and Wales under the Companies Act 2006. It is a company limited by guarantee. The address of the registered office is given on page 1 of the Directors' report.

The principal accounting policies adopted, judgements and key sources of estimation or uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared on a historic cost basis except for the revaluation of investments.

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) (effective 1 January 2019) - (Charities SORP, 2nd Edition (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

Exemptions for qualifying entities under FRS 102

The parent charitable company has taken the following disclosure exemptions:

- from preparing a statement of cash flows on the basis that it is a qualifying entity and the group cash flow statement included within these financial statements, include the company's cash flows; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

Going concern

In assessing the impact of the cost-of-living crisis and the slow recovery of tourism in the aftermath of the pandemic the Trustees have considered all the matters described in the Trustees' Report, including the group's operations, the impact on subscriptions, donations, and other trading activities, as well as the impact on the group's investment portfolio. To support the Trustees' assessment of the sustainability of the group's activities, management continues to prepare cash-flow forecasts based on assumptions, through to the end of 2026. The major revenue and expenditure budgets are tracked on a month-by-month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsidiary which undertakes certain commercial trading activities of the group, has been subjected to a separate stress test for a period which extends forward to the end of 2026. Provided that trading activities ordinarily undertaken by CPG Enterprises Ltd can be undertaken the stress test demonstrates that the trading company remains an independent going concern throughout.

At the date of signing these financial statements, the Trustees' forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern. The Trustees therefore consider that no material uncertainty exists in relation to going concern for the Group.

1 Accounting policies *(continued)*

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary of CPG Enterprises Limited on a line-by-line basis. A separate Statement of Financial Activities, or income and expenditure account for the charitable company itself, is not presented in these accounts because the charitable company has taken advantage of the exemptions offered by Section 408 of the Companies Act 2006.

Income

Donations, grants and legacies

Cash donations and gifts are included in the Statement of Financial Activities when conditions for their receipt have been met. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods.

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 Trust 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 likely 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.

Government grants

Government grants are recognised as due when there is reasonable assurance that:

- the charity will comply with the conditions attached to the payments; and
- the grants will be received

Grants received for which conditions have not been satisfied are carried in the Balance Sheet as creditors.

Commercial trading operations

Shop income comprises revenue recognised by the company in respect of goods supplied, exclusive of Value Added Tax and trade discounts. Lettings income comprises revenue recognised by the company in relation to the lettings of the grounds and associated facility fees.

Income from fundraising events is included in the financial statements in the period in which the fundraising event takes place.

Income from royalties comprises of revenue from the sale and publication of botanical books.

Gift Aid

The charity owns the whole of the issued share capital of CPG Enterprises Limited.

Each year CPG Enterprises Limited pays to the charity, under the provisions related to Gift Aid, a sum based on the taxable profits of the company. The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

1 Accounting policies *(continued)*

Investment income

Dividends are included in the Statement of Financial Activities when they are declared.

Interest is included when receivable by the group.

Income from charitable activities

Admissions are recognised when received by the group. Friends subscriptions are recognised over the period to which they relate, any relating to future periods is deferred. Life subscriptions are recognised as they are received.

Expenditure

Expenditure is recognised on an accruals basis in the period in which it is incurred. Costs of raising funds for commercial trading operations comprise the costs associated with the letting of grounds and goods supplied.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs including governance costs are allocated between the expenditure categories of the charity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are charged directly, others are apportioned on an appropriate basis.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees. These include the assets of the trading company. The Trustees use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

The **Endowment** Fund is an expendable Endowment and represents investments and cash which continue to be used by the Trustees in the best interests of the charity. The endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustees' discretion in support of the charity's work.

Restricted funds can only be used for the particular restricted purposes within the objectives of the charity. Restrictions are imposed by the donor or when funds are raised for specified restricted purposes. The notes to the financial statements provide further details.

Tangible fixed assets

Generally, tangible fixed assets are capitalised if they can be used for more than one year and cost at least £2,500. They are valued at cost.

The charity does not have a policy on revaluation, a nominal value of £1 is put on the main buildings and gardens. The freehold of the land and buildings are owned by the charity with a Deed of Covenant in place which restricts its use.

1 Accounting policies *(continued)*

Tangible fixed assets (continued)

Depreciation of fixed assets is charged at rates estimated to write off their costs over the expected useful lives. The rates used are as follows:

Buildings	-	2% of cost
Improvements	-	10%-20% of cost
Office fixtures and equipment	-	20% of cost
Horticultural equipment	-	20% of cost
Computer equipment	-	20% of cost

Stock

Stock is included at the lower of cost and net realisable value and consists of goods for resale.

Investments

Listed investments are stated at closing market value at the balance sheet date. Unrealised gain or loss is calculated as the difference between opening and closing market value, as adjusted for additions and disposals in the year.

Investments held in subsidiary companies are recognised at cost.

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.

Cash at bank and in hand

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of 100 days or less.

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.

Financial instruments

The group 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.

1 Accounting policies *(continued)*

Leased assets

The group has operating leases. Their annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Pension scheme contribution

The charity does not operate its own pension scheme. Pension costs relate to payments made by the group to a group personal pension scheme administered independently.

Estimates and judgments

There are not considered to be any significant estimates and judgements involved in the preparation of the financial statements. Those estimates and judgements made, which are not considered to be significant, are covered by the other accounting policies.

2 Income from donations, grants and legacies

	Unrestricted funds £	**Restricted funds £**	**2024 £**
Donations and legacies	**225,430**	**430,451**	**655,881**
	225,430	**430,451**	**655,881**

	Unrestricted funds £	Restricted funds £	2023 £
Donations and legacies	382,498	592,690	975,188
	382,498	592,690	975,188

3 Income from other trading activities

	2024 £	2023 £
Commissions and letting of rooms	**590,644**	440,759
Shop income	**174,776**	158,265
Fundraising events	**295,933**	266,394
	1,061,353	865,418

All income from trading activities was unrestricted in the current and preceding year.

4 Income from charitable activities

	2024 £	2023 £
Admissions	**291,967**	280,858
Friends' subscriptions	**302,831**	318,322
	594,798	599,180

All income from charitable activities was unrestricted in the current and preceding year.

5 Investment income

	2024 £	2023 £
Income from fixed asset distribution unit funds	**167,722**	138,053
	167,733	138,053

Income from investments was unrestricted in the current and preceding year.

6 Net Income

	2024 £	2023 £
Net income for the year is stated after charging:		
Auditor's remuneration	**26,000**	25,470
Auditor's remuneration – prior periods	**2,674**	7,718
Corporation tax services	**2,915**	4,325
Other accountancy services	**9,329**	2,046
Depreciation of tangible fixed assets	**133,814**	52,006

7 Total expenditure

	Staff Costs £	Premises costs £	Depreciation £	Other costs £	Total 2024 £
Charitable activities (note 8)	**1,124,741**	**177,299**	**116,052**	**757,009**	**2,175,101**
Raising funds (note 9)	**233,221**	**3,031**	**17,762**	**199,618**	**453,632**
	1,357,962	**180,330**	**133,814**	**956,627**	**2,628,733**

	Staff Costs £	Premises costs £	Depreciation £	Other costs £	Total 2023 £
Charitable activities (note 8)	1,126,077	207,340	50,420	740,631	2,124,468
Raising funds (note 9)	226,587	2,864	1,586	189,696	420,733
	1,352,664	210,204	52,006	930,327	2,545,201

8 Expenditure on charitable activities

	Direct £	Support £	Total 2024 £
Science and horticulture	**707,118**	**-**	**707,118**
Educational programmes	**134,058**	**-**	**134,058**
Other projects	**1,088,563**	**245,362**	**1,333,925**
	1,929,739	**245,362**	**2,175,101**

	Direct £	Support £	Total 2023 £
Science and horticulture	690,278	-	690,278
Educational programmes	121,686	-	121,686
Other projects	1,088,922	223,583	1,312,505
	1,900,885	223,583	2,124,468

8 Expenditure on charitable activities *(continued)*

Analysis of direct costs

	Total 2024 £	Total 2023 £
Wages and salaries	**994,198**	1,003,312
Depreciation	**110,906**	48,899
Materials	**44,911**	41,894
Equipment	**7,414**	8,940
Repairs, maintenance & cleaning	**136,668**	169,028
Security	**8,143**	11,839
Advertising and marketing	**31,894**	36,948
Education costs	**5,203**	8,034
Recruitment	**25,555**	14,850
Rent, rates, water, heat & light	**29,284**	23,727
Travel, subsistence & entertaining	**17,065**	34,542
Insurance	**36,810**	35,434
Printing, postage & stationary	**27,100**	35,224
Telephone and internet	**6,376**	6,342
Ticket commissions	**16,088**	14,842
Professional fees	**227,666**	197,279
Other costs	**204,458**	209,751
	1,929,739	1,900,885

Analysis of support costs

	Total 2024 £	Total 2023 £
Wages and salaries	**130,543**	122,765
Depreciation	**5,146**	1,521
Security	**697**	914
Advertising and marketing	**2,731**	2,852
Recruitment	**2,188**	1,146
Rent, rates, water, heat & light	**2,507**	1,832
Travel, subsistence & entertaining	**1,264**	2,531
Printing, postage & stationery	**2,313**	2,597
Telephone and internet	**546**	489
Professional fees	**17,685**	12,698
Other costs	**16,050**	15,002
Governance costs	**63,692**	59,236
	245,362	223,583

Any cost that can be directly attributed to the charitable activities are allocated before any apportionment of costs.

Governance costs relate to audit and accountancy fees, legal fees and finance charges.

9 Expenditure on raising funds

	2024 £	2023 £
Wages and salaries	**233,221**	226,587
Expenditure of CPG Enterprises (including depreciation)	**111,467**	86,069
Fundraising costs of charity	**48,361**	43,383
Costs incurred on fundraising fair	**60,581**	64,694
	453,630	420,733

10 Trustees and employees

	Group 2024 £	Group 2023 £
Wages and salaries	**1,129,949**	1,149,501
Social security costs	**101,581**	103,304
Pension costs	**126,432**	98,627
Temporary staff	**-**	1,232
	1,357,962	1,352,664

The charity does not operate its own pension scheme. Pension costs relate to payments made by the group to a group personal pension scheme administered independently.

Average number of employees as a headcount:

	Group 2024	Group 2023
Charitable	**36**	36
Administration	**3**	3
Fundraising	**3**	3
	42	42

The group was helped by a substantial number of volunteers, approximately 188 (2023: 158) throughout the year.

The key management personnel of the group, include a number of senior managers across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total employment benefits paid to key management personnel of the group were £570,058 (2023: £577,957).

Salary range for employees earning £60,000 p.a. or more

	2024	2023
£60,000 - £69,999	**1**	2
£80,000 - £89,999	**1**	1

Pension contributions paid to the above amounted to £47,758 (2023 - £32,691).

10 Trustees and employees *(continued)*

Redundancy, restructuring and termination costs relating to a number of employees were £nil (2023: £nil).

Trustees' remuneration and expenses

None (2023 – none) of the Trustees received any remuneration. During the year two Trustees (2023 – two) had expenses reimbursed of £269 (2023 - £308). One Trustee received entertainment to the value of £91 (2023 – none).

11 Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Chelsea Physic Garden Company is a registered charity and has no liability to taxation on its income for the year. Tax recovered from voluntary income received under gift aid is recognised when the related income is receivable and is allocated to the income category to which the income relates.

No tax charges arose in the period.

The subsidiary company makes a qualifying donation of all taxable profit to The Chelsea Physic Garden. No corporation tax liability on the subsidiary arises in the accounts.

12 Tangible assets

Group	Buildings and improvement £	Assets under construction £	Glass-houses £	Office fixtures and equipment £	Horti-cultural equipment £	Computer equipment £	Total £
Cost							
At 1 January 2024	729,931	27,983	1,972,769	102,158	25,984	23,235	2,882,060
Additions	126,688	-	43,293	36,471	-	3,765	210,217
Disposals	(995)	-	-	(17,406)	-	-	(18,401)
Transfers	-	(27,983)	-	27,983	-	-	-
At December 31 2024	855,624	-	2,016,062	149,206	25,984	27,000	3,073,876
Depreciation							
At 1 January 2024	521,643	-	22,807	97,273	9,448	23,235	674,406
Disposals	(995)	-	-	(17,406)	-	-	(18,401)
Charge for the year	43,593	-	70,136	14,388	4,944	753	133,814
At December 31 2024	564,241	-	92,943	94,255	14,392	23,988	789,819
Net book value							
At 31 December 2024	291,383	-	1,923,119	54,951	11,592	3,012	2,284,057
At 31 December 2023	208,288	27,983	1,949,962	4,885	16,536	-	2,207,654

12 Tangible assets *(continued)*

Charity	Buildings and improvement £	Assets under construction £	Glass-houses £	Office fixtures and equipment £	Horticultural equipment £	Computer equipment £	Total £
Cost							
At 1 January 2024	**729,931**	**-**	**1,972,769**	**97,544**	**25,984**	**23,235**	**2,849,463**
Additions	**126,688**	**-**	**43,293**	**-**	**-**	**3,765**	**173,746**
Disposals	**(995)**	**-**	**-**	**(17,406)**	**-**	**-**	**(18,401)**
At December 31 2024	**855,624**	**-**	**2,016,062**	**80,138**	**25,984**	**27,000**	**3,004,808**
Depreciation							
At 1 January 2024	**521,643**	**-**	**22,807**	**92,659**	**9,448**	**23,235**	**669,792**
Disposals	**(995)**	**-**	**-**	**(17,406)**	**-**	**-**	**(18,401)**
Charge for the year	**43,593**	**-**	**70,136**	**1,497**	**4,944**	**753**	**120,923**
At December 31 2024	**564,241**	**-**	**92,943**	**76,750**	**14,392**	**23,988**	**772,314**
Net book value							
At 31 December 2024	**291,383**	**-**	**1,923,119**	**3,388**	**11,592**	**3,012**	**2,232,494**
At 31 December 2023	**208,288**	**-**	**1,949,962**	**4,885**	**16,536**	**-**	**2,179,671**

As a condition of the funding received from the National Lottery Heritage Fund for the Glasshouse Restoration project, The National Heritage Memorial Fund holds a charge over the freehold property of the charity.

13 Fixed Asset investments

13a Listed investments

	2024 £	2023 £
Market value at 1 January 2024	**3,759,879**	3,557,502
Additions	**-**	-
Gain in the year	331,366	202,377
Market value at 31 December 2024	**4,091,245**	3,759,879

Investments are held in listed funds managed by Sarasin & Partners LLP.

The historical cost of the listed investment at 31 December 2024 was £3,906,950 (2023- £3,378,111) due to an increase in the cash account and a switch of investments to the Sarasin Climate Active Endowments Fund in July.

13 Fixed Asset investments *(continued)*

13b Investments in subsidiaries

	2024	2023
	£	£
Shares in CPG Enterprises Limited at cost	**100**	100

	Group 2024	**Charity 2024**	Group 2023	Charity 2023
	£	£	£	£
Total Fixed Asset Investments	**4,091,245**	**4,091,245**	3,759,879	3,759,879

The wholly owned trading subsidiary, CPG Enterprises Limited (03140004), is registered in the United Kingdom. The principal activity of CPG Enterprises Limited is the running of the Garden and the letting of the grounds of the charity. CPG Enterprises Limited is exempt from an audit under S479A of the Companies Act.

At 31 December 2024 the income of CPG Enterprises was £765,420 (2023: £599,024) and expenditure was £302,647 (2023: £267,051). The net assets of CPG Enterprises Limited were £4,778 (2023: £4,778) and the retained profit to that date was £4,678 (2023: £4,678), after payment to Chelsea Physic Garden Company under qualifying charitable donation of £462,773 (2023 - £331,973).

14 Stocks

	Group 2024	**Charity 2024**	Group 2023	Charity 2023
	£	£	£	£
Goods for resale	**22,901**	**-**	26,690	-

There is no material difference between what is stated above and the recoverable amount.

15 Debtors

Amounts falling due within one year:	**Group 2024** £	**Charity 2024** £	Group 2023 £	Charity 2023 £
Trade debtors	**19,265**	**3,602**	23,509	5,544
Amounts owed by subsidiary	**-**	**90,443**	-	59,839
Prepayments and accrued income	**61,688**	**56,247**	43,230	41,247
Other debtors	**960**	**960**	72,795	4,773
	81,913	**151,252**	139,534	111,403

16 Creditors : Amounts falling due within one year

	Group 2024 £	**Charity 2024** £	Group 2023 £	Charity 2023 £
Trade creditors	**19,721**	**14,128**	57,117	54,566
Other creditors	**33,112**	**10,625**	135,223	42,530
Other taxation and social security	**56,374**	**53,971**	19,290	16,914
Accruals	**80,220**	**70,844**	76,780	73,385
Deferred income	**210,172**	**144,021**	251,571	152,508
	399,599	**293,589**	539,981	339,903

Included within Other creditors are amounts owing to the pension scheme of £10,625 (2023 – £8,711).

17 Deferred income reconciliation

	Group 2024 £	**Charity 2024** £	Group 2023 £	Charity 2023 £
Balance at 1 January	**251,571**	**152,508**	239,339	167,951
Amount released to income earned from charitable activities	**(251,571)**	**(152,508)**	(234,040)	(167,652)
Amount deferred in the year	**210,172**	**144,021**	246,272	152,209
Balance at 31 December	**210,172**	**144,021**	251,571	152,508

Deferred income relates mainly to the income received from memberships in relation to the next financial period. Other amounts relate to income received in advance of events booked for the next financial period.

18 Analysis of charitable funds
Group – current year

	At 1 January 2024 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2024 £
Unrestricted funds						
General fund	608,271	2,049,528	(2,075,332)	-	-	582,467
Capital Redevelopment - Designated fund	435,596	-	(133,459)	-	-	302,137
Designated maintenance fund	317,549	-	(57,809)	-	-	259,740
Designated fund – Jill Hood Legacy	50,057	-	(20,624)	-	-	29,433
Designated fund – Volunteers	656	-	(656)	-	-	-
Total unrestricted funds	1,412,129	2,049,528	(2,287,880)	-	-	1,173,777
Endowment fund	3,759,879	-	-	-	331,366	4,091,245
Restricted funds						
Horticultural trainees	13,318	38,517	(34,032)	-	-	17,803
Florilegium Society Fund	1,344	-	(570)	14,347	-	15,121
Digitisation Project	1,716	-	(41)	(1,675)	-	-
Garden Restricted Donations	3,661	4,149	(4,726)	1,788	-	4,872
R.U.B White Charitable Trust Community Outreach	7,062	5,000	(4,920)	-	-	7,142
Glasshouses Restoration Fund	2,479,501	145,184	(222,111)	-	-	2,402,574
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	(418)	-	-	-
Horticultural Therapy Programme	2,054	4,470	(1,954)	-	-	4,570
John Swire 1989 Charitable Trust	10,000	-	(5,266)	-	-	4,734
Interpretation Roll-Out	113,410	2,500	(22,815)	35,782	-	128,877
James & Shirley Sherwood Fund	25,000	-	(12,628)	(12,672)	-	-
Learning & Engagement Co-ordinator	21,362	2,131	(17,634)	-	-	5,859
Composting facilities	3,677	-	111	(3,788)	-	-
Biodiversity Survey	-	38,500	(14,147)	-	-	24,353
Pathways to Knowledge	-	190,000	-	(33,782)	-	156,218
Total restricted funds	2,682,523	430,451	(340,851)	-	-	2,772,123
Total funds	7,854,531	2,479,979	(2,628,731)	-	331,366	8,037,145

18 Analysis of charitable funds
Group – previous year

	At 1 January 2023 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2023 £
Unrestricted funds						
General fund	827,770	1,792,320	(2,011,819)	-	-	608,271
Capital Redevelopment - Designated fund (formerly Designated Fund - Cadogan Estates	365,402	200,000	(129,806)	-	-	435,596
Designated maintenance fund	327,408	-	(12,160)	2,301	-	317,549
Designated fund – Jill Hood Legacy	100,000	-	(49,943)	-	-	50,057
Designated fund – Volunteers	656	-	-	-	-	656
Total unrestricted funds	1,621,236	1,992,320	(2,203,728)	2,301	-	1,412,129
Endowment fund	3,557,502	-	-	-	202,377	3,759,879
Restricted funds						
Horticultural trainees	11,046	40,940	(38,668)	-	-	13,318
Florilegium Society Fund	1,706	-	(362)	-	-	1,344
Digitisation Project	9,396	-	(7,680)	-	-	1,716
Acoustic Panels	2,301	-	-	(2,301)	-	-
Education and Outreach Project	5	-	-	(5)	-	-
Garden Restricted Donations	2,220	30,913	(29,490)	18	-	3,661
Judith Bronkhurst Donation	141	-	(123)	(18)	-	-
R.U.B White Charitable Trust Community Outreach	7,084	5,000	(5,022)	-	-	7,062
Glasshouses Restoration Fund	2,250,649	442,038	(213,186)	-	-	2,479,501
Friends Scheme Review	139	-	(139)	-	-	-
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	-	-	-	418
Horticultural Therapy Programme	4,043	-	(1,989)	-	-	2,054
John Swire 1989 Charitable Trust	13,486	10,000	(12,150)	(1,336)	-	10,000
Interpretation Roll-Out	94,380	30,000	10,970)	-	-	113,410
James & Shirley Sherwood Fund	25,000	-	-	-	-	25,000
Learning & Engagement Co-ordinator	11,593	23,700	(15,272)	1,341	-	21,362
Composting facilities	-	10,099	(6,422)	-	-	3,677
Total restricted funds	2,433,607	592,690	(341,473)	(2,301)	-	2,682,523
Total funds	7,612,345	2,585,010	(2,545,201)	-	202,377	7,854,531

18 Analysis of charitable funds *(continued)*
Charity – current year

	At 1 January 2024 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2024 £
Unrestricted funds						
General fund	603,593	1,837,069	(1,862,873)	-	-	577,789
Capital Redevelopment - Designated fund	435,596	-	(133,459)	-	-	302,137
Designated building maintenance	317,549	-	(57,809)	-	-	259,740
Designated fund – Jill Hood Legacy	50,057	-	(20,624)	-	-	29,433
Designated fund – Volunteers	656	-	(656)	-	-	-
Total unrestricted funds	1,407,451	1,837,069	(2,075,421)	-	-	1,169,099
Endowment fund	3,759,879	-	-	-	331,366	4,091,245
Restricted funds						
Horticultural trainees	13,318	38,517	(34,032)	-	-	17,803
Florilegium Society Fund	1,344	-	(570)	14,347	-	15,121
Digitisation Project	1,716	-	(41)	(1,675)	-	-
Garden Restricted Donations	3,661	4,149	(4,726)	1,788	-	4,872
R.U.B White Charitable Trust Community Outreach	7,062	5,000	(4,920)	-	-	7,142
Glasshouses Restoration Fund	2,479,501	145,184	(222,111)	-	-	2,402,574
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	(418)	-	-	-
Horticultural Therapy Programme	2,054	4,470	(1,954)	-	-	4,570
John Swire 1989 Charitable Trust	10,000	-	(5,266)	-	-	4,734
Interpretation Roll-Out	113,410	2,500	(22,815)	35,782	-	128,877
James & Shirley Sherwood Fund	25,000	-	(12,328)	(12,672)	-	-
Learning & Engagement Co-ordinator	21,362	2,131	(17,634)	-	-	5,859
Composting facilities	3,677	-	111	(3,788)	-	-
Biodiversity Survey	-	38,500	(14,147)	-	-	24,353
Pathways to Knowledge	-	190,000	-	(33,782)	-	156,218
Total restricted funds	2,682,523	430,451	(340,851)	-	-	2,772,123
Total funds	7,849,853	2,267,520	(2,416,272)	-	331,366	8,032,467

18 Analysis of charitable funds *(continued)*
Charity – previous year

	At 1 January 2023 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2023 £
Unrestricted funds						
General fund	823,092	1,611,910	(1,831,409)	-	-	603,593
Capital Redevelopment - Designated fund (formerly Designated Fund - Cadogan Estates	365,402	200,000	(129,806)	-	-	435,596
Designated building maintenance	327,408	-	(12,160)	2,301	-	317,549
Designated fund – Jill Hood Legacy	100,000	-	(49,943)	-	-	50,057
Designated fund – Volunteers	656	-	-	-	-	656
Total unrestricted funds	1,616,558	1,811,910	(2,023,318)	2,301	-	1,407,451
Endowment fund	3,557,502	-	-	-	202,377	3,759,879
Restricted funds						
Horticultural trainees	11,046	40,940	(38,668)	-	-	13,318
Florilegium Society Fund	1,706	-	(362)	-	-	1,344
Digitisation Project	9,396	-	(7,680)	-	-	1,716
Acoustic Panels	2,301	-	-	(2,301)	-	-
Education and Outreach Project	5	-	-	(5)	-	-
Garden Restricted Donations	2,220	30,913	(29,490)	18	-	3,661
Judith Bronkhurst Donation	141	-	(123)	(18)	-	-
R.U.B White Charitable Trust Community Outreach	7,084	5,000	(5,022)	-	-	7,062
Glasshouses Restoration Fund	2,250,649	442,038	(213,186)	-	-	2,479,501
Friends Scheme Review	139	-	(139)	-	-	-
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	-	-	-	418
Horticultural Therapy Programme	4,043	-	(1,989)	-	-	2,054
John Swire 1989 Charitable Trust	13,486	10,000	(12,150)	(1,336)	-	10,000
Interpretation Roll-Out	94,380	30,000	(10,970)	-	-	113,410
James & Shirley Sherwood Fund	25,000	-	-	-	-	25,000
Learning & Engagement Co-ordinator	11,593	23,700	(15,272)	1,341	-	21,362
Composting facilities	-	10,099	(6,422)	-	-	3,677
Total restricted funds	2,433,607	592,690	(341,473)	(2,301)	-	2,682,523
Total funds	7,607,667	2,404,600	(2,364,791)	-	202,377	7,849,853

18 Analysis of charitable funds *(continued)*

Restricted funds have been established to provide financial support for specific projects as below:

Horticultural Trainees	-	A one-year training programme for people interested in pursuing a career in horticulture.
The Florilegium Society Fund	-	An exhibition of original artwork of CPG Florilegium Society members supported by marketing and publicity.
Digitisation Project	-	A digitisation project of Garden books, papers and artwork supported by the purchase of a hi-resolution scanner and software.
Garden Restricted Donations	-	Funds raised to support ad hoc horticultural projects
R.U.B White Charitable Trust Community Outreach	-	A donation to support outreach to local communities.
Glasshouses Restoration Fund	-	Restoration of the Glasshouses together with supporting activity programmes, re-interpretation and plant collections review. Funded activities continued into 2024. The fund will remain open as the Glasshouses depreciate.
Legacy Roger Melvin Monks Horticulture Students Travel	-	A legacy to support travel costs of overseas students to study at the Garden
John Swire 1989 Charitable Trust	-	A grant to support learning and engagement programme.
Interpretation Roll-Out	-	A fund to support the research, development, and installation of new interpretation .
James & Shirley Sherwood Fund	-	A fund to support and development of non-living collections, specifically botanical art.
Learning and Engagement Coordinator	-	A fund to support the costs of a part-time Coordinator to help administer and deliver Learning and Engagement Programmes.
Composting facilities	-	A fund to support the repair of composting facilities.
Biodiversity Survey	-	A fund to support an audit of Garden wildlife and habitats. Over 40 surveys will be conducted by mid-2025 in order to understand the environment surrounding our living plant collection.
Pathways to Knowledge	-	A donation to replace existing gravel pathways to improve accessibility and to replace and add interpretation.

18 Analysis of charitable funds *(continued)*

Restricted funds which were closed in the prior year :

Acoustic Panels Project	-	A project to introduce acoustic panels along Embankment, reducing traffic noise supported by Patrons Funds remaining have been transferred to a fund designated for maintenance projects.
Education and Outreach Project	-	Funds raised for the education programme including the Shelf-Life project and outreach programme with Waltham Forest Young Offenders.
Judith Bronkhurst Donation	-	A donation to fund the purchase of terracotta plant pots
Friends' Scheme Review	-	A review of the Friends scheme including questionnaires to Friends, benchmarking and proposals for improvements.

Unrestricted funds are used in accordance with the charitable objectives at the discretion of the Trustees. The Trustees use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

The Endowment Fund is an expendable Endowment and represents investments and cash which continue to be used by the Trustees in the best interests of the charity. The endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustees' discretion in support of the Charity's work.

19 Analysis of net assets between funds

	Tangible Fixed assets £	Investments £	Current assets £	Creditors £	Total £
Group – Current Year					
General funds	360,938	-	606,135	(384,606)	582,467
Designated funds	-	-	591,310	-	591,310
Endowment funds	-	4,091,245	-	-	4,091,245
Restricted funds	1,923,119	-	863,997	(14,993)	2,772,123
Total	2,284,057	4,091,245	2,061,442	(399,599)	8,037,145
Group – Previous Year					
General funds	257,692	-	797,867	(447,288)	608,271
Designated funds	-	-	803,858	-	803,858
Endowment funds	-	3,759,879	-	-	3,759,879
Restricted funds	1,949,962	-	825,254	(92,693)	2,682,523
Total	2,207,654	3,759,879	2,426,979	(539,981)	7,854,531
Charity – Current Year					
General funds	309,375	100	561,903	(293,589)	577,789
Designated funds	-	-	591,310	-	591,310
Endowment funds	-	4,091,245	-	-	4,091,245
Restricted funds	1,923,119	-	849,004	-	2,772,123
Total	2,232,494	4,091,345	2,002,217	(293,589)	8,032,467
Charity – Previous Year					
General funds	229,709	100	713,687	(339,903)	603,593
Designated funds	-	-	803,858	-	803,858
Endowment funds	-	3,759,879	-	-	3,759,879
Restricted funds	1,949,962	-	732,561	-	2,682,523
Total	2,179,671	3,759,979	2,250,106	(339,903)	7,849,853

20 Liability to the members

Every member of the company undertakes to contribute an amount not exceeding £1 to the assets of the charitable company in the event of the company being wound up while he is a member, or within one year after he ceases to be a member. This contribution is for the payment of the debts and liabilities of the charitable company contracted before he ceases to be a member and of costs of winding up.

21 Analysis of cash and cash equivalents

	Group 2024 £	**Charity 2024** £	Group 2023 £	Charity 2023 £
Cash at bank and in hand	1,956,628	1,850,965	3,070,293	2,960,795

22 Analysis of net debt

At 31 December 2024 the group and charity had no loans classified as debt.

23 Commitments under operating leases

At 31 December 2024 the group and charity had future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
No later than 1 year	**3,237**	3,236
Later than 1 year and no later than 5 years	**-**	3,237
	3,237	6,473

24 Related party transactions

There are no related party transactions in 2024 or 2023 other than those detailed in note 10.

THE CHELSEA PHYSIC GARDEN COMPANY

England & Wales - Charity number 286513

Accounts

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and Consolidated Financial Statements

Year Ended

31 December 2023

Company Number 01690871

Charity Number 286513

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and financial statements
for the year ended 31 December 2023

Contents

Page:

1	Trustees' Annual Report
11	Trustees' responsibilities statement
12	Independent auditor's report
16	Consolidated statement of financial activities
17	Consolidated balance sheet
18	Charity balance sheet
19	Statement of consolidated cash flows
20	Notes forming part of the financial statements

The Chelsea Physic Garden Company

(a company limited by guarantee)

Trustees' report
for the year ended 31 December 2023

The trustees, who are also directors for the purpose of company law present their report together with the audited financial statements for the year ended 31 December 2023 which are also prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

Status and Constitution

Charity Name:	Chelsea Physic Garden Company (The)
Charity registration number:	286513
Company registration number:	01690871
Registered office and operational address:	66 Royal Hospital Road London SW3 4HS

The charity is constituted as a company limited by guarantee. The charity is governed by its Articles of Association dated 17 May 2019.

The company was incorporated to act as a Trustee of the charity known as The Chelsea Physic Garden (Charity registration number 286513) and to advance public education and in particular to promote the study of botany and related sciences.

Directors and members of the Board

The trustees and members of the Board (who also act as trustees for the charitable activities of The Chelsea Physic Garden Company) who served during the year were:

Mr Colin Chisholm	(Hon. Treasurer, Finance & Operations Committee)
Mr Alan Dempsey	
Dr Helen Charman	
Ms Anna Jobson	
Mr Will Kenney	(appointed 01 January 2024)
Mr Tony Kirkham	(Chair of Advisory Committee)
Mr Todd Longstaffe-Gowan	(resigned 25 March 2024)
Mr Simon Major	
Mr Michael McGonigle	(retired 31 December 2023)
Dr Philippa Simpson	
Dr Paul Thompson	(Chair of the Board - resigned 18 April 2024)
Ms Anna Valle	
Mr Andrew Woodward	

Senior Leadership Team

The Director and Company Secretary	Mrs Susan Medway
Development Director	Ms Joanna Wells
Commercial Director	Mr Tom Gilliford (to 4 April 2023)
Commercial Director	Mrs Danielle Sargent (from 9 May 2023)
Deputy Director (Visitor Experience)	Ms Frances Sampayo
Finance Director	Mr David Strange
Head of Plant Collections	Ms Nell Jones
Head of Learning & Public Engagement	Ms Katy Parry
Executive Assistant	Ms Gill Mathias (to 16 April 2023)
Executive Assistant	Ms Rita Bhatia (from 17 April 2023)
Project Manager	Mrs Bridget McGee

Professional advisors

Bank:	National Westminster Bank plc 18 Cromwell Place London SW7 2LB
Solicitors:	Farrer & Co 66 Lincolns' Inn Fields London WC2A 3LH
Auditor:	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Fund Managers:	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
Registered and principal office:	66 Royal Hospital Road London SW3 4HS

Organisation and Structure

Appointments to the Board are for an initial period of three years after which trustees can seek re-election, serving two additional terms each of three years. These provisions also apply to appointments to the Board of CPG Enterprises Limited, the Advisory Committee and other board committees. There is provision to extend the appointment of a director or trustee for a limited period where the experience or organisational knowledge of that trustee supports an important or timely activity.

At the end of 2023 Mr Michael McGonigle retired at the conclusion of his term of office which had been extended by one year to ensure continuity until the end of the glasshouse restoration capital project.

The trustees determine the overall strategy and policies of the charity. The delivery of the Garden's strategic plans, fundraising and external professional relations together with day-to-day management are delegated to the Garden's Director, Mrs Susan Medway, who is also appointed as Company Secretary. The Director takes a lead on major project activity as the most senior executive of the charity. She is supported by a small team of senior managers and staff.

Recruitment and Appointment of the Board

All members of the Board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 10 to the financial statements.

The Nominations & Appointments Committee is charged with setting and regularly reviewing the requisite skills and competencies for board members and members of committees/panels, undertaking recruitment searches and recommending appointments as required to ensure there is an appropriate mix of skills.

Trustee Induction and Training

New trustees are invited and encouraged to attend at the Garden to familiarise themselves with the charity and the context within which it operates, including meeting with senior management and taking tours with the volunteer Guides. They are invited to attend the annual main Spring briefing and the subsequent quarterly staff and volunteer briefing sessions. Newly appointed trustees spend a period shadowing an existing trustee. Throughout their term of office they are offered appropriate training in their role as charity trustees.

The principal departments and senior roles are:

The Deputy Director (Visitor Experience) is responsible for the welcome provided to visitors and for management of the buildings and their services. Through the learning and public programme team they have oversight of all learning activity and the public programme, as well as volunteers. The Deputy Director deputises for the Director in their absence.

The Commercial Director is responsible for all commercial activity including retail, venue hire and commercial partnerships; they also manage the relationship with the catering partner as well as the small number of commercial contracts that exist. They are responsible for the Friends' scheme; through their team they undertake all PR, marketing and communications including digital.

The Development Director is responsible for supporting senior fundraising volunteers as well as direct fundraising for both specific capital projects and to support the charity's education and learning programmes.

The Finance Director is responsible for all finance activities for the charity and the wholly owned trading subsidiary CPG Enterprises Limited.

The Head of Plant Collections is responsible for the horticultural management of the garden and its plant collections together with the herbarium and seed bank. They ensure delivery of the horticultural training programmes.

The Project Manager leads on coordinating the Project Board, the project team, the capital design team and supporting colleagues to achieve progress on all capital and programme activities required for the Glasshouse project and plans towards the Gardens building refurbishment programme.

The Executive Assistant supports the Board, its sub-committees and senior staff. They take minutes for all meetings including the Board and its sub-committees as well as the Project Board and project meetings.

The Finance & Operations Committee meet with senior management quarterly to review the performance and financial stability of the charity and its trading subsidiary. They monitor and review key performance indicators, all major income and expenditure and cash flow to ensure that the charity and trading subsidiary can meet their liabilities and continue to trade on a going concern basis.

Related parties and co-operation with other organisations

None of the trustees receive remuneration or other benefits from their work with the charity. Any connection between a trustee or senior manager of the charity with another organisation, another charity or an individual that the charity may come into contact with, in the course of pursuing its objectives must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

The charity's wholly owned subsidiary, CPG Enterprises Limited, was established on 20 December 1995 (company number 3140004). It is responsible for overseeing commercial activities, retail, catering, venue hire and any licensing for commercial purposes of the charity's trademark. CPG Enterprises Limited has a licence from the charity to occupy the shop premises and gift aids its profits to the charity (see note 13b to the financial statements). The catering operation is contracted out with an agreed percentage of net turnover paid to CPG Enterprises Limited. The majority of venue hire bookings are fulfilled outside of the visitor opening periods.

Related parties and co-operation with other organisations *(continued)*

The charity has working relationships and maintains networks with numerous organisations at a local, national and international level. As a small independent charity these are important to raise and maintain its profile, to promote its diverse work and to share information and best practice. The charity maintains membership of the Botanic Gardens Education Network, Botanic Gardens Conservation International, the Association of Independent Museums, the National Council for the Conservation of Plants and Gardens, The Heritage Alliance and The National Council for Voluntary Organisations.

Close networks exist between a number of national and international botanic gardens. The Garden also maintains good working relationships with staff at the Royal Botanic Gardens, Kew; Cambridge and Oxford Botanic Gardens; Edinburgh and Bristol Botanic Gardens and the National Botanic Garden of Wales. The Royal Horticultural Society and Kew support the Garden with technical advice, expertise and plant material. The Garden has reciprocated with similar exchanges of expertise and also hosted visits from horticultural trainees from many of these Gardens. There is a developing network through the charity's outreach programme with organisations such as the Octavia Foundation, Chelsea Academy, Kings' College (Civic Leadership Academy) and Social Farms and Gardens.

At a local level the charity engages with what is going on within the Royal Borough of Kensington and Chelsea, and particularly within the environs of Chelsea and Kings Road. The Garden pays attention to activities relating to tourism, education and community initiatives that it can support and promote either actively or passively. Representatives from the charity attend meetings and networking events locally including The Chelsea Society and Cheyne Walk Trust. They work with the Royal Hospital, Chelsea and the National Army Museum taking part in the annual Chelsea History Festival but also to generate interest and drive visits to Royal Hospital Road and the three heritage attractions grouped close by. The Director is a trustee of The London Gardens Society and the Gardening with Disabilities Trust, a Liveryman and Court Assistant of the Worshipful Company of Gardeners and a Fellow of the Linnean Society.

Aims and Objectives

Purpose and principal activities

The charitable purpose and objectives of the charity are to demonstrate the medicinal, economic, cultural and environmental importance of plants to the survival and well-being of humankind.

Chelsea Physic Garden carries out this charitable purpose for the public benefit by:

- providing programmes of educational activities, publications and events;
- maintaining documented plant collections in labelled and interpreted displays in an historic botanic garden;
- demonstrating the development of the science and practice of horticulture, botany and related disciplines through the historical role of the garden; and
- promoting the importance of the conservation of plants and the natural environment.

Ensuring the Garden's work delivers its aims for public benefit

The aims and activities of the company as a charity are reviewed each year. Public engagement and the conservation and care of Chelsea Physic Garden's collections are at the core of the charity's activities. The annual review looks at what has been achieved and the outcome and impact of that work in the previous 12 months against the key performance indicators monitored throughout the year. The principal performance indicators relate to:

- overall number of visitors to the Garden and admissions income;
- total number of School Learners;
- total number of Learners on Outreach visits and Community Engagement participants;
- number of participants on Public programmes and Family activity days;
- the number of Friends of the Garden;
- retail revenue

Ensuring the Garden's work delivers its aims for public benefit *(continued)*

- venue hire revenue;
- website and social media activity; and
- fundraising activity to support operating and capital projects.

The results of many of these performance indicators are published in the annual Impact Statement which is available to view at www.chelseaphysicgarden.co.uk.

Public benefit statement

The charity trustees consider that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission and that the benefits that the charity provides are not unreasonably restricted.

The trustees ensure the charity delivers public benefit by:

- admitting the public to the Garden on payment of a modest admission charge;
- maintaining a Friends scheme;
- providing a range of learning and public programmes on and off-site;
- working with partner organisations to identify groups that would benefit from community membership access
- site and collections interpretation;
- publications and digital resources; and
- providing guided tours, visitor services and on-line access.

Activities

The charity's aim is to demonstrate horticultural and botanical excellence in the presentation of the Garden, whilst interpreting it in an interesting and accessible manner. Work continues to maintain interest in the horticultural displays and whilst the layout of the Garden remains largely unchanged, seasonal planting and interpretation is introduced in order to interpret the collections and extend the season. Maintenance and redecoration work continues annually, particularly in the short closed period in early January, ensuring that we maintain standards of presentation pending major refurbishment.

The Garden has been open to visitors 11 months of the year, six days a week, albeit visitation levels are not at pre-pandemic levels; it maintains longer opening hours (11am- 5pm) between April and October and has evening openings on Tuesdays and Wednesdays in July and August. Saturdays are exclusively reserved for private hire.

In 2023 the Garden welcomed 46,280 visitors (50,919 in 2022). The number of Friends memberships at 31 December was 6,001 (6,262 in 2022).

Income from commercial lettings forms a significant part of the charity's income. Information relating to private hire and to the Garden's public programme of activities is posted on the website and is promoted via the monthly e-newsletter. Venue hire and a range of public programme activities have taken place throughout the year.

The collaboration with Beefeater Gin through the London Garden Gin product and their charitable donation to the Garden continued in 2023. The agreement with Octopus Publishing continues to develop product under the Garden's trademark.

The Garden has continued to deliver learning both onsite, offsite and online. There has been an increase in the delivery of activities through a programme of community partnerships. The total number of schools and community participants for the year was 5,038. In addition, we welcomed a further 6,680 participants to one of our public programme activities throughout the year, which may have been anything from summer outdoor music, interactive theatre, a family activity day or a workshop on chocolate making or a herbal remedies course.

Activities *(continued)*

There was a minor upturn of visitors from the U.S.A. but they have not yet reached pre-pandemic levels and no such recovery has been evident from China and the Far East. Domestic visitor numbers decreased on 2022 with cost of living pressure cited in survey responses as a reason that more visitors did not return.

Venue hire activity was lower than the previous year when a backlog of delayed events from the pandemic years made it busier than we would like. A lawn policy was implemented limiting the frequency of events on the main lawn for reasons of sustainability.

In collaboration with the Royal Hospital, Chelsea, the National Army Museum and Cadogan Estates a project called the Chelsea Heritage Quarter was begun during the year. Each party contributed some funds, initially being managed by CPG Enterprises Ltd and a Business Development Manager was sub-contracted to scope the opportunities to create a Heritage Quarter in the part of Chelsea where our three institutions are located. The potential for joint programming, ticketing and other initiatives to encourage visitors and build awareness of the area as a diverse cultural experience is considered by all the parties to be worth pursuing and it is likely that a separate charitable body will be created in order to take that forward during 2024.

Volunteers

The Garden's team of volunteers, provides invaluable support across the charity and the Garden continually looks to diversify the activities that volunteers are involved in. In the year work has been ongoing to diversify who and where recruitment of volunteers took place, as well as ensuring the ongoing training and support for existing and new volunteers. The Youth Panel (aged 16-24 years) continued to contribute to the Learning team's efforts to attract young audiences and ran a "takeover day" with a number of events and programmes they had created.

Fundraising statement

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not currently undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." We have an on-line donation page for the general public to make donations to support the Garden fundraising appeals. At 31 December 2023 £4,883 had been received from website donations. Such amounts received are presented in our accounts as "voluntary income" and can include legacies and grants.

In relation to the above it is confirmed that all solicitations are managed internally, without involvement of commercial participators, professional fundraisers, or third parties. The day-to-day management of all income generation is delegated to the senior management team, who are accountable to the trustees.

The charity is not bound by any undertaking to any regulatory scheme however the charity voluntarily follows The Code of Fundraising Practice.

The charity has received no complaints in relation to fundraising activities. The charity monitors the activities of its employees including those responsible for fundraising with regular reports prepared for trustees.

Principal Funding Sources

Income is principally generated by the charity from fundraising activity, charging visitors admission to enter the Garden, from annual subscriptions from Friends of the Garden and from the public programme. In addition, the commercial activities of CPG Enterprises Limited make a significant contribution to the funding of the charity. Page 7/8

The charity holds long-term investments in the form of an Endowment Fund. This fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The trustees have determined that the fund is expendable with both capital and income being available to use at the trustee's discretion in support of the Charity's work. At 31 December 2023 the endowment fund value was £3,759,879 (£3,557,502 in 2022).

Trusts and Major Donors 2023

The Garden is fortunate to have the support of a number of Charitable Trusts and Foundations together with many individuals who make donations supporting capital works and the charity as a whole. In 2023 grants and donations were received from:

General
Auriens
The Cadogan Charity
Mr Craig Swick
Mr Peter Cadbury
Mr Jonathan Drori
Professor Dianne Edwards
J Paul Getty Jr Charitable Trust
John and Diana Kemp-Welch Charitable Trust
The Lohr Family DAF
Peter Stormonth Darling Charitable Trust
Mrs Christine and Mr Stefan Riesenfeld
Sloane Stanley
The Stonewall Park Charitable Trust
Mr Nicholas Wood

Horticulture, Horticultural Trainees and Garden Projects
Mrs Catherine Armitage
The Barbara Whatmore Charitable Trust
The Ironmongers' Trust Company
Mr Michael McGonigle
New to Nature Programme
Rick Mather David Scrase Foundation

And all those who gave to our Compost Yard Project for Giving Tuesday

Collections
The John Armitage Charitable Trust

Learning and Engagement Projects
RUB White Charitable Trust
Joseph Rochfords Gardens Ltd
John Swire 1989 Charitable Trust

Glasshouse Restoration Project
National Lottery Heritage Fund

And all our donors who wish to remain anonymous.

Investment Policy

The trustees approved an investment policy in January 2024, taking into consideration Charity Commission Guidance CC14. The policy addresses the charity's endowment funds and unrestricted reserves including cash and short term investments. It delegates investment strategy to Finance & Operations Committee (FinOps). A specialist Investment Fund Manager (IFM), Sarasin & Partners LLP, is responsible for the investment of the charity's endowment fund in accordance with an investment mandate set by FinOps. The investment mandate is to provide a level of annual income to help support the running of the charity, whilst also looking to achieve long-term capital growth of the funds. All investments are monitored by nominated members of FinOps and all banks, IFMs and deposit accounts are reviewed annually.

Financial review

The results for the year show net surplus of £39,808 before gains on investments, this compares to a surplus of £998,198 in 2022 and a net surplus (after unrealised gains) of £242,185 compared with £513,257 in 2022. The balance sheet shows a positive position.

The Garden's trading subsidiary, CPG Enterprises Limited, showed a pre-tax profit of £331,973 (2022: £219,322), before a donation under deed of covenant was made to the Garden.

Total unrestricted income is £1,992,320 (2022: £2,106,761).

Income from unrestricted donations and legacies was £382,498 (2022: £402,975). No legacies were received in 2023 (2022: £100,000) but reclaims of gift aid relating to the prior period meant the year-on-year reduction of income from donations and legacies was only 4%.

Income from letting rooms, external events in the Garden and commission on the café is £440,759 (2022: £611,646) which is 17% (2022 - 20%) of total income. The planned reduction was because a backlog of events delayed by Covid was cleared in 2022. Income from the Friends annual subscriptions was £318,322 (2022: £307,280) although total number of friends declined slightly during the year

Total expenditure of £2,545,201 increased by 23% (2022 - £2,063,199). The increases were in salary costs, partly owing to additional fixed term heads related to the 350 anniversary, also in horticultural and marketing costs and professional fees related to consideration and planning the future development of the Garden to follow the refurbishment of the historic glasshouses..

Reserves

Total funds at the year-end amount to £7,854,531 (2022: £7,612,345) of which £2,682,523 (2022: £2,433,607) can only be used for particular restricted purposes as stipulated by the donors. The assets and liabilities attributable to the various funds are shown in notes 18 and 19 to the financial statements which also describe the various funds of the charity.

Unrestricted funds amount to £5,172,008 (2022: £5,178,738), of which £350,579 (2022 - £585,017) are free reserves as the trustees consider the endowment funds of £3,759,879 (2022: £3,557,502) to be available only in exceptional circumstances. The charity relies on the income generated from these long-term investments (and also from its own activities) for the day to day upkeep of the Garden and for capital growth to ensure continued income generation in future years.

Other funds amounting to £803,858 (2022: £793,466) have been designated by the trustees for specific purposes. These funds are listed in note 18 and described on page 38.

The trustees approved a new risk-based reserves policy in July 2023. The four key risks with the potential to impact the charity's reserves were identified their likely financial impact assessed. Cyber attack, physical damage to the Garden, business interruption owing to a natural or man-made disastrous event and loss of key staff were the risks identified and the likely cost assessed. In line with the policy a further assessment was undertaken at the year-end concluding that £190,000 of reserves should be allocated to these risks.

Reserves *(continued)*

Based on a review of the charity's sources of income the Trustees are satisfied that there is sufficient diversity that the risk of income being impacted significantly by external factors is low enough that no additional reserves need to be allocated for this. Seasonal fluctuations in operational cash in- and out-flows also need to be considered and cashflow forecasts confirm the recommendation in the reserves policy that free reserves of between £200,000 and £300,000 should be set aside for this purpose.

Free reserves at the year-end are £350,579 which is higher than the reserves policy recommendation however the trustees are satisfied with this position.

Going concern

In assessing any lasting impact of financial pressures brought about by rising inflation and consequent price increases on The Chelsea Physic Garden Company group, the trustees have considered all the matters described in the Trustees' Report, including the group's operations, the impact on subscriptions, donations, and other trading activities, as well as the impact on the group's investment portfolio. In particular, in order to support the trustees' assessment of the sustainability of the group's activities, management continues to prepare quarterly cash-flow forecasts based on assumptions, through to the end of 2025. The major revenue and expenditure budgets are tracked on a month-by-month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure through 2024 up to December 2025. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsidiary which undertakes certain commercial trading activities of the group, has been subjected to a separate stress test for a period which extends forward to the end of 2025. Provided that trading activities ordinarily undertaken by CPG Enterprises Ltd can be undertaken the stress test demonstrates that the trading company remains an independent going concern throughout.

At the date of signing of these financial statements, forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern. The trustees therefore consider that no material uncertainty exists in relation to going concern for the Group.

Charity Governance Code

The Board is committed to good governance and to its own and the charity's continuous improvement in delivering its purposes most effectively for the public benefit.

The trustees are mindful of the Charity Corporate Governance Code and to considering whether to implement any changes in response.

Plans for Future Periods

Progress on achieving the overall objective to update the Garden's horticultural and learning facilities and infrastructure; to improve and enhance the overall accessibility and experience for visitors continue.

Restoration and reinterpretation of the Garden's Victorian Glasshouses, supported by a National Lottery Heritage Grant of £924,100 was completed with only accompanying activity programmes to continue into 2024.

The trustees are continuing to develop and refine plans for a phased approach to a Masterplan which will achieve improvements to and refurbishment of the visitor, horticultural and learning facilities and infrastructure and improve and enhance the overall accessibility and experience for visitors. Fundraising consultants, business planning consultants, surveyors and architects are supporting this work which is expected to be developed throughout 2024 and beyond.

Plans for Future Periods *(continued)*

Other capital projects are modest in nature and only commence when all funding is in place to meet the full cost of the activity.

Carbon Footprint

During the development phase of the Glasshouse project the Garden created a Sustainability Framework through which it evaluated the deliverables for the repair and improvements to the Glasshouses. It is proposed that a Sustainability Framework which covers accessibility, biodiversity, energy, water, materials, waste and pollution be further developed to provide a benchmark by which the Garden can track, reduce and mitigate its environmental footprint. A premises manager has been appointed for a fixed term of 2 years who will take a key role in this work.

Pay policy of senior staff

The charity is committed to the London Living Wage, including for trainee roles. The Remuneration Committee, is responsible for annually reviewing the pay and conditions of staff and volunteer expense remuneration. Benchmarking is undertaken within the relevant sector of all vacant roles prior to re-advertising.

Risk Management

The trustees actively review the major risks which the charity might face, in particular those relating to governance, reputation, operations and finance. As part of the risk monitoring infrastructure the charity maintains an active risk register, business continuity and disaster plan. These are regularly reviewed to ensure relevance. The charity annually reviews its insurance provision including the type of cover and overall levels of cover.

The trustees believe that maintaining adequate free reserves combined with regular reviews of the controls over key financial systems, will provide sufficient protection for the charity in the event of adverse operating conditions.

Amongst the most serious risks listed in the current risk register are :

- **Cyber attack**
  This might result in loss of access to vital IT systems, compromise of the personal data of Friends, visitors and others or financial loss as a result of virus or ransomware attack. Our response is to review our IT security continuously, to ensure safeguards and staff training are up to date. To the extent that cyber risks can be insured against we have that cover.

- **Unauthorised access to the Garden and buildings by intruders for the purposes of theft or vandalism**
  Our response to this includes physical and monitored security systems, electronic access controls and CCTV. We are insured against the potential financial loss that could result from such an event.

- **An unforeseen disastrous event**
  This might take the form of a natural disaster or an act of terrorism, for example. The Garden has a Business Continuity Plan which would enable key personnel to continue to work offsite with access to backed up systems. Full records of the living collections are maintained in the event that they needed to be recreated to the extent possible.

- **Impact of climate change on the living collection**
  This is largely outside our control but actions can be taken and we have commissioned a report on sustainability to identify how we can achieve "carbon neutrality" by 2030. We review our plant collections to ensure we can maintain a collection in line with our mission as an organisation but that is more resilient to a changing climate.

Trustees' responsibilities statement

The trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company and charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the group and parent charity and of the incoming resources and application of resources, including its income and expenditure, of the group for the year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

Each of the persons who are trustees at the time when the Directors' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- that the trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charity's auditor in connection with preparing his report and to establish that the charity's auditor is aware of that information.

Auditors

Moore Kingston Smith LLP will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

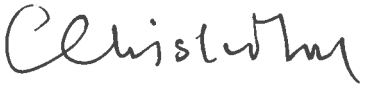
Small company exemption

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 14 May 2024 and signed on its behalf by:



Andrew Woodward
Trustee



Colin Chisholm
Trustee

The Chelsea Physic Garden Company

(a company limited by guarantee)

Independent auditor's report
To the Directors of The Chelsea Physic Garden Company
for the year ended 31 December 2023

Opinion

We have audited the financial statements of the Chelsea Physic Garden Company (the 'parent charitable company') for the year ended 31 December 2023 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 group's and the parent charitable company's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 group and parent charitable company and their 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 where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11 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 group and parent 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 group or parent 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

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 is detailed below.

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

.....
Andrew Stickland (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 15 May 2024

6th Floor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated statement of financial activities (including consolidated income and expenditure account) for the year ended 31 December 2023

	Note	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income from :						
Donations and legacies	2	**382,498**	**-**	**592,690**	**975,188**	1,357,593
Other trading activities	3	**865,418**	**-**	**-**	**865,418**	1,040,407
Charitable activities	4	**599,180**	**-**	**-**	**599,180**	551,223
Other income		**7,171**	**-**	**-**	**7,171**	3,677
Investments	5	**138,053**	**-**	**-**	**138,053**	108,497
Total income		**1,992,320**	**-**	**592,690**	**2,585,010**	3,061,397
Expenditure On:						
Charitable activities	8	**1,782,995**	**-**	**341,473**	**2,124,468**	1,708,038
Raising funds	9	**420,733**	**-**	**-**	**420,733**	355,161
Total Expenditure	7	**2,203,728**	**-**	**341,473**	**2,545,201**	2,063,199
Net income/(expenditure) before gains, losses and transfers	6	**(211,408)**	**-**	**251,217**	**39,809**	998,198
Net (loss)/gain on investments	13	**-**	**202,377**	**-**	**202,377**	(484,941)
Net surplus/(deficit) before transfers		**(211,408)**	**202,377**	**251,217**	**242,186**	513,257
Transfers between funds	18	**2,301**	**-**	**(2,301)**	**-**	-
Net movement in funds		**(209,107)**	**202,377**	**248,916**	**242,186**	513,257
Reconciliation of funds						
Total funds brought forward at 1 January 2023	18	**1,621,236**	**3,557,502**	**2,433,607**	**7,612,345**	7,099,088
Total funds carried forward at 31 December 2023	18	**1,412,129**	**3,759,879**	**2,682,523**	**7,854,531**	7,612,345

All results are derived from continuing activities.

The group has no other recognised gains and losses other than those stated above.

The notes on pages 20 to 40 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated balance sheet
at 31 December 2023

Company number 01690871

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	12		**2,207,654**		1,283,025
Investments	13		**3,759,879**		3,557,502
			5,967,533		4,840,527
Current assets					
Stocks	14	**26,690**		32,987	
Debtors	15	**139,534**		50,941	
Cash at bank and in hand	21	**2,260,755**		3,070,293	
		2,426,979		3,154,221	
Creditors: amounts falling due within one year	16a	**(539,981)**		(340,115)	
Net current assets			**1,886,998**		2,814,106
Total assets less current liabilities			**7,854,531**		7,654,633
Creditors: amounts falling due after more than one year	16b		**(539,981)**		(42,288)
Net assets	19		**7,854,531**		7,612,345
Funds					
Unrestricted					
General	18	**608,271**		827,770	
Designated	18	**803,858**		793,466	
Endowment funds	18	**3,759,879**		3,557,502	
Restricted funds	18	**2,682,523**		2,433,607	
Total funds	18		**7,854,531**		7,612,345

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the companies Act 2006 and with the Financial Reporting Standard FRS 102 SORP (effective January 2015).

The financial statements were approved and authorised for issue by the Board on 14 May 2024

Andrew Woodward
Trustee

Colin Chisholm
Trustee

The notes on pages 20 to 40 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Charity balance sheet
at 31 December 2023

Company number 01690871

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	12		**2,179,671**		1,283,025
Investments	13		**3,759,979**		3,557,602
			5,939,650		4,840,627
Current assets					
Debtors	15	**111,403**		112,519	
Cash at bank and in hand	21	**2,138,703**		2,960,795	
		2,250,106		3,073,314	
Creditors: amounts falling due within one year	16a	**(339,903)**		(263,986)	
Net current assets			**1,910,203**		2,809,328
Total assets less current liabilities			**7,849,853**		7,649,955
Creditors: amounts falling due after more than one year	16b		**-**		(42,288)
Net assets	19		**7,849,853**		7,607,667
Funds					
Unrestricted					
General	18	**603,593**		823,092	
Designated	18	**803,858**		793,466	
Endowment funds	18	**3,759,879**		3,557,502	
Restricted funds	18	**2,682,523**		2,433,607	
Total funds	18		**7,849,853**		7,607,667

As permitted by section 408 of the Companies Act 2006, the Parent Charitable Company's profit and loss account has not been included in these financial statements. The surplus for the year was £242,186 (2022: £513,257).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the companies Act 2006 and with the Financial Reporting Standard FRS 102 SORP (effective January 2015).

The financial statements were approved and authorised for issue by the Board on 14 May 2024

Andrew Woodward
Trustee

Colin Chisholm
Trustee

The notes on pages 20 to 40 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Statement of consolidated cash flows at 31 December 2023

	Note	2023 £	2022 £
Reconciliation of net income to cash flows from operating activities			
Net movement in funds	18	**242,186**	513,257
(Gain)/loss on investments	13a	**(202,377)**	491,954
Investment income	5	**(138,053)**	(108,497)
Depreciation	6	**52,006**	26,048
Loss/(profit) on disposal of assets		**-**	(2,308)
(Increase)/decrease in debtors		**(88,593)**	25,403
(Decrease)/(increase) in creditors		**157,578**	(47,504)
(Increase)/decrease in stocks		**6,297**	(2,997)
Cash flows from operating activities		**29,044**	895,356
Cash flows from investing activities			
Investment income	5	**138,053**	108,497
Purchase of property, plant and equipment	12	**(976,635)**	(1,005,810)
Proceeds from the sale of tangible fixed assets		**-**	3,475
		(838,582)	(893,838)
Increase in cash for the year		**(809,538)**	1,518
Cash at beginning of year		**3,070,293**	3,068,775
Cash at end of year	21/22	**2,260,755**	3,070,293

The notes on pages 20 to 40 form part of these financial statements.

1 Accounting policies

The Chelsea Physic Garden Company is a registered charity and incorporated in England and Wales under the Companies Act 2006. It is a company limited by guarantee. The address of the registered office is given on page 1 of the Directors' report.

The principal accounting policies adopted, judgements and key sources of estimation or uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared on a historic cost basis except for the revaluation of investments.

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) (effective 1 January 2019) - (Charities SORP, 2nd Edition (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

Exemptions for qualifying entities under FRS 102

The parent charitable company has taken the following disclosure exemptions:

- from preparing a statement of cash flows on the basis that it is a qualifying entity and the group cash flow statement included within these financial statements, include the company's cash flows; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

Going concern

In assessing the impact of the cost-of-living crisis and the slow recovery of tourism in the aftermath of the pandemic the trustees have considered all the matters described in the Trustees' Report, including the group's operations, the impact on subscriptions, donations, and other trading activities, as well as the impact on the group's investment portfolio. To support the trustees' assessment of the sustainability of the group's activities, management continues to prepare cash-flow forecasts based on assumptions, through to the end of 2025. The major revenue and expenditure budgets are tracked on a month-by-month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsidiary which undertakes certain commercial trading activities of the group, has been subjected to a separate stress test for a period which extends forward to the end of 2025. Provided that trading activities ordinarily undertaken by CPG Enterprises Ltd can be undertaken the stress test demonstrates that the trading company remains an independent going concern throughout.

At the date of signing of these financial statements, the trustees' forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern. The trustees therefore consider that no material uncertainty exists in relation to going concern for the Group.

1 Accounting policies *(continued)*

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary of CPG Enterprises Limited on a line-by-line basis. A separate Statement of Financial Activities, or income and expenditure account for the charitable company itself, is not presented in these accounts because the charitable company has taken advantage of the exemptions offered by Section 408 of the Companies Act 2006.

Income

Donations, grants and legacies

Cash donations and gifts are included in the Statement of Financial Activities when conditions for their receipt have been met. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods.

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 Trust 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 likely 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.

Government grants

Government grants are recognised as due when there is reasonable assurance that:

- the charity will comply with the conditions attached to the payments; and
- the grants will be received

Grants received for which conditions have not been satisfied are carried in the Balance Sheet as creditors.

Commercial trading operations

Shop income comprises revenue recognised by the company in respect of goods supplied, exclusive of Value Added Tax and trade discounts. Lettings income comprises revenue recognised by the company in relation to the lettings of the grounds and associated facility fees.

Income from fundraising events is included in the financial statements in the period in which the fundraising event takes place.

Income from royalties comprises of revenue from the sale and publication of botanical books.

Gift Aid

The charity owns the whole of the issued share capital of CPG Enterprises Limited.

Each year CPG Enterprises Limited pays to the charity, under the provisions related to Gift Aid, a sum based on the taxable profits of the company. The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

1 Accounting policies *(continued)*

Investment income

Dividends are included in the Statement of Financial Activities when they are declared.

Interest is included when receivable by the group.

Income from charitable activities

Admissions are recognised when received by the group. Friends subscriptions are recognised over the period to which they relate, any relating to future periods is deferred. Life subscriptions are recognised as they are received.

Expenditure

Expenditure is recognised on an accruals basis in the period in which it is incurred. Costs of raising funds for commercial trading operations comprise the costs associated with the letting of grounds and goods supplied.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs including governance costs are allocated between the expenditure categories of the charity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are charged directly, others are apportioned on an appropriate basis.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. These include the assets of the trading company. The trustees use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

The **Endowment** Fund is an expendable Endowment and represents investments and cash which continue to be used by the trustees in the best interests of the charity. The endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The trustees have determined that the fund is expendable with both capital and income being available to use at the trustee's discretion in support of the charity's work.

Restricted funds can only be used for the particular restricted purposes within the objectives of the charity. Restrictions are imposed by the donor or when funds are raised for specified restricted purposes. The notes to the financial statements provide further details.

Tangible fixed assets

Generally, tangible fixed assets are capitalised if they can be used for more than one year and cost at least £2,500. They are valued at cost.

The charity does not have a policy on revaluation, a nominal value of £1 is put on the main buildings and gardens. The freehold of the land and buildings are owned by the charity with a Deed of Covenant in place which restricts its use.

1 Accounting policies *(continued)*

Tangible fixed assets (continued)

Depreciation of fixed assets is charged at rates estimated to write off their costs over the expected useful lives. The rates used are as follows:

Buildings	-	2% of cost
Improvements	-	10%-20% of cost
Office fixtures and equipment	-	20% of cost
Horticultural equipment	-	20% of cost
Computer equipment	-	20% of cost

Stock

Stock is included at the lower of cost and net realisable value and consists of goods for resale.

Investments

Listed investments are stated at closing market value at the balance sheet date. Unrealised gain or loss is calculated as the difference between opening and closing market value, as adjusted for additions and disposals in the year.

Investments held in subsidiary companies are recognised at cost.

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.

Cash at bank and in hand

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of 100 days or less.

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.

Financial instruments

The group 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.

1 Accounting policies *(continued)*

Leased assets

The group has operating leases. Their annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Pension scheme contribution

The charity does not operate its own pension scheme. Pension costs relate to payments made by the group to a group personal pension scheme administered independently.

Estimates and judgments

There are not considered to be any significant estimates and judgements involved in the preparation of the financial statements. Those estimates and judgements made, which are not considered to be significant, are covered by the other accounting policies.

2 Income from donations, grants and legacies

	Unrestricted funds £	**Restricted funds £**	**2023 £**
Donations and legacies	**382,498**	**592,690**	**975,188**
	382,498	**592,690**	**975,188**

	Unrestricted funds £	Restricted funds £	2022 £
Donations and legacies	402,957	954,636	1,357,593
	402,957	954,636	1,357,593

3 Income from other trading activities

	2023 £	2022 £
Commissions and letting of rooms	**440,759**	611,646
Shop income	**158,265**	170,282
Fundraising events	**266,394**	258,479
	865,418	1,040,407

All income from trading activities was unrestricted in the current and preceding year.

4 Income from charitable activities

	2023 £	2022 £
Admissions	**280,858**	243,943
Friends' subscriptions	**318,322**	307,280
	599,180	551,223

All income from charitable activities was unrestricted in the current and preceding year.

5 Investment income

	2023 £	2022 £
Income from fixed asset distribution unit funds	**138,053**	108,497
	138,053	108,497

Income from investments was unrestricted in the current and preceding year.

6 Net Income

	2023 £	2022 £
Net income for the year is stated after charging:		
Auditor's remuneration	**25,470**	21,880
Auditor's remuneration – prior periods	**7,718**	7,240
Other accountancy services	**6,371**	7,754
Depreciation of tangible fixed assets	**52,006**	26,049

7 Total expenditure

	Staff Costs £	Premises costs £	Depreciation £	Other costs £	Total 2023 £
Charitable activities (note 8)	**1,126,077**	**207,340**	**50,420**	**740,631**	**2,124,468**
Raising funds (note 9)	**226,587**	**2,864**	**1,586**	**189,696**	**420,733**
	1,352,664	**210,204**	**52,006**	**930,327**	**2,545,201**

	Staff Costs £	Premises costs £	Depreciation £	Other costs £	Total 2022 £
Charitable activities (note 8)	982,325	186,396	24,149	515,168	1,708,038
Raising funds (note 9)	199,134	2,462	1,900	151,665	355,161
	1,181,459	188,858	26,049	666,833	2,063,199

8 Expenditure on charitable activities

	Direct £	Support £	Total 2023 £
Science and horticulture	**690,278**	**-**	**690,278**
Educational programmes	**121,686**	**-**	**121,686**
Other projects	**1,088,922**	**223,583**	**1,312,505**
	1,900,885	**223,583**	**2,124,468**

	Direct £	Support £	Total 2022 £
Science and horticulture	565,143	-	565,143
Educational programmes	133,948	-	133,948
Other projects	844,331	164,616	1,008,947
	1,543,422	164,616	1,708,038

8 Expenditure on charitable activities *(continued)*

Analysis of direct costs

	Total 2023 £	Total 2022 £
Wages and salaries	**1,003,312**	889,466
Depreciation	**48,899**	22,761
Materials	**41,894**	13,680
Equipment	**8,940**	8,015
Repairs, maintenance & cleaning	**169,028**	139,924
Security	**11,839**	6,395
Advertising and marketing	**36,948**	34,671
Education costs	**8,034**	7,550
Recruitment	**14,850**	25,754
Rent, rates, water, heat & light	**23,727**	37,405
Travel, subsistence & entertaining	**34,542**	19,731
Insurance	**35,434**	38,724
Printing, postage & stationary	**35,224**	27,794
Telephone and internet	**6,342**	5,213
Ticket commissions	**14,842**	13,900
Professional fees	**197,279**	65,705
Other costs	**209,751**	186,734
	1,900,885	1,543,422

Analysis of support costs

	Total 2023 £	Total 2022 £
Wages and salaries	**122,765**	92,859
Depreciation	**1,521**	1,387
Security	**914**	390
Advertising and marketing	**2,852**	2,114
Recruitment	**1,146**	1,571
Rent, rates, water, heat & light	**1,832**	2,282
Travel, subsistence & entertaining	**2,531**	1,061
Printing, postage & stationery	**2,597**	787
Telephone and internet	**489**	318
Professional fees	**12,698**	3,154
Other costs	**15,002**	9,209
Governance costs	**59,236**	49,484
	223,583	164,616

Any cost that can be directly attributed to the charitable activities are allocated before any apportionment of costs.

Governance costs relate to audit and accountancy fees, legal fees and finance charges.

9 Expenditure on raising funds

	2023 £	2022 £
Wages and salaries	**226,587**	199,134
Expenditure of CPG Enterprises (including depreciation)	**86,069**	78,563
Fundraising costs of charity	**43,383**	20,528
Investment manager fees	**-**	7,013
Costs incurred on fundraising fair	**64,694**	49,923
	420,733	355,161

10 Trustees and employees

	Group 2023 £	Group 2022 £
Wages and salaries	**1,149,501**	1,013,712
Social security costs	**103,304**	87,073
Pension costs	**98,627**	80,674
Temporary staff	**1,232**	-
	1,352,664	1,181,459

The charity does not operate its own pension scheme. Pension costs relate to payments made by the group to a group personal pension scheme administered independently.

Average number of employees as a headcount:

	Group 2023	Group 2022
Charitable	**36**	36
Administration	**3**	2
Fundraising	**3**	2
	42	40

The group was helped by a substantial number of volunteers, approximately 158 (2022: 135) throughout the year.

The key management personnel of the group, include a number of senior managers across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total employment benefits paid to key management personnel of the group were £577,957 (2022: £513,849).

Salary range for employees earning £60,000 p.a. or more

	2023	2022
£60,000 - £69,999	**2**	1
£80,000 - £89,999	**1**	1

Pension contributions paid to the above amounted to £32,691 (2022 - £22,023).

10 Trustees and employees *(continued)*

Redundancy, restructuring and termination costs relating to a number of employees were £nil (2022: £nil).

Trustees' remuneration and expenses

None (2022 – none) of the trustees received any remuneration. During the year two trustees (2022 – one) had expenses reimbursed of £308 (2022 - £62).

11 Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Chelsea Physic Garden Company is a registered charity and has no liability to taxation on its income for the year. Tax recovered from voluntary income received under gift aid is recognised when the related income is receivable and is allocated to the income category to which the income relates.

No tax charges arose in the period.

The subsidiary company makes a qualifying donation of all taxable profit to The Chelsea Physic Garden. No corporation tax liability on the subsidiary arises in the accounts.

12 Tangible assets

Group	Buildings and improvement £	Assets under construction £	Glass-houses £	Office fixtures and equipment £	Horti-cultural equipment £	Computer equipment £	Total £
Cost							
At 1 January 2023	714,601	-	1,040,272	102,158	25,159	23,235	1,905,425
Additions	15,330	27,983	932,497	-	825	-	976,635
At December 31 2023	729,931	27,983	1,972,769	102,158	25,984	23,235	2,882,060
Depreciation							
At 1 January 2023	502,790	-	-	93,492	2,883	23,235	622,400
Charge for the year	18,853	-	22,807	3,781	6,565	-	52,006
At December 31 2023	521,643	-	22,807	97,273	9,448	23,235	674,406
Net book value							
At 31 December 2023	208,288	27,983	1,949,962	4,885	16,536	-	2,207,654
At 31 December 2022	211,811	-	1,040,272	8,666	22,276	-	1,283,025

12 Tangible assets *(continued)*

Charity	Buildings and improvement £	Assets under construction £	Glass-houses £	Office fixtures and equipment £	Horti-cultural equipment £	Computer equipment £	Total £
Cost							
At 1 January 2023	714,601	-	1,040,272	97,544	25,159	23,235	1,900,811
Additions	15,330	-	932,497	-	825	-	948,652
At December 31 2023	729,931	-	1,972,769	97,544	25,984	23,235	2,849,463
Depreciation							
At 1 January 2023	502,790	-	-	88,879	2,883	23,235	617,786
Charge for the year	18,853	-	22,807	3,781	6,565	-	52,006
At December 31 2023	521,643	-	22,807	92,659	9,448	23,235	669,792
Net book value							
At 31 December 2023	208,288	-	1,949,962	4,885	16,536	-	2,179,671
At 31 December 2022	211,811	-	1,040,272	8,666	22,276	-	1,283,025

As a condition of the funding received from the National Lottery Heritage Fund for the Glasshouse Restoration project, The National Heritage Memorial Fund holds a charge over the freehold property of the charity.

13 Fixed Asset investments

13a Listed investments

	2023 £	2022 £
Market value at 1 January 2023	3,557,502	4,049,456
Additions	-	-
Investment manager fees	-	(7,013)
Gain/(loss) in the year	202,377	(484,941)
Market value at 31 December 2023	3,759,879	3,557,502

Investments are held in listed funds managed by Sarasin & Partners LLP.

The historical cost of the listed investment at 31 December 2023 was £3,378,111 (2022- £3,377,548) due to an increase in the cash account.

13 Fixed Asset investments *(continued)*

13b Investments in subsidiaries

	2023	2022
	£	£
Shares in CPG Enterprises Limited at cost	**100**	100

	Group 2023	Charity 2023	Group 2022	Charity 2022
	£	£	£	£
Total Fixed Asset Investments	**3,759,879**	**3,759,979**	3,557,502	3,557,602

The wholly owned trading subsidiary, CPG Enterprises Limited (03140004), is registered in the United Kingdom. The principal activity of CPG Enterprises Limited is the running of the Garden and the letting of the grounds of the charity.

At 31 December 2023 the income of CPG Enterprises was £599,024 (2022: £781,866) and expenditure was £278,956 (2022: £562,544). The net assets of CPG Enterprises Limited were £4,778 (2022: £4,778) and the retained profit to that date was £4,678 (2022: £4,678), after payment to Chelsea Physic Garden Company under qualifying charitable donation of £320,068 (2022 - £219,322).

14 Stocks

	Group 2023	Charity 2023	Group 2022	Charity 2022
	£	£	£	£
Goods for resale	**26,690**	**-**	32,987	-

There is no material difference between what is stated above and the recoverable amount.

15 Debtors

	Group 2023	Charity 2023	Group 2022	Charity 2022
Amounts falling due within one year:	£	£	£	£
Trade debtors	**23,509**	**5,544**	25,481	16,945
Amounts owed by subsidiary	**-**	**59,839**	-	71,985
Prepayments and accrued income	**43,230**	**41,247**	22,710	20,839
Other debtors	**72,795**	**4,773**	2,750	2,750
	139,534	**111,403**	50,941	112,519

16a Creditors : Amounts falling due within one year

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Trade creditors	**57,117**	**54,566**	34,524	32,190
Other creditors	**135,223**	**42,530**	8,425	8,425
Other taxation and social security	**19,290**	**16,914**	14,017	12,583
Accruals	**76,780**	**73,385**	43,810	42,837
Deferred income	**251,571**	**152,508**	239,339	167,951
	539,981	**339,903**	340,115	263,986

Included within Other creditors are amounts owing to the pension scheme of £8,711 (2022 – £8,243)

16b Creditors : Amounts falling due after more than one year

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Other creditors	-	-	42,288	42,288
	-	-	42,288	42,288

17 Deferred income reconciliation

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Balance at 1 January	**239,339**	**167,951**	322,801	152,398
Amount released to income earned from charitable activities	**(234,040)**	**(167,652)**	(322,502)	(152,099)
Amount deferred in the year	**246,272**	**152,209**	239,040	167,652
Balance at 31 December	**251,571**	**152,508**	239,339	167,951

Deferred income relates mainly to the income received from memberships in relation to the next financial period. Other amounts relate to income received in advance of events booked for the next financial period.

18 Analysis of charitable funds
Group – current year

	At 1 January 2023	Income	Expenditure	Transfers	Net gain on investments	At 31 December 2023
	£	£	£	£	£	£
Unrestricted funds						
General fund	827,770	1,792,320	(2,011,819)	-	-	608,271
Capital Redevelopment - Designated fund (formerly Designated Fund - Cadogan Estates	365,402	200,000	(129,806)	-	-	435,596
Designated maintenance fund	327,408	-	(12,160)	2,301	-	317,549
Designated fund – Jill Hood Legacy	100,000	-	(49,943)	-	-	50,057
Designated fund – Volunteers	656	-	-	-	-	656
Total unrestricted funds	1,621,236	1,992,320	(2,203,728)	2,301	-	1,412,129
Endowment fund	3,557,502	-	-	-	202,377	3,759,879
Restricted funds						
Horticultural trainees	11,046	40,940	(38,668)	-	-	13,318
Florilegium Anniversary Project	1,706	-	(362)	-	-	1,344
Digitisation Project	9,396	-	(7,680)	-	-	1,716
Acoustic Panels	2,301	-	-	(2,301)	-	-
Education and Outreach Project	5	-	-	(5)	-	-
Garden Restricted Donations	2,220	30,913	(29,490)	18	-	3,661
Judith Bronkhurst Donation	141	-	(123)	(18)	-	-
R.U.B White Charitable Trust Community Outreach	7,084	5,000	(5,022)	-	-	7,062
Glasshouses Restoration Fund	2,250,649	442,038	(213,186)	-	-	2,479,501
Friends Scheme Review	139	-	(139)	-	-	-
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	-	-	-	418
Horticultural Therapy Programme	4,043	-	(1,989)	-	-	2,054
John Swire 1989 Charitable Trust	13,486	10,000	(12,150)	(1,336)	-	10,000
Interpretation Roll-Out	94,380	30,000	10,970)	-	-	113,410
James & Shirley Sherwood Fund	25,000	-	-	-	-	25,000
Learning & Engagement Co-ordinator	11,593	23,700	(15,272)	1,341	-	21,362
Composting facilities	-	10,099	(6,422)	-	-	3,677
Total restricted funds	2,433,607	592,690	(341,473)	(2,301)	-	2,682,523
Total funds	7,612,345	2,585,010	(2,545,201)	-	202,377	7,854,531

18 Analysis of charitable funds *(continued)*
Group – previous year

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2022 £
Unrestricted funds						
General fund	759,606	1,806,761	(1,736,424)	(2,173)	-	827,770
Designated fund – Cadogan Estates	200,000	200,000	(34,598)	-	-	365,402
Designated building maintenance	363,330	-	(35,922)	-	-	327,408
Designated fund – Jill Hood Legacy	-	100,000	-	-	-	100,000
Designated fund – Volunteers	-	-	(944)	1,600	-	656
Total unrestricted funds	1,322,936	2,106,761	(1,807,888)	(573)	-	1,621,236
Endowment fund	4,049,456	-	(7,013)	-	(484,941)	3,557,502
Restricted funds						
Horticultural trainees	21,943	5,000	(15,897)	-	-	11,046
Florilegium Anniversary Project	1,706	-	-	-	-	1,706
Digitisation Project	9,396	-	-	-	-	9,396
John Lyons Education Outreach	(1,759)	22,000	(21,095)	854	-	-
Acoustic Panels	3,263	-	(962)	-	-	2,301
Education and Outreach Project	35	-	(30)	-	-	5
City Bridge Trust Education and Outreach	26,853	-	(27,254)	401	-	-
Garden Restricted Donations	2,666	1,600	(2,046)	-	-	2,220
Judith Bronkhurst Donation	141	-	-	-	-	141
R.U.B White Charitable Trust Community Outreach	11,236	5,000	(9,152)	-	-	7,084
Oak Foundation Education Outreach	1,568	-	(1,808)	240	-	-
Glasshouses Restoration Fund	1,604,755	786,123	(140,229)	-	-	2,250,649
Friends Scheme Review	139	-	-	-	-	139
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	-	-	-	418
Tanners Trust	2,830	-	(2,830)	-	-	-
Horticultural Therapy Programme, formerly D'Oyly Carte Help Us Grow	962	3,700	(619)	-	-	4,043
John Swire 1989 Charitable Trust	25,000	-	(11,514)	-	-	13,486
Interpretation Roll-Out, formerly Stanley Smith UK Hort Trust	5,000	94,620	(5,240)	-	-	94,380
Kanlungan Project – Kusuma Trust	2,944	-	(3,156)	212	-	-
Chelsea Academy	7,600	-	(6,466)	(1,134)	-	-
James & Shirley Sherwood Fund	-	25,000	-	-	-	25,000
Learning & Engagement Co-ordinator	-	11,593	-	-	-	11,593
Total restricted funds	1,726,696	954,636	(248,298)	573	-	2,433,607
Total funds	7,099,088	3,061,397	(2,063,199)	-	(484,941)	7,612,345

18 Analysis of charitable funds *(continued)*
Charity – current year

	At 1 January 2023 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2023 £
Unrestricted funds						
General fund	823,092	1,611,910	(1,831,409)	-	-	603,593
Capital Redevelopment - Designated fund (formerly Designated Fund - Cadogan Estates	365,402	200,000	(129,806)	-	-	435,596
Designated building maintenance	327,408	-	(12,160)	2,301	-	317,549
Designated fund – Jill Hood Legacy	100,000	-	(49,943)	-	-	50,057
Designated fund – Volunteers	656	-	-	-	-	656
Total unrestricted funds	1,616,558	1,811,910	(2,023,318)	2,301	-	1,407,451
Endowment fund	3,557,502	-	-	-	202,377	3,759,879
Restricted funds						
Horticultural trainees	11,046	40,940	(38,668)	-	-	13,318
Florilegium Anniversary Project	1,706	-	(362)	-	-	1,344
Digitisation Project	9,396	-	(7,680)	-	-	1,716
Acoustic Panels	2,301	-	-	(2,301)	-	-
Education and Outreach Project	5	-	-	(5)	-	-
Garden Restricted Donations	2,220	30,913	(29,490)	18	-	3,661
Judith Bronkhurst Donation	141	-	(123)	(18)	-	-
R.U.B White Charitable Trust Community Outreach	7,084	5,000	(5,022)	-	-	7,062
Glasshouses Restoration Fund	2,250,649	442,038	(213,186)	-	-	2,479,501
Friends Scheme Review	139	-	(139)	-	-	-
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	-	-	-	418
Horticultural Therapy Programme	4,043	-	(1,989)	-	-	2,054
John Swire 1989 Charitable Trust	13,486	10,000	(12,150)	(1,336)	-	10,000
Interpretation Roll-Out	94,380	30,000	(10,970)	-	-	113,410
James & Shirley Sherwood Fund	25,000	-	-	-	-	25,000
Learning & Engagement Co-ordinator	11,593	23,700	(15,272)	1,341	-	21,362
Composting facilities	-	10,099	(6,422)	-	-	3,677
Total restricted funds	2,433,607	592,690	(341,473)	(2,301)	-	2,682,523
Total funds	7,607,667	2,404,600	(2,364,791)	-	202,377	7,849,853

18 Analysis of charitable funds *(continued)*
Charity – previous year

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2022 £
Unrestricted funds						
General fund	754,928	1,654,327	(1,583,990)	(2,173)	-	823,092
Designated fund – Cadogan Estates	200,000	200,000	(34,598)	-	-	365,402
Designated building maintenance	363,330	-	(35,922)	-	-	327,408
Designated fund – Jill Hood Legacy	-	100,000	-	-	-	100,000
Designated fund – Volunteers	-	-	(944)	1,600	-	656
Total unrestricted funds	1,318,258	1,954,327	(1,655,454)	(573)	-	1,616,558
Endowment fund	4,049,456	-	(7,013)	-	(484,941)	3,557,502
Restricted funds						
Horticultural trainees	21,943	5,000	(15,897)	-	-	11,046
Florilegium Anniversary Project	1,706	-	-	-	-	1,706
Digitisation Project	9,396	-	-	-	-	9,396
John Lyons Education Outreach	(1,759)	22,000	(21,095)	854	-	-
Acoustic Panels	3,263	-	(962)	-	-	2,301
Education and Outreach Project	35	-	(30)	-	-	5
City Bridge Trust Education and Outreach	26,853	-	(27,254)	401	-	-
Garden Restricted Donations	2,666	1,600	(2,046)	-	-	2,220
Judith Bronkhurst Donation	141	-	-	-	-	141
R.U.B White Charitable Trust Community Outreach	11,236	5,000	(9,152)	-	-	7,084
Oak Foundation Education Outreach	1,568	-	(1,808)	240	-	-
Glasshouses Restoration Fund	1,604,755	786,123	(140,229)	-	-	2,250,649
Friends Scheme Review	139	-	-	-	-	139
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	-	-	-	418
Tanners Trust	2,830	-	(2,830)	-	-	-
Horticultural Therapy Programme, formerly D'Oyly Carte Help Us Grow	962	3,700	(619)	-	-	4,043
John Swire 1989 Charitable Trust	25,000	-	(11,514)	-	-	13,486
Interpretation Roll-Out, formerly Stanley Smith UK Hort Trust	5,000	94,620	(5,240)	-	-	94,380
Kanlungan Project – Kusuma Trust	2,944	-	(3,156)	212	-	-
Chelsea Academy	7,600	-	(6,466)	(1,134)	-	-
James & Shirley Sherwood Fund	-	25,000	-	-	-	25,000
Learning & Engagement Co-ordinator	-	11,593	-	-	-	11,593
Total restricted funds	1,726,696	954,636	(248,298)	573	-	2,433,607
Total funds	7,094,410	2,908,963	(1,910,765)	-	(484,941)	7,607,667

18 Analysis of charitable funds *(continued)*

Restricted funds have been established to provide financial support for specific projects as below:

Horticultural Trainees	-	A one-year training programme for students interested in pursuing a career in horticulture.
The Florilegium Anniversary Project	-	An exhibition of original artwork from members of the Florilegium Society at the Physic Garden with associated marketing and publicity.
Digitisation Project	-	A project to start digitising the Physic Garden's archive of books, papers and the Florilegium's original artwork including purchase of a hi-resolution scanner and associated software.
Acoustic Panels Project	-	A project to introduce acoustic panels along Embankment, reducing traffic noise. Generous donations were received from Grandiflora Patrons enabling the panels to be introduced and subsequently the planting in this area is being augmented and improved. Funds remaining have been transferred to a fund designated for maintenance projects.
Education and Outreach Project	-	Funds raised to support the education programme including for specific initiatives including the Shelf-Life project and the outreach programme with Waltham Forest Young offenders institute.
Garden Restricted Donations	-	Funds raised to support special horticultural projects in the environs of the Garden.
Judith Bronkhurst Donation	-	A donation to fund the purchase of terracotta plant pots.
R.U.B White Charitable Trust Community Outreach	-	A donation to support the community outreach programme.
Glasshouses Restoration Fund	-	Restoration of the Garden's glasshouses together with supporting activity programmes, re-interpretation and plant collections review. Funded activities continue into 2024 and the fund will remain open as the glasshouses depreciate in value.
Friends' Scheme Review	-	A review of the Friends scheme including questionnaires to Friends, benchmarking and proposals for improvements.
Legacy Roger Melvin Monks Horticulture Students Travel	-	A legacy from Roger M. Monks to assist needy overseas students to pursue study at the Garden by supporting travel costs.
John Swire 1989 Charitable Trust	-	A grant to support our learning and engagement programme.
Interpretation Roll-Out	-	A fund to support the research, development, and installation of new interpretation across the Garden.
James & Shirley Sherwood Fund	-	A fund to support and development of our non-living collections, specifically botanical art.
Learning and Engagement Coordinator	-	A fund to support the costs of a part-time Coordinator to help administer and deliver our Learning and Engagement Programmes.
Composting facilities	-	A fund to support the repair of our composting facilities.

18 Analysis of charitable funds *(continued)*

Restricted funds which were closed in the prior year :

City Bridge Trust - Education and Outreach	-	A grant to fund an Education Outreach Officer to further the Gardens schools and community outreach.
Oak Foundation Education Outreach	-	A donation to support educational outreach initiatives.
John Lyon's Charity Education Outreach	-	A donation to fund education outreach including employing an Outreach Officer to work with School and community projects in target London boroughs including Hammersmith & Fulham, Kensington & Chelsea, City of Westminster, City, Camden, Brent Ealing, Harrow and Barnet.
Tanners Trust	-	Improvements to front of house, including displays and wayfinding signage.
Kusuma Trust - Kanlungan Project	-	A grant to a wellbeing project with Kanlungan to support Filipino migrants. Fund closed in 2022.
Kusuma Trust - Chelsea Academy	-	A grant to support the delivery of a greening project at Chelsea Academy, working with teachers and students

Unrestricted funds are used in accordance with the charitable objectives at the discretion of the trustees. The trustees use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

Other funds have been designated by the trustees for a particular purpose, although these could be redesignated in future if circumstances change. One of these funds is from the Cadogan Charity which has been designated for the future capital development of the buildings. The balance on this fund at 31 December 2023 was £435,596 (2022 - £365,402).

The Endowment Fund is an expendable Endowment and represents investments and cash which continue to be used by the trustees in the best interests of the charity. The endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The trustees have determined that the fund is expendable with both capital and income being available to use at the trustees' discretion in support of the Charity's work.

19 Analysis of net assets between funds

	Tangible Fixed assets £	Investments £	Current assets £	Creditors £	Total £
Group – Current Year					
General funds	**257,692**	**-**	**797,847**	**(447,288)**	**608,271**
Designated funds	**-**	**-**	**803,858**	**-**	**803,858**
Endowment funds	**-**	**3,759,879**	**-**	**-**	**3,759,879**
Restricted funds	**1,949,962**	**-**	**825,254**	**(92,693)**	**2,682,523**
Total	**2,207,654**	**3,759,879**	**2,426,979**	**(539,981)**	**7,854,531**
Group – Previous Year					
General funds	242,753	-	967,420	(382,403)	**827,770**
Designated funds	-	-	793,466	-	**793,466**
Endowment funds	-	3,557,502	-	-	**3,557,502**
Restricted funds	1,040,272	-	1,393,335	-	**2,433,607**
Total	1,283,025	3,557,502	3,154,221	(382,403)	**7,612,345**
Charity – Current Year					
General funds	**229,709**	**100**	**713,687**	**(339,903)**	**603,593**
Designated funds	**-**	**-**	**803,858**	**-**	**803,858**
Endowment funds	**-**	**3,759,879**	**-**	**-**	**3,759,879**
Restricted funds	**1,949,962**	**-**	**732,561**	**-**	**2,682,523**
Total	**2,179,671**	**3,759,979**	**2,250,106**	**(339,903)**	**7,849,853**
Charity – Previous Year					
General funds	242,753	100	886,513	(306,274)	**823,092**
Designated funds	-	-	793,466	-	**793,466**
Endowment funds	-	3,557,502	-	-	**3,557,502**
Restricted funds	1,040,272	-	1,393,335	-	**2,433,607**
Total	1,283,025	3,557,602	3,073,314	(306,274)	**7,607,667**

20 Liability to the members

Every member of the company undertakes to contribute an amount not exceeding £1 to the assets of the charitable company in the event of the company being wound up while he is a member, or within one year after he ceases to be a member. This contribution is for the payment of the debts and liabilities of the charitable company contracted before he ceases to be a member and of costs of winding up.

21 Analysis of cash and cash equivalents

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Cash at bank and in hand	**2,260,755**	**2,138,703**	3,070,293	2,960,795

22 Analysis of net debt

At 31 December 2023 the group and charity had no loans classified as debt.

23 Financial commitments

During the year a contract was signed with our catering contractor whereby CPG Enterprises Ltd committed to contribute £189,590 for capital refurbishment of the café at the Chelsea Physic Garden with the café contractor spending £141,333 on the project. At the balance sheet date the company had paid part of its contribution and the commitment remaining was £93,585 (2022 - £nil).

24 Commitments under operating leases

At 31 December 2023 the group and charity had future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
No later than 1 year	**3,236**	3,236
Later than 1 year and no later than 5 years	**3,237**	6,473
	6,473	9,709

THE CHELSEA PHYSIC GARDEN COMPANY

England & Wales - Charity number 286513

Accounts

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and Consolidated Financial Statements

Year Ended

31 December 2022

Company Number 01690871

Charity Number 286513

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and financial statements
for the year ended 31 December 2022

Contents

Page:

1	Trustees' Annual Report
11	Trustees' responsibilities statement
12	Independent auditor's report
16	Consolidated statement of financial activities
17	Consolidated balance sheet
18	Charity balance sheet
19	Statement of consolidated cash flows
20	Notes forming part of the financial statements

The Chelsea Physic Garden Company

(a company limited by guarantee)

Trustees' report
for the year ended 31 December 2022

The trustees, who are also directors for the purpose of company law present their report together with the audited financial statements for the year ended 31 December 2022 which are also prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

Status and Constitution

Charity Name:	Chelsea Physic Garden Company (The)
Charity registration number:	286513
Company registration number:	01690871
Registered office and operational address:	66 Royal Hospital Road London SW3 4HS

The charity is constituted as a company limited by guarantee. The charity is governed by its Articles of Association dated 17 May 2019.

The company was incorporated to act as a Trustee of the charity known as The Chelsea Physic Garden (Charity registration number 286513) and to advance public education and in particular to promote the study of botany and related sciences.

Directors and members of the Board

The trustees and members of the Board (who also act as trustees for the charitable activities of The Chelsea Physic Garden Company) who served during the year were:

Mr Colin Chisholm	(Hon. Treasurer, Finance & Operations Committee)
Mr Alan Dempsey	
Mr Paul Martin Gray	(resigned 22 February 2022)
Mrs Sukie Hemming	(resigned 31 December 2022)
Dr Helen Charman	
Ms Anna Jobson	
Mr Tony Kirkham	(Chair of Advisory Committee)
Lady Arabella Lennox-Boyd	(resigned 31 December 2022)
Mr Todd Longstaffe-Gowan	(appointed 14 July 2022)
Mr Simon Major	
Mr Michael McGonigle	(Finance & Operations Committee)
Mr Quoc-Nghi Nguyen	(resigned 12 May 2022)
Mr Michael Prideaux	(resigned 31 December 2022 (Chair of the Board))
Dr Philippa Simpson	
Mrs Sarah Speller	(resigned 31 December 2022)
Dr Paul Thompson	(appointed 14 July 2022) Chair Elect))
Ms Anna Valle	(appointed 1 January 2023)
Mr Andrew Woodward	

Senior Leadership Team

The Director and Company Secretary	Mrs Susan Medway
Development Director	Ms Joanna Wells
Commercial Director	Mr Tom Gilliford (to 4 April 2023)
Deputy Director (Visitor Experience)	Ms Frances Sampayo
Head of Finance	Mr Paul Ryan (to 30 June 2022)
Finance Director	Mr David Strange (from 18 July 2022)
Head of Plant Collections	Ms Nell Jones
Head of Learning & Public Engagement	Ms Katy Parry
Executive Assistant	Ms Gill Mathias
Project Manager	Mrs Bridget McGee

Professional advisors

Bank:	National Westminster Bank plc 18 Cromwell Place London SW7 2LB
Solicitors:	Farrer & Co 66 Lincolns' Inn Fields London WC2A 3LH
Auditor:	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Fund Managers:	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
Registered and principal office:	66 Royal Hospital Road London SW3 4HS

Organisation and Structure

Appointments to the Board are for an initial period of three years after which trustees can seek re-election, serving two additional terms each of three years. These provisions also apply to appointments to the Board of CPG Enterprises Limited, the Advisory Committee and other board committees. There is provision to extend the appointment of a director or trustee for a limited period where the experience or organisational knowledge of that trustee supports an important or timely activity.

Two new trustees have been appointed to join the Board during the year. Dr Paul Thompson as Chair Elect, who has worked alongside the existing Chair and trustees, taking over formally at the beginning of 2023. Dr Thompson has been appointed as a director of CPG Enterprises Limited. Mr Todd Longstaffe-Gowan was appointed in July 2023 to support the board and Advisory Committee given his notable horticultural experience. During the year two trustees stood down because of other commitments. At the end of 2022 Mr Michael Prideaux (Chair) and three other trustees retired at the conclusion of their term of office. Mr Michael McGonigle has agreed to remain a trustee, serving on the board, the Finance & Operations Committee and Project Board for a further period to ensure continuity until the end of the current capital project.

The trustees determine the overall strategy and policies of the charity. The delivery of the Garden's strategic plans, fundraising and external professional relations together with day-to-day management are delegated to the Garden's Director, Mrs Susan Medway, who is also appointed as Company Secretary. The Director takes a lead on major project activity as the most senior executive of the charity. She is supported by a small team of senior managers and staff.

Recruitment and Appointment of the Board

All members of the Board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 10 to the financial statements.

The Nominations & Appointments Committee is charged with setting and regularly reviewing the requisite skills and competencies for board members and members of committees/panels, undertaking recruitment searches and recommending appointments as required to ensure there is an appropriate mix of skills. After a process to identify the skills required was undertaken two new trustees, Chair Elect, Dr Paul Thompson and Mr Todd Longstaffe-Gowan were appointed to the Board in the course of the year, replacing trustees who retired at the end of December.

Trustee Induction and Training

New trustees are invited and encouraged to attend at the Garden to familiarise themselves with the charity and the context within which it operates, including meeting with senior management and taking tours with the volunteer Guides. An induction day was carried out with newly appointed trustees. They are invited to attend the annual main Spring briefing and the subsequent quarterly staff and volunteer briefing sessions. Newly appointed trustees spend a period shadowing an existing trustee. Throughout their term of office they are offered appropriate training in their role as charity trustees.

The principal departments and senior roles are:

The Deputy Director (Visitor Experience) is responsible for the welcome provided to visitors and for management of the buildings and their services. Through the learning and public programme team they have oversight of all learning activity and the public programme, as well as volunteers. The Deputy Director deputises for the Director in their absence.

The Commercial Director is responsible for all commercial activity including retail, venue hire and commercial partnerships; they also manage the relationship with the catering partner as well as the small number of commercial contracts that exist. They are responsible for the Friends' scheme; through their team they undertake all PR, marketing and communications including digital.

The Development Director is responsible for supporting senior fundraising volunteers as well as direct fundraising for both specific capital projects and to support the charity's education and learning programmes.

The Finance Director is responsible for all finance activities for the charity and the wholly owned trading subsidiary CPG Enterprises Limited.

The Head of Plant Collections is responsible for the horticultural management of the garden and its plant collections together with the herbarium and seed bank. They ensure delivery of the horticultural training programmes.

The Project Manager leads on coordinating the Project Board, the project team, the capital design team and supporting colleagues to achieve progress on all capital and programme activities required for the Glasshouse project and plans towards the Gardens building refurbishment programme as part of its 350 anniversary celebrations in 2023.

The Executive Assistant supports the Board, its sub-committees and senior staff. They take minutes for all meetings including the Board and its sub-committees as well as the Project Board and project meetings.

The Finance & Operations Committee meet with senior management quarterly to review the performance and financial stability of the charity and its trading subsidiary. They monitor and review key performance indicators, all major income and expenditure and cash flow to ensure that the charity and trading subsidiary can meet their liabilities and continue to trade on a going concern basis.

Related parties and co-operation with other organisations

None of the trustees receive remuneration or other benefits from their work with the charity. Any connection between a trustee or senior manager of the charity with another organisation, another charity or an individual that the charity may come into contact with, in the course of pursuing its objectives must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

The charity's wholly owned subsidiary, CPG Enterprises Limited, was established on 20 December 1995 (company number 3140004). It is responsible for overseeing commercial activities, retail, catering, venue hire and any licensing for commercial purposes of the charity's trademark. CPG Enterprises Limited has a licence from the charity to occupy the shop premises and gift aids its profits to the charity (see note 13b to the financial statements). The catering operation is contracted out with an agreed percentage of net turnover paid to CPG Enterprises Limited. The majority of venue hire bookings are fulfilled outside of the visitor opening periods.

The charity has working relationships and maintains networks with numerous organisations at a local, national and international level. As a small independent charity these are important to raise and maintain its profile, to promote its diverse work and to share information and best practice. The charity maintains membership of the Botanic Gardens Education Network, Botanic Gardens Conservation International, the Association of Independent Museums, the National Council for the Conservation of Plants and Gardens, The Heritage Alliance and The National Council for Voluntary Organisations.

Close networks exist between a number of national and international botanic gardens. The Garden also maintains good working relationships with staff at the Royal Botanic Gardens, Kew; Cambridge and Oxford Botanic Gardens; Edinburgh and Bristol Botanic Gardens and the National Botanic Garden of Wales. The Royal Horticultural Society and Kew support the Garden with technical advice, expertise and plant material. The Garden has reciprocated with similar exchanges of expertise and also hosted visits from horticultural trainees from many of these Gardens. There is a developing network through the charity's outreach programme with organisations such as the Octavia Foundation, Chelsea Academy, Kings' College (Civic Leadership Academy) and Social Farms and Gardens.

At a local level the charity engages with what is going on within the Royal Borough of Kensington and Chelsea, and particularly within the environs of Chelsea and Kings Road. The Garden pays attention to activities relating to tourism, education and community initiatives that it can support and promote either actively or passively. Representatives from the charity attend meetings and networking events locally including The Chelsea Society and Cheyne Walk Trust. They work with the Royal Hospital, Chelsea and the National Army Museum taking part in the annual Chelsea History Festival but also to generate interest and drive visits to Royal Hospital Road and the three heritage attractions grouped close by. The Director sits on the Committee of London Gardens Network, whose aim is to support and develop the skills and opportunities for professional gardeners. She is a trustee of The London Gardens Society, a Liveryman and Court Assistant of the Worshipful Company of Gardeners and a Fellow of the Linnean Society.

Aims and Objectives

Purpose and principal activities

The charitable purpose and objectives of the charity are to demonstrate the medicinal, economic, cultural and environmental importance of plants to the survival and well-being of humankind.

Chelsea Physic Garden carries out this charitable purpose for the public benefit by:

- providing programmes of educational activities, publications and events;
- maintaining documented plant collections in labelled and interpreted displays in an historic botanic garden;
- demonstrating the development of the science and practice of horticulture, botany and related disciplines through the historical role of the garden; and
- promoting the importance of the conservation of plants and the natural environment.

Ensuring the Garden's work delivers its aims for public benefit

The aims and activities of the company as a charity are reviewed each year. Public engagement and the conservation and care of Chelsea Physic Garden's collections are at the core of the charity's activities. The annual review looks at what has been achieved and the outcome and impact of that work in the previous 12 months against the key performance indicators monitored throughout the year. The principal performance indicators relate to:

- overall number of visitors to the Garden and admissions income;
- total number of School Learners;
- total number of Learners on Outreach visits and Community Engagement participants;
- number of participants on Public programmes and Family activity days;
- the number of Friends of the Garden;
- retail revenue;
- venue hire revenue;
- website and social media activity; and
- fundraising activity to support operating and capital projects.

Public benefit statement

The charity trustees consider that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission and that the benefits that the charity provides are not unreasonably restricted.

The trustees ensure the charity delivers public benefit by:

- admitting the public to the Garden on payment of a modest admission charge;
- maintaining a Friends scheme;
- providing a range of learning and public programmes on and off-site;
- working with partner organisations to identify groups that would benefit from community membership access
- site and collections interpretation;
- publications and digital resources; and
- providing guided tours, visitor services and on-line access.

Activities

The charity's aim is to demonstrate horticultural and botanical excellence in the presentation of the Garden, whilst interpreting it in an interesting and accessible manner. Work continues to maintain interest in the horticultural displays and whilst the layout of the Garden remains largely unchanged, seasonal planting and interpretation is introduced in order to interpret the collections and extend the season. Maintenance and redecoration work continues annually, particularly in the short closed period in early January, ensuring that we maintain standards of presentation pending major refurbishment.

The Garden has been open to visitors 11 months of the year, six days a week, albeit visitation levels are not at pre-pandemic levels; it maintains longer opening hours (11am- 5pm) between April and October and has evening openings on Tuesdays and Wednesdays in July and August. Saturdays are exclusively reserved for private hire.

In 2022 the Garden welcomed 50,919 visitors (55,335 in 2021). The number of Friends memberships at 31 December was 6,748 (6,639 in 2021).

Income from commercial lettings forms a significant part of the charity's income. Information relating to private hire and to the Garden's public programme of activities is posted on the website and is promoted via the monthly e-newsletter. Venue hire and a range of public programme activities have taken place throughout the year.

Activities *(continued)*

The collaboration with Beefeater Gin through the London Garden Gin product and their charitable donation to the Garden continued in 2022. The agreement with Octopus Publishing continues with a third publication produced during the year under the Garden's trademark.

The City Bridge Trust and the John Lyon's Charity have continued their support for our learning outreach and engagement programmes and we are grateful for their continued and vital support. Both these multi-year grant awards came to an end in 2022.

The Garden has continued to deliver learning both onsite, offsite and online. There has been an increase in the delivery of activities through a programme of community partnerships. The total number of schools and community participants for the year was 7,632. In addition, we welcomed a further 6,560 participants to one of our public programme activities throughout the year, which may have been anything from summer outdoor music, interactive theatre, a family activity day or a workshop on chocolate making or a herbal remedies course.

There have been no restrictions in place during 2022 and the Garden has continued to operate throughout. There remains a lower number of inbound tourists that before the pandemic although some of this can now be attributed to cost of living pressures.

Venue hire activity has been extremely buoyant throughout the year as clients who had carried forward their bookings from 2020 and 2021 held their events at the Garden.

Volunteers

The Garden's team of volunteers, provides invaluable support across the charity and the Garden continually looks to diversify the activities that volunteers are involved in. In the year work has been ongoing to diversify who and where recruitment of volunteers took place, as well as ensuring the ongoing training and support for existing and new volunteers. A Youth Panel (aged 16-24 years) has been recruited and is working on terms of reference and with the Learning team to co-create and support activities, ensuring that these are publicised in ways that attract young audiences.

Fundraising statement

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not currently undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." We have an on-line donation page for the general public to make donations to fundraising appeals, including the 'Hothouse Challenge' for the Glasshouses project. At 31 December 2022 £4,633 had been received for this and other projects via the website. Such amounts received are presented in our accounts as "voluntary income" and include legacies and grants.

In relation to the above it is confirmed that all solicitations are managed internally, without involvement of commercial participators, professional fundraisers, or third parties. The day-to-day management of all income generation is delegated to the senior management team, who are accountable to the trustees.

The charity is not bound by any undertaking to any regulatory scheme however the charity voluntarily follows The Code of Fundraising Practice.

The charity has received no complaints in relation to fundraising activities. The charity monitors the activities of its employees including those responsible for fundraising with regular reports prepared for trustees.

Principal Funding Sources

Income is principally generated by the charity from fundraising activity, charging visitors admission to enter the Garden, from annual subscriptions from Friends of the Garden and from the public programme. In addition, the commercial activities of CPG Enterprises Limited make a significant contribution to the funding of the charity.

The charity holds long-term investments in the form of an Endowment Fund. This fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The trustees have determined that the fund is expendable with both capital and income being available to use at the trustee's discretion in support of the Charity's work. At 31 December 2022 the endowment fund value was £3,557,502 (£4,049,456 in 2021).

Trusts and Major Donors 2022

The Garden is fortunate to have the support of a number of Charitable Trusts and Foundations together with many individuals who make donations supporting capital works and the charity as a whole. In 2022 grants and donations were received from:

General
Cadogan Charity
Craig Swick
David Laing Foundation
The Drapers' Charitable Fund
Esmée Fairbairn Foundation, TASK Fund
The Estate of Jill Hood
John and Diana Kemp-Welch Charitable Trust
John Lewis Partnership
The Pamela Matthews Charitable Trust
Peter Cadbury
Rick Mather and David Scrase Foundation
Sloane Stanley LLP
The Stonewall Park Charitable Trust
Virginia F White
Walter Lee and Leslie Welch Rogers

Horticulture, Horticultural Trainees and Garden Projects
The Finnis Scott Foundation
Dr Martin Schoernig

Learning and Engagement Projects
Chelsea Physic Garden Florilegium Society
City Bridge Trust
Cocoa Runners
Professor Diane Edwards
The D'Oyly Carte Charitable Trust
The Golden Bottle Charitable Trust
John Lyon's Charity
Joseph Rochfords Gardens Ltd
Loveday Charitable Trust
Michael McGonigle
Michael and Sue Prideaux
RUB White Charitable Trust
Simon Eccles
Steve Edge

Trusts and Major Donors 2022 *(continued)*

Collections
James & Shirley Sherwood Foundation
Dr Martin Schoernig

Glasshouse Restoration Project
Band Trust
Daniel and Marcela Pinto
The Hobson Charity Ltd
The John Armitage Charitable Trust
The John Browne Charitable Trust
National Lottery Heritage Fund
The Olwen McPherson Trust

And our donors who wish to remain anonymous.

Investment Policy

The trustees have considered the most appropriate policy for managing the charity's endowment funds and unrestricted reserves. They have delegated management of these funds to a specialist fund manager, Sarasin & Partners LLP. The investment mandate set for the fund manager is to provide a level of annual income to help support the running of the charity, whilst also looking to achieve long-term capital growth of the funds.

Financial review

The results for the year show net surplus of £998,198 before losses on investments, this compares to a surplus of £1,869,043 in 2021 and a net surplus (after unrealised losses) of £513,257 compared with £2,117,702 in 2021. The balance sheet shows a positive position.

The Garden's trading subsidiary, CPG Enterprises Limited, showed a pre-tax profit of £219,322 (2021: £95,144), before a donation under deed of covenant was made to the Garden.

Income from letting rooms and external events in the Garden is £611,646 (2021: £297,354) which is 20% (2021 - 8%) of total income. The income received from the Friends related to the renewal of annual subscriptions to the Friends' scheme and the making of new Friends of the Garden generated an income of £307,280 (2021: £385,822).

Total expenditure of £2,063,199 increased by 23% (2021 - £1,681,388). The increases were in salary costs, partly owing to additional fixed term heads related to the 350 anniversary, also in horticultural and marketing costs and professional fees.

Reserves

Total funds at the year-end amount to £7,612,345 (2021: £7,099,088) of which £2,433,607 (2021: £1,726,696) can only be used for particular restricted purposes as stipulated by the donors. The assets and liabilities attributable to the various funds are shown in notes 18 and 19 to the financial statements which also describe the various funds of the charity.

Unrestricted funds amount to £5,178,738 (2021: £5,372,392), of which £827,770 (2021 - £759,606) is freely available as the trustees consider the endowment funds of £3,557,502 (2021: £4,049,456) to be available only in exceptional circumstances. The charity relies on the income generated from these long-term investments (and also from its own activities) for the day to day upkeep of the Garden and for capital growth to ensure continued income generation in future years.

Other funds amounting to £793,466 (2021: £563,330 have been designated by the trustees for specific purposes. These funds are listed in note 18 and described on page 38.

Reserves *(continued)*

The trustees review annually the reserves policy and have set the target level of free reserves at the equivalent of operational expenditure over the next three months which equates to £515,899. The freely available reserves of £585,017 equates to a little over three months of expenditure reserve and are therefore broadly in line with this reserves policy. The trustees have committed to review and, if necessary, update their reserves policy in 2023.

Going concern

In assessing any lasting impact of financial pressures brought about by rising inflation and consequent price increases on The Chelsea Physic Garden Company group, the trustees have considered all the matters described in the Trustees' Report, including the group's operations, the impact on subscriptions, donations, and other trading activities, as well as the impact on the group's investment portfolio. In particular, in order to support the trustees' assessment of the sustainability of the group's activities, management continues to prepare quarterly cash-flow forecasts based on assumptions, through to the end of 2024. The major revenue and expenditure budgets are tracked on a month-by-month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure through 2023 up to December 2024. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsidiary which undertakes certain commercial trading activities of the group, has been subjected to a separate stress test for a period which extends forward to the end of 2024. Provided that trading activities ordinarily undertaken by CPG Enterprises Ltd can be undertaken the stress test demonstrates that the trading company remains an independent going concern throughout.

At the date of signing of these financial statements, the' forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern. The trustees therefore consider that no material uncertainty exists in relation to going concern for the Group.

Charity Governance Code

The Board is committed to good governance and to its own and the charity's continuous improvement in delivering its purposes most effectively for the public benefit.

The trustees are mindful of the Charity Corporate Governance Code and to considering whether to implement any changes in response.

Plans for Future Periods

Progress on achieving the overall objective to update the Garden's horticultural and learning facilities and infrastructure; to improve and enhance the overall accessibility and experience for visitors continue.

The first phase of this is restoration and reinterpretation of the Garden's Victorian Glasshouses which is supported by a National Lottery Heritage Grant of £924,100, following a grant increase of £243,400. Progress on the capital restoration works, new interpretation as well as an extensive activity plan are all progressing.

All the necessary fundraising for the full cost of the project (£2.9m) has been undertaken and the capital and comprehensive activity plans are funded.

In anticipation of the Garden's 350 anniversary in 2023 the charity has a plan of activities in place throughout this year which bring together community and local stakeholders, visitors and supporters to celebrate the work of the charity. The Glasshouses are scheduled for completion and reopening towards late summer and this will be used as an opportunity to reinforce the Garden's mandate as a Physic Garden for the Future.

Plans for Future Periods *(continued)*

The trustees expect to be in a position to have agreed a phased approach to a Masterplan which will achieve improvements to and refurbishment of the visitor, horticultural and learning facilities and infrastructure and to improve and enhance the overall accessibility and experience for visitors.

Other capital projects are modest in nature and only commence when all funding is in place to meet the full cost of the activity.

Carbon Footprint

During the development phase of the Glasshouse project the Garden created a Sustainability Framework through which it evaluated the deliverables for the repair and improvements to the Glasshouses. It is proposed that a Sustainability Framework which covers accessibility, biodiversity, energy, water, materials, waste and pollution be further developed to provide a benchmark by which the Garden can track, reduce and mitigate its environmental footprint.

Pay policy of senior staff

The charity is committed to the London Living Wage, including for trainee roles. The Remuneration Committee, is responsible for annually reviewing the pay and conditions of staff and volunteer expense remuneration. Benchmarking is undertaken within the relevant sector of all vacant roles prior to re-advertising. A substantive benchmarking exercise was undertaken during the year with 60% of existing role profiles externally benchmarked within comparative sectors. A recommendation was made and accepted by the Board to address any substantive variances in salary of affected posts.

Risk Management

The trustees actively review the major risks which the charity might face, in particular those relating to governance, reputation, operations and finance. As part of the risk monitoring infrastructure the charity maintains an active risk register, business continuity and disaster plan. These are regularly reviewed to ensure relevance. The charity annually reviews its insurance provision including the type of cover and overall levels of cover.

The trustees believe that maintaining adequate free reserves combined with regular reviews of the controls over key financial systems, will provide sufficient protection for the charity in the event of adverse operating conditions.

Amongst the most serious risks listed in the current risk register are :

- **Cyber attack** : This might result in loss of access to vital IT systems, compromise of the personal data of Friends, visitors and others or financial loss as a result of virus or ransomware attack. Our response is to review our IT security continuously, to ensure safeguards and staff training are up to date. To the extent that cyber risks can be insured against we have that cover.

- **Unauthorised access to the Garden and buildings by intruders for the purposes of theft or vandalism** : Our response to this includes physical and monitored security systems, electronic access controls and CCTV. We are insured against the potential financial loss that could result from such an event.

- **An unforeseen disastrous event** : This might take the form of a natural disaster or an act of terrorism, for example. The Garden has a Business Continuity Plan which would enable key personnel to continue to work offsite with access to backed up systems. Full records of the living collections are maintained in the event that they needed to be recreated to the extent possible.

- **Impact of climate change on the living collection** : This is largely outside our control but actions can be taken and we have commissioned a report on sustainability to identify how we can achieve "carbon neutrality" by 2030. We review our plant collections to ensure we can maintain a collection in line with our mission as an organisation but that is more resilient to a changing climate.

Trustees' responsibilities statement

The trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company and charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the group and parent charity and of the incoming resources and application of resources, including its income and expenditure, of the group for the year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

Each of the persons who are trustees at the time when the Directors' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- that the trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charity's auditor in connection with preparing his report and to establish that the charity's auditor is aware of that information.

Auditors

Moore Kingston Smith LLP were appointed as auditors during the year and have indicated their willingness to continue in office. They are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

Small company exemption

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 11 May 2023 and signed on its behalf by:

Paul Thompson
Trustee

Colin Chisholm
Trustee

Independent auditor's report
To the Directors of The Chelsea Physic Garden Company
for the year ended 31 December 2022

Opinion

We have audited the financial statements of the Chelsea Physic Garden Company (the 'parent charitable company') for the year ended 31 December 2022 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 group's and the parent charitable company's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 group and parent charitable company and their 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 where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11 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 group and parent 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 group or parent 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

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 is detailed below.

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

.....

Andrew Stickland (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 11 May 2023

6th Floor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated statement of financial activities (including consolidated income and expenditure account) for the year ended 31 December 2022

	Note	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income from :						
Donations and legacies	2	**402,957**	**-**	**954,636**	**1,357,593**	1,986,228
Other trading activities	3	**1,040,407**	**-**	**-**	**1,040,407**	643,838
Charitable activities	4	**551,223**	**-**	**-**	**551,223**	621,914
Other income		**3,677**	**-**	**-**	**3,677**	175,336
Investments	5	**108,497**	**-**	**-**	**108,497**	123,115
Total income		**2,106,761**	**-**	**954,636**	**3,061,397**	3,550,431
Expenditure On:						
Charitable activities	8	**1,459,740**	**-**	**248,298**	**1,708,038**	1,360,824
Raising funds	9	**348,148**	**7,013**	**-**	**355,161**	320,564
Total Expenditure	7	**1,807,888**	**7,013**	**248,298**	**2,063,199**	1,681,388
Net income/(expenditure) before gains, losses and transfers	6	**298,873**	**(7,013)**	**706,338**	**998,198**	1,869,043
Net (loss)/gain on investments	13	**-**	**(484,941)**	**-**	**(484,941)**	248,659
Net surplus/(deficit) before transfers		**298,873**	**(491,954)**	**706,338**	**513,257**	2,117,702
Transfers between funds	18	**(573)**	**-**	**573**	**-**	-
Net movement in funds		**298,300**	**(491,954)**	**706,911**	**513,257**	2,117,702
Reconciliation of funds						
Total funds brought forward at 1 January 2022	18	**1,322,936**	**4,049,456**	**1,726,696**	**7,099,088**	4,981,386
Total funds carried forward at 31 December 2022	18	**1,621,236**	**3,557,502**	**2,433,607**	**7,612,345**	7,099,088

All results are derived from continuing activities.

The group has no other recognised gains and losses other than those stated above.

The notes on pages 20 to 40 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated balance sheet
at 31 December 2022

Company number 01690871

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	12		**1,283,025**		304,430
Investments	13		**3,557,502**		4,049,456
			4,840,527		4,353,886
Current assets					
Stocks	14	**32,987**		29,990	
Debtors	15	**50,941**		76,344	
Cash at bank and in hand	21	**3,070,293**		3,068,775	
		3,154,221		3,175,109	
Creditors: amounts falling due within one year	16a	**(340,115)**		(429,907)	
Net current assets			**2,814,106**		2,745,202
Total assets less current liabilities			**7,654,633**		7,099,088
Creditors: amounts falling due after more than one year	16b		**(42,288)**		-
Net assets	19		**7,612,345**		7,099,088
Funds					
Unrestricted					
General	18	**827,770**		759,606	
Designated	18	**793,466**		563,330	
Endowment funds	18	**3,557,502**		4,049,456	
Restricted funds	18	**2,433,607**		1,726,696	
Total funds	18		**7,612,345**		7,099,088

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the companies Act 2006 and with the Financial Reporting Standard FRS 102 SORP (effective January 2015).

The financial statements were approved and authorised for issue by the Board on 11 May 2023

Paul Thompson
Trustee

Colin Chisholm
Trustee

The notes on pages 20 to 40 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Charity balance sheet
at 31 December 2022

Company number 01690871

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	12		**1,283,025**		302,644
Investments	13		**3,557,602**		4,049,556
			4,840,627		4,352,200
Current assets					
Debtors	15	**112,519**		82,601	
Cash at bank and in hand	21	**2,960,795**		2,902,755	
		3,073,314		2,985,356	
Creditors: amounts falling due within one year	16a	**(263,986)**		(243,146)	
Net current assets			**2,809,328**		2,742,210
Total assets less current liabilities			**7,649,955**		7,094,410
Creditors: amounts falling due after more than one year	16b		**(42,288)**		-
Net assets	19		**7,607,667**		7,094,410
Funds					
Unrestricted					
General	18	**823,092**		754,928	
Designated	18	**793,466**		563,330	
Endowment funds	18	**3,557,502**		4,049,456	
Restricted funds	18	**2,433,607**		1,726,696	
Total funds	18		**7,607,667**		7,094,410

As permitted by section 408 of the Companies Act 2006, the Parent Charitable Company's profit and loss account has not been included in these financial statements. The surplus for the year was £513,257 (2021: £2,117,702).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the companies Act 2006 and with the Financial Reporting Standard FRS 102 SORP (effective January 2015).

The financial statements were approved and authorised for issue by the Board on 11 May 2023

Paul Thompson
Trustee

Colin Chisholm
Trustee

The notes on pages 20 to 40 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Statement of consolidated cash flows at 31 December 2022

	Note	2022 £	2021 £
Reconciliation of net income to cash flows from operating activities			
Net movement in funds	18	**513,257**	2,117,702
Gain/(loss) on investments	13a	**491,954**	(248,659)
Investment income	5	**(108,497)**	(123,115)
Depreciation	6	**26,048**	25,346
Loss/(profit) on disposal of assets		**(2,308)**	-
(Increase)/decrease in debtors		**25,403**	(24,303)
(Decrease)/(increase) in creditors		**(47,504)**	(45,058)
(Increase)/decrease in stocks		**(2,997)**	(7,415)
Cash flows from operating activities		**895,356**	1,694,498
Cash flows from investing activities			
Investment income	5	**108,497**	123,115
Purchase of investments		**-**	(500,000)
Purchase of property, plant and equipment	12	**(1,005,810)**	(80,171)
Proceeds from the sale of tangible fixed assets		**3,475**	-
		(893,838)	(457,056)
Increase in cash for the year		**1,518**	1,237,442
Cash at beginning of year		**3,068,775**	1,831,333
Cash at end of year	21/22	**3,070,293**	3,068,775

The notes on pages 20 to 40 form part of these financial statements.

1 Accounting policies

The Chelsea Physic Garden Company is a registered charity and incorporated in England and Wales under the Companies Act 2006. It is a company limited by guarantee. The address of the registered office is given on page 1 of the Directors' report.

The principal accounting policies adopted, judgements and key sources of estimation or uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared on a historic cost basis except for the revaluation of investments.

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) (effective 1 January 2019) - (Charities SORP, 2nd Edition (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

Exemptions for qualifying entities under FRS 102

The parent charitable company has taken the following disclosure exemptions:

- from preparing a statement of cash flows on the basis that it is a qualifying entity and the group cash flow statement included within these financial statements, include the company's cash flows; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

Going concern

In assessing the impact of the cost-of-living crisis and the slow recovery of tourism in the aftermath of the pandemic the trustees have considered all the matters described in the Trustees' Report, including the group's operations, the impact on subscriptions, donations, and other trading activities, as well as the impact on the group's investment portfolio. To support the trustees' assessment of the sustainability of the group's activities, management continues to prepare monthly cash-flow forecasts based on assumptions, through to the end of 2024. The major revenue and expenditure budgets are tracked on a month-by-month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsidiary which undertakes certain commercial trading activities of the group, has been subjected to a separate stress test for a period which extends forward to the end of 2024. Provided that trading activities ordinarily undertaken by CPG Enterprises Ltd can be undertaken the stress test demonstrates that the trading company remains an independent going concern throughout.

At the date of signing of these financial statements, the trustees' forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern. The trustees therefore consider that no material uncertainty exists in relation to going concern for the Group.

1 Accounting policies *(continued)*

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary of CPG Enterprises Limited on a line-by-line basis. A separate Statement of Financial Activities, or income and expenditure account for the charitable company itself, is not presented in these accounts because the charitable company has taken advantage of the exemptions offered by Section 408 of the Companies Act 2006.

Income

Donations, grants and legacies

Cash donations and gifts are included in the Statement of Financial Activities when conditions for their receipt have been met. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods.

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 Trust 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 likely 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.

Government grants

Government grants are recognised as due when there is reasonable assurance that:

- the charity will comply with the conditions attached to the payments; and
- the grants will be received

Grants received for which conditions have not been satisfied are carried in the Balance Sheet as creditors.

Commercial trading operations

Shop income comprises revenue recognised by the company in respect of goods supplied, exclusive of Value Added Tax and trade discounts. Lettings income comprises revenue recognised by the company in relation to the lettings of the grounds and associated facility fees.

Income from fundraising events is included in the financial statements in the period in which the fundraising event takes place.

Income from royalties comprises of revenue from the sale and publication of botanical books.

Gift Aid

The charity owns the whole of the issued share capital of CPG Enterprises Limited.

Each year CPG Enterprises Limited pays to the charity, under the provisions related to Gift Aid, a sum based on the taxable profits of the company. The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

1 **Accounting policies** *(continued)*

Investment income

Dividends are included in the Statement of Financial Activities when they are declared.

Interest is included when receivable by the group.

Income from charitable activities

Admissions are recognised when received by the group. Friends subscriptions are recognised over the period to which they relate, any relating to future periods is deferred. Life subscriptions are recognised as they are received.

Expenditure

Expenditure is recognised on an accruals basis in the period in which it is incurred. Costs of raising funds for commercial trading operations comprise the costs associated with the letting of grounds and goods supplied.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs including governance costs are allocated between the expenditure categories of the charity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are charged directly, others are apportioned on an appropriate basis.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. These include the assets of the trading company. The trustees use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

The **Endowment** Fund is an expendable Endowment and represents investments and cash which continue to be used by the trustees in the best interests of the charity. The endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The trustees have determined that the fund is expendable with both capital and income being available to use at the trustee's discretion in support of the charity's work.

Restricted funds can only be used for the particular restricted purposes within the objectives of the charity. Restrictions are imposed by the donor or when funds are raised for specified restricted purposes. The notes to the financial statements provide further details.

Tangible fixed assets

Generally, tangible fixed assets are capitalised if they can be used for more than one year and cost at least £2,500. They are valued at cost.

The charity does not have a policy on revaluation, a nominal value of £1 is put on the main buildings and gardens. The freehold of the land and buildings are owned by the charity with a Deed of Covenant in place which restricts its use.

1 Accounting policies *(continued)*

Tangible fixed assets (continued)

Depreciation of fixed assets is charged at rates estimated to write off their costs over the expected useful lives. The rates used are as follows:

Buildings	-	2% of cost
Improvements	-	10% of cost
Office fixtures and equipment	-	20% of cost
Horticultural equipment	-	20% of cost
Computer equipment	-	20% of cost

Stock

Stock is included at the lower of cost and net realisable value and consists of goods for resale.

Investments

Listed investments are stated at closing market value at the balance sheet date. Unrealised gain or loss is calculated as the difference between opening and closing market value, as adjusted for additions and disposals in the year.

Investments held in subsidiary companies are recognised at cost.

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.

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.

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.

Financial instruments

The group 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.

1 Accounting policies *(continued)*

Leased assets

The group has operating leases. Their annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Pension scheme contribution

The charity does not operate its own pension scheme. Pension costs relate to payments made by the group to a group personal pension scheme administered independently.

Estimates and judgments

There are not considered to be any significant estimates and judgements involved in the preparation of the financial statements. Those estimates and judgements made, which are not considered to be significant, are covered by the other accounting policies.

2 Income from donations, grants and legacies

	Unrestricted funds £	**Restricted funds £**	**2022 £**
Donations and legacies	**402,957**	**954,636**	**1,357,593**
	402,957	**954,636**	**1,357,593**

	Unrestricted funds £	Restricted funds £	2021 £
Donations and legacies	378,049	1,203,653	1,581,702
Government grants	404,526	-	404,526
	782,575	1,203,653	1,986,228

Government grants of £404,526 in 2021 related to grant income received under the Culture Recovery Fund scheme administered by the National Lottery Heritage Fund to support small scale capital expenditure and contribution to core costs including staff wages.

3 Income from other trading activities

	2022 £	2021 £
Commissions and letting of rooms	**611,646**	297,354
Shop income	**170,282**	103,953
Fundraising events	**258,479**	230,920
Royalties	**-**	11,611
	1,040,407	643,838

All income from trading activities was unrestricted in the current and preceding year.

4 Income from charitable activities

	2022 £	2021 £
Admissions	**243,943**	236,092
Friends' subscriptions	**307,280**	385,822
	551,223	621,914

All income from charitable activities was unrestricted in the current and preceding year.

5 Investment income

	2022 £	2021 £
Income from fixed asset distribution unit funds	**108,497**	123,115
	108,497	123,115

Income from investments was unrestricted in the current and preceding year.

6 Net Income

	2022 £	2021 £
Net income for the year is stated after charging:		
Auditor's remuneration	**21,880**	23,829
Auditor's remuneration – prior periods	**7,240**	-
Other accountancy services	**7,754**	4,800
Depreciation of tangible fixed assets	**26,049**	25,346

7 Total expenditure

	Staff Costs £	Premises costs £	Depreciation £	Other costs £	Total 2022 £
Charitable activities (note 8)	**982,325**	**186,396**	**24,149**	**515,168**	**1,708,038**
Raising funds (note 9)	**199,134**	**2,462**	**1,900**	**151,665**	**355,161**
	1,181,459	**188,858**	**26,049**	**666,833**	**2,063,199**

	Staff Costs £	Premises costs £	Depreciation £	Other costs £	Total 2021 £
Charitable activities (note 8)	800,624	156,824	23,228	380,148	1,360,824
Raising funds (note 9)	178,175	2,195	2,118	138,076	320,564
	978,799	159,019	25,346	518,224	1,681,388

8 Expenditure on charitable activities

	Direct £	Support £	Total 2022 £
Science and horticulture	**565,143**	**-**	**565,143**
Educational programmes	**133,948**	**-**	**133,948**
Other projects	**844,331**	**164,616**	**1,008,947**
	1,543,422	**164,616**	**1,708,038**

	Direct £	Support £	Total 2021 £
Science and horticulture	545,092	-	545,092
Educational programmes	109,687	-	109,687
Other projects	542,048	163,997	706,045
	1,196,827	163,997	1,360,824

8 Expenditure on charitable activities *(continued)*

Analysis of direct costs

	Total 2022 £	Total 2021 £
Wages and salaries	**889,466**	713,557
Depreciation	**22,761**	21,553
Materials	**13,680**	3,965
Equipment	**8,015**	3,215
Repairs, maintenance & cleaning	**139,924**	126,367
Security	**6,395**	7,870
Advertising and marketing	**34,671**	13,737
Education costs	**7,550**	10,353
Recruitment	**25,754**	8,719
Rent, rates, water, heat & light	**37,405**	20,392
Travel, subsistence & entertaining	**19,731**	6,189
Insurance	**38,724**	29,327
Printing, postage & stationary	**27,794**	35,296
Telephone and internet	**5,213**	4,487
Ticket commissions	**13,900**	22,322
Professional fees	**65,705**	22,945
Other costs	**186,734**	146,533
	1,543,422	1,196,827

Analysis of support costs

	Total 2022 £	Total 2021 £
Wages and salaries	**92,859**	87,067
Depreciation	**1,387**	1,675
Security	**390**	611
Advertising and marketing	**2,114**	1,066
Recruitment	**1,571**	677
Rent, rates, water, heat & light	**2,282**	1,584
Travel, subsistence & entertaining	**1,061**	291
Printing, postage & stationery	**787**	978
Telephone and internet	**318**	349
Professional fees	**3,154**	898
Other costs	**9,209**	6,605
Governance costs	**49,484**	62,196
	164,616	163,997

Any cost that can be directly attributed to the charitable activities are allocated before any apportionment of costs.

Governance costs relate to audit and accountancy fees, legal fees and finance charges.

9 Expenditure on raising funds

	2022 £	2021 £
Wages and salaries	**199,134**	178,175
Expenditure of CPG Enterprises (including depreciation)	**78,563**	54,154
Fundraising costs of charity	**20,528**	14,732
Investment manager fees	**7,013**	25,454
Costs incurred on fundraising fair	**49,923**	48,049
	355,161	320,564

10 Trustees and employees

	Group 2022 £	Group 2021 £
Wages and salaries	**1,013,712**	840,262
Social security costs	**87,073**	71,962
Pension costs	**80,674**	65,157
Temporary staff	**-**	1,418
	1,181,459	978,799

The charity does not operate its own pension scheme. Pension costs relate to payments made by the group to a group personal pension scheme administered independently.

Average number of employees as a headcount:

	Group 2022	Group 2021
Charitable	**36**	26
Administration	**2**	2
Fundraising	**2**	2
	40	30

The group was helped by a substantial number of volunteers, approximately 135 (2021: 120) throughout the year.

The key management personnel of the group, include a number of senior managers across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total employment benefits paid to key management personnel of the group were £513,849 (2021: £498,715).

Salary range for employees earning £60,000 p.a. or more

	2022	2021
£60,000 - £69,999	**1**	1
£80,000 - £89,999	**1**	1

Pension contributions paid to the above amounted to £22,023 (2021 - £20,779).

10 Trustees and employees *(continued)*

Redundancy, restructuring and termination costs relating to a number of employees were £nil (2021: £4,528).

In 2021 Government grants amounting to £2,365 were received relating to furloughed staff. The furlough claim was included within Other Income.

Trustees' remuneration and expenses

None (2021 – none) of the trustees received any remuneration. During the year one trustee (2021 – one) had expenses reimbursed of £62 (2021 - £3,762). A dinner was held at the Garden in December to recognise the retirement of the Chair and other long-serving trustees. This was also attended by some senior staff members and the cost was £5,962.

11 Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Chelsea Physic Garden Company is a registered charity and has no liability to taxation on its income for the year. Tax recovered from voluntary income received under gift aid is recognised when the related income is receivable and is allocated to the income category to which the income relates.

No tax charges arose in the period.

The subsidiary company makes a qualifying donation of all taxable profit to The Chelsea Physic Garden. No corporation tax liability on the subsidiary arises in the accounts.

12 Tangible assets

Group	Buildings and improvements £	Assets under construction £	Office fixtures and equipment £	Horticultural equipment £	Computer equipment £	Total £
Cost						
At 1 January 2022	**695,457**	**80,171**	**209,686**	**15,167**	**111,691**	**1,112,172**
Additions	**21,813**	**960,101**	**-**	**23,896**	**-**	**1,005,810**
Disposals	**(2,669)**	**-**	**(107,528)**	**(13,904)**	**(88,456)**	**(212,557)**
At December 31 2022	**714,601**	**1,040,272**	**102,158**	**25,159**	**23,235**	**1,905,425**
Depreciation						
At 1 January 2022	**489,481**	**-**	**191,579**	**15,167**	**111,515**	**807,742**
Disposals	**(2,669)**	**-**	**(106,362)**	**(13,904)**	**(88,456)**	**(211,391)**
Charge for the year	**15,978**	**-**	**8,275**	**1,620**	**176**	**26,049**
At December 31 2022	**502,790**	**-**	**93,492**	**2,883**	**23,235**	**622,400**
Net book value						
At 31 December 2022	**211,811**	**1,040,272**	**8,666**	**22,276**	**-**	**1,283,025**
At 31 December 2021	**205,976**	**80,171**	**18,107**	**-**	**176**	**304,430**

12 Tangible assets *(continued)*

Charity	Buildings and improvements £	Assets under construction £	Office fixtures and equipment £	Horticultural equipment £	Computer equipment £	Total £
Cost						
At 1 January 2022	**695,457**	**80,171**	**201,573**	**15,167**	**111,691**	**1,104,059**
Additions	**21,813**	**960,101**	**-**	**23,896**	**-**	**1,005,810**
Disposals	**(2,669)**	**-**	**(104,029)**	**(13,904)**	**(88,456)**	**(209,058)**
At December 31 2022	**714,601**	**1,040,272**	**97,544**	**25,159**	**23,235**	**1,900,811**
Depreciation						
At 1 January 2022	**489,481**	**-**	**185,252**	**15,167**	**111,515**	**801,415**
Disposals	**(2,669)**	**-**	**(104,029)**	**(13,904)**	**(88,456)**	**(209,058)**
Charge for the year	**15,978**	**-**	**7,655**	**1,620**	**176**	**25,429**
At December 31 2022	**502,790**	**-**	**88,878**	**2,883**	**23,235**	**617,786**
Net book value						
At 31 December 2022	**211,811**	**1,040,272**	**8,666**	**22,276**	**-**	**1,283,025**
At 31 December 2021	**205,976**	**80,171**	**16,321**	**-**	**176**	**302,644**

As a condition of the funding received from the National Lottery Heritage Fund for the Glasshouse Restoration project, The National Heritage Memorial Fund holds a charge over the freehold property of the charity.

13 Fixed Asset investments

13a Listed investments

	2022 £	2021 £
Market value at 1 January 2022	**4,049,456**	3,300,797
Additions	**-**	525,454
Investment manager fees	**(7,013)**	(25,454)
(Loss)/gain in the year	**(484,941)**	248,659
Market value at 31 December 2022	**3,557,502**	4,049,456

Investments are held in listed funds managed by Sarasin & Partners LLP.

The historical cost of the listed investment at 31 December 2022 was £3,377,548 (2021 - £3,376,630) due to an increase in the cash account.

13 Fixed Asset investments *(continued)*

13b Investments in subsidiaries

	2022	2021
	£	£
Shares in CPG Enterprises Limited at cost	**100**	100

	Group 2022	Charity 2022	Group 2021	Charity 2021
	£	£	£	£
Total Fixed Asset Investments	**3,557,502**	**3,557,602**	4,049,456	4,049,556

The wholly owned trading subsidiary, CPG Enterprises Limited (03140004), is registered in the United Kingdom. The principal activity of CPG Enterprises Limited is the running of the Garden and the letting of the grounds of the charity.

At 31 December 2022 the income of CPG Enterprises was £781,866 (2021: £412,943) and expenditure was £562,544 (2021: £317,799). The net assets of CPG Enterprises Limited were £4,778 (2021: £4,778) and the retained profit to that date was £4,678 (2021: £4,678), after payment to Chelsea Physic Garden Company under qualifying charitable donation of £219,322 (2021 - £95,144).

14 Stocks

	Group 2022	Charity 2022	Group 2021	Charity 2021
	£	£	£	£
Goods for resale	**32,987**	**-**	29,990	-

There is no material difference between what is stated above and the recoverable amount.

15 Debtors

	Group 2022	Charity 2022	Group 2021	Charity 2021
Amounts falling due within one year:	£	£	£	£
Trade debtors	**25,481**	**16,945**	39,278	412
Amounts owed by subsidiary	**-**	**71,985**	-	46,064
Prepayments and accrued income	**22,710**	**20,839**	31,951	31,951
Other debtors	**2,750**	**2,750**	5,115	4,174
	50,941	**112,519**	76,344	82,601

16a Creditors : Amounts falling due within one year

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Trade creditors	**34,524**	**32,190**	21,897	21,878
Other creditors	**8,425**	**8,425**	5,000	5,000
Other taxation and social security	**14,017**	**12,583**	32,152	22,813
Accruals	**43,810**	**42,837**	48,057	41,057
Deferred income	**239,339**	**167,951**	322,801	152,398
	340,115	**263,986**	429,907	243,146

Included within Other creditors are amounts owing to the pension scheme of £8,243 (2021 – £nil)

16b Creditors : Amounts falling due after more than one year

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Other creditors	**42,288**	**42,288**	-	-
	42,288	**42,288**	-	-

17 Deferred income reconciliation

	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
Balance at 1 January	**322,801**	**152,398**	379,970	263,892
Amount released to income earned from charitable activities	**(322,502)**	**(152,099)**	379,970)	(263,892)
Amount deferred in the year	**239,040**	**167,652**	322,801	152,398
Balance at 31 December	**239,339**	**167,951**	322,801	152,398

Deferred income relates mainly to the income received from memberships in relation to the next financial period. Other amounts relate to income received in advance of events booked for the next financial period.

18 Analysis of charitable funds
Group – current year

	At 1 January 2022	Income	Expenditure	Transfers	Net gain on investments	At 31 December 2022
		£	£	£	£	£
Unrestricted funds						
General fund	759,606	1,806,761	(1,736,424)	(2,173)	-	827,770
Designated fund – Cadogan Estates	200,000	200,000	(34,598)	-	-	365,402
Designated building maintenance	363,330	-	(35,922)	-	-	327,408
Designated fund – Jill Hood Legacy	-	100,000	-	-	-	100,000
Designated fund – Volunteers	-	-	(944)	1,600	-	656
Total unrestricted funds	1,322,936	2,106,761	(1,807,888)	(573)	-	1,621,236
Endowment fund	4,049,456	-	(7,013)	-	(484,941)	3,557,502
Restricted funds						
Horticultural trainees	21,943	5,000	(15,897)	-	-	11,046
Florilegium Anniversary Project	1,706	-	-	-	-	1,706
Digitisation Project	9,396	-	-	-	-	9,396
John Lyons Education Outreach	(1,759)	22,000	(21,095)	854	-	-
Acoustic Panels	3,263	-	(962)	-	-	2,301
Education and Outreach Project	35	-	(30)	-	-	5
City Bridge Trust Education and Outreach	26,853	-	(27,254)	401	-	-
Garden Restricted Donations	2,666	1,600	(2,046)	-	-	2,220
Judith Bronkhurst Donation	141	-	-	-	-	141
R.U.B White Charitable Trust Community Outreach	11,236	5,000	(9,152)	-	-	7,084
Oak Foundation Education Outreach	1,568	-	(1,808)	240	-	-
Glasshouses Restoration Fund	1,604,755	786,123	(140,229)	-	-	2,250,649
Friends Scheme Review	139	-	-	-	-	139
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	-	-	-	418
Tanners Trust	2,830	-	(2,830)	-	-	-
Horticultural Therapy Programme, formerly D'Oyly Carte Help Us Grow	962	3,700	(619)	-	-	4,043
John Swire 1989 Charitable Trust	25,000	-	(11,514)	-	-	13,486
Interpretation Roll-Out, formerly Stanley Smith UK Hort Trust	5,000	94,620	(5,240)	-	-	94,380
Kanlungan Project – Kusuma Trust	2,944	-	(3,156)	212	-	-
Chelsea Academy	7,600	-	(6,466)	(1,134)	-	-
James & Shirley Sherwood Fund	-	25,000	-	-	-	25,000
Learning & Engagement Co-ordinator	-	11,593	-	-	-	11,593
Total restricted funds	1,726,696	954,636	(248,298)	573	-	2,433,607
Total funds	7,099,088	3,061,397	(2,063,199)	-	(484,941)	7,612,345

18 Analysis of charitable funds *(continued)*
Group – previous year

	At 1 January 2021	Income	Expenditure	Transfers	Net gain on investments	At 31 December 2021
		£	£	£	£	£
Unrestricted funds						
General fund	950,800	2,146,778	(1,449,188)	(888,784)	-	759,606
Designated fund – Cadogan Estates	-	200,000	-	-	-	200,000
Designated project funds	250,000	-	-	(250,000)	-	-
Designated building maintenance	-	-	-	363,330	-	363,330
Total unrestricted funds	1,200,800	2,346,778	(1,449,188)	(775,454)	-	1,322,936
Endowment fund	3,300,797	-	(25,454)	525,454	248,659	4,049,456
Restricted funds						
Horticultural trainees	18,107	20,000	(16,164)	-	-	21,943
Historic Glasshouse	24,342	-	-	(24,342)	-	-
Florilegium Anniversary Project	1,706	-	-	-	-	1,706
Digitisation Project	9,554	-	(158)	-	-	9,396
John Lyons Education Outreach	19,613	588	(21,960)	-	-	(1,759)
Acoustic Panels	5,088	-	(1,825)	-	-	3,263
Band Trust Education and Outreach	2,139	-	(2,139)	-	-	-
Turning Point Gardening Group	66	-	(66)	-	-	-
Education and Outreach Project	335	-	(300)	-	-	35
City Bridge Trust Education and Outreach	-	52,797	(25,944)	-	-	26,853
Garden Restricted Donations	2,666	-	-	-	-	2,666
Judith Bronkhurst Donation	141	-	-	-	-	141
R.U.B White Charitable Trust Community Outreach	9,862	5,000	(3,626)	-	-	11,236
Oak Foundation Education Outreach	3,155	-	(1,587)	-	-	1,568
Education & Outreach/Young Offenders	1,017	-	(1,017)	-	-	-
The Art & Healing Power of Plants	3,034	-	(3,034)	-	-	-
Glasshouses Restoration Fund	377,019	1,076,897	(123,503)	274,342	-	1,604,755
Friends Scheme Review	267	-	(128)	-	-	139
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	-	-	-	418
John Lyons Charity - Family Activity Days	1,260	(99)	(1,161)	-	-	-
Tanners Trust	-	3,400	(570)	-	-	2,830
D'Oyly Carte Help Us Grow	-	3,000	(2,038)	-	-	962
John Swire 1989 Charitable Trust	-	25,000	-	-	-	25,000
Stanley Smith UK Hort Trust	-	5,000	-	-	-	5,000
Kanlungan Trust	-	4,470	(1,526)	-	-	2,944
Chelsea Academy	-	7,600	-	-	-	7,600
Total restricted funds	479,789	1,203,653	(206,746)	250,000	-	1,726,696
Total funds	4,981,386	3,550,431	(1,681,388)	-	248,659	7,099,088

18 Analysis of charitable funds *(continued)*
Charity – current year

	At 1 January 2022	Income	Expenditure	Transfers	Net gain on investments	At 31 December 2022
		£	£	£	£	£
Unrestricted funds						
General fund	754,928	1,654,327	(1,583,990)	(2,173)	-	823,092
Designated fund – Cadogan Estates	200,000	200,000	(34,598)	-	-	365,402
Designated building maintenance	363,330	-	(35,922)	-	-	327,408
Designated fund – Jill Hood Legacy	-	100,000	-	-	-	100,000
Designated fund – Volunteers	-	-	(944)	1,600	-	656
Total unrestricted funds	1,318,258	1,954,327	(1,655,454)	(573)	-	1,616,558
Endowment fund	4,049,456	-	(7,013)	-	(484,941)	3,557,502
Restricted funds						
Horticultural trainees	21,943	5,000	(15,897)	-	-	11,046
Florilegium Anniversary Project	1,706	-	-	-	-	1,706
Digitisation Project	9,396	-	-	-	-	9,396
John Lyons Education Outreach	(1,759)	22,000	(21,095)	854	-	-
Acoustic Panels	3,263	-	(962)	-	-	2,301
Education and Outreach Project	35	-	(30)	-	-	5
City Bridge Trust Education and Outreach	26,853	-	(27,254)	401	-	-
Garden Restricted Donations	2,666	1,600	(2,046)	-	-	2,220
Judith Bronkhurst Donation	141	-	-	-	-	141
R.U.B White Charitable Trust Community Outreach	11,236	5,000	(9,152)	-	-	7,084
Oak Foundation Education Outreach	1,568	-	(1,808)	240	-	-
Glasshouses Restoration Fund	1,604,755	786,123	(140,229)	-	-	2,250,649
Friends Scheme Review	139	-	-	-	-	139
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	-	-	-	418
Tanners Trust	2,830	-	(2,830)	-	-	-
Horticultural Therapy Programme, formerly D'Oyly Carte Help Us Grow	962	3,700	(619)	-	-	4,043
John Swire 1989 Charitable Trust	25,000	-	(11,514)	-	-	13,486
Interpretation Roll-Out, formerly Stanley Smith UK Hort Trust	5,000	94,620	(5,240)	-	-	94,380
Kanlungan Project – Kusuma Trust	2,944	-	(3,156)	212	-	-
Chelsea Academy	7,600	-	(6,466)	(1,134)	-	-
James & Shirley Sherwood Fund	-	25,000	-	-	-	25,000
Learning & Engagement Co-ordinator	-	11,593	-	-	-	11,593
Total restricted funds	1,726,696	954,636	(248,298)	573	-	2,433,607
Total funds	7,094,410	2,908,963	(1,910,765)	-	(484,941)	7,607,667

18 Analysis of charitable funds *(continued)*
Charity – previous year

	At 1 January 2021	Income	Expenditure	Transfers	Net gain on investments	At 31 December 2021
		£	£	£	£	£
Unrestricted funds						
General fund	946,122	2,029,898	(1,332,308)	(888,784)	-	754,928
Designated fund – Cadogan Estates	-	200,000	-	-	-	200,000
Designated project funds	250,000	-	-	(250,000)	-	-
Designated building maintenance	-	-	-	363,330	-	363,330
Total unrestricted funds	1,196,122	2,229,898	(1,332,308)	(775,454)	-	1,318,258
Endowment fund	3,300,797	-	(25,454)	525,454	248,659	4,049,456
Restricted funds						
Horticultural trainees	18,107	20,000	(16,164)	-	-	21,943
Historic Glasshouse	24,342	-	-	(24,342)	-	-
Florilegium Anniversary Project	1,706	-	-	-	-	1,706
Digitisation Project	9,554	-	(158)	-	-	9,396
John Lyons Education Outreach	19,613	588	(21,960)	-	-	(1,759)
Acoustic Panels	5,088	-	(1,825)	-	-	3,263
Band Trust Education and Outreach	2,139	-	(2,139)	-	-	-
Turning Point Gardening Group	66	-	(66)	-	-	-
Education and Outreach Project	335	-	(300)	-	-	35
City Bridge Trust Education and Outreach	-	52,797	(25,944)	-	-	26,853
Garden Restricted Donations	2,666	-	-	-	-	2,666
Judith Bronkhurst Donation	141	-	-	-	-	141
R.U.B White Charitable Trust Community Outreach	9,862	5,000	(3,626)	-	-	11,236
Oak Foundation Education Outreach	3,155	-	(1,587)	-	-	1,568
Education & Outreach/Young Offenders	1,017	-	(1,017)	-	-	-
The Art & Healing Power of Plants	3,034	-	(3,034)	-	-	-
Glasshouses Restoration Fund	377,019	1,076,897	(123,503)	274,342	-	1,604,755
Friends Scheme Review	267	-	(128)	-	-	139
Legacy Roger Melvin Monks Horticulture – Students Travel	418	-	-	-	-	418
John Lyons Charity - Family Activity Days	1,260	(99)	(1,161)	-	-	-
Tanners Trust	-	3,400	(570)	-	-	2,830
D'Oyly Carte Help Us Grow	-	3,000	(2,038)	-	-	962
John Swire 1989 Charitable Trust	-	25,000	-	-	-	25,000
Stanley Smith UK Hort Trust	-	5,000	-	-	-	5,000
Kanlungan Trust	-	4,470	(1,526)	-	-	2,944
Chelsea Academy	-	7,600	-	-	-	7,600
Total restricted funds	479,789	1,203,653	(206,746)	250,000	-	1,726,696
Total funds	4,976,708	3,433,551	(1,564,508)	-	248,659	7,094,410

18 Analysis of charitable funds *(continued)*

Restricted funds have been established to provide financial support for specific projects as below:

Horticultural Trainees	-	A one-year training programme for students interested in pursuing a career in horticulture.
The Florilegium Anniversary Project	-	An exhibition of original artwork from members of the Florilegium Society at the Physic Garden with associated marketing and publicity.
Digitisation Project	-	A project to start digitising the Physic Garden's archive of books, papers and the Florilegium's original artwork including purchase of a hi-resolution scanner and associated software.
John Lyon's Charity Education Outreach	-	A donation to fund education outreach including employing an Outreach Officer to work with School and community projects in target London boroughs including Hammersmith & Fulham, Kensington & Chelsea, City of Westminster, City, Camden, Brent Ealing, Harrow and Barnet.
Acoustic Panels Project	-	A project to introduce acoustic panels along Embankment, reducing traffic noise. Generous donations were received from Grandiflora Patrons enabling the panels to be introduced and subsequently the planting in this area is being augmented and improved.
Education and Outreach Project	-	Funds raised to support the education programme including for specific initiatives including the Shelf-Life project and the outreach programme with Waltham Forest Young offenders institute.
City Bridge Trust - Education and Outreach	-	A grant to fund an Education Outreach Officer to further the Gardens schools and community outreach.
Garden Restricted Donations	-	Ongoing annual fundraising to support the horticultural trainee programme, the intern and the volunteer training and development programme. It includes travel and training, specific skills development and supports interns with modest travel and subsistence allowances.
Judith Bronkhurst Donation	-	A donation to fund the purchase of terracotta plant pots.
R.U.B White Charitable Trust Community Outreach	-	A donation to support the community outreach programme.
Oak Foundation Education Outreach	-	A donation to support educational outreach initiatives. Fund closed in 2022.
Glasshouses Restoration Fund	-	Restoration of the Garden's glasshouses together with supporting activity programmes, re-interpretation and plant collections review. Funding has been received from a wide range of sources including the National Lottery Heritage Fund.
Friends' Scheme Review	-	A review of the Friends scheme including questionnaires to Friends, benchmarking and proposals for improvements.
Legacy Roger Melvin Monks Horticulture Students Travel	-	A legacy from Roger M. Monks to assist needy overseas students to pursue study at the Garden by supporting travel costs.
Tanners Trust	-	Improvements to front of house, including displays and wayfinding signage. Fund closed in 2022.
Horticultural Therapy Programme	-	Formerly known as D'Oyly Carte – Help us Grow, this began with a grant to support the delivery of social and therapeutic horticulture, through our Help Us Grow programme. Additional donations are now being received from other sources.
John Swire 1989 Charitable Trust	-	A grant to support Community Outreach, part of which has been designated to an internship programme.
Interpretation Roll-Out	-	Formerly known as the Stanley Smith UK Hort Trust. Now supported by a number of donors. This fund supports the roll-out of new Interpretation in the garden.

18 Analysis of charitable funds *(continued)*

Kusuma Trust - Kanlungan Project	-	A grant to a wellbeing project with Kanlungan to support Filipino migrants. Fund closed in 2022.
Kusuma Trust - Chelsea Academy	-	A grant to support the delivery of a greening project at Chelsea Academy, working with teachers and students
James and Shirley Sherwood Fund	-	A fund to support and development of our non-living collections, specifically botanical art.
Learning and Engagement Coordinator	-	A fund to support the costs of a part-time Coordinator to help administer and deliver our Learning and Engagement Programmes.

Restricted funds which were closed in the prior year :

The Art & Healing Power of Plants	-	A collaboration with the NHS Royal Brompton Hospital to stage an exhibition of artwork at the Garden and hospital and undertake activities with patients undergoing long term treatment.
Education and Outreach/Young Offenders	-	Education and Outreach/Young Offenders
Band Trust Education Outreach	-	Donations to fund education and outreach activity for three years to August 2021.
Turning Point Garden Group	-	A donation for the development of an education garden and the running of a gardening group for adults in recovery.
John Lyon's Charity Family Activity Days	-	A grant from the John Lyon's Charity to provide free places for low income families on Family Activity Days and free entry to the Garden for Sunday Fundays.

Unrestricted funds are used in accordance with the charitable objectives at the discretion of the trustees. The trustees use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

Other funds have been designated by the trustees for a particular purpose, although these could be redesignated in future if circumstances change. One of these funds is from the Cadogan Charity which has been designated for the future capital development of the buildings. The balance on this fund at 31 December 2022 was £365,402 (2021 - £200,000). Another new designated fund was created for the legacy of £100,000 received from the estate of Jill Hood in December 2022. A proposal to expend part of this legacy is currently being considered by the Board. It is anticipated that these designated funds will be either spent or committed to projects within the next 2-3 years.

The Endowment Fund is an expendable Endowment and represents investments and cash which continue to be used by the trustees in the best interests of the charity. The endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The trustees have determined that the fund is expendable with both capital and income being available to use at the trustees' discretion in support of the Charity's work.

19 Analysis of net assets between funds

	Tangible Fixed assets £	Investments £	Current assets £	Creditors £	Total £
Group – Current Year					
General funds	**242,753**	**-**	**967,420**	**(382,403)**	**827,770**
Designated funds	**-**	**-**	**793,466**	**-**	**793,466**
Endowment funds	**-**	**3,557,502**	**-**	**-**	**3,557,502**
Restricted funds	**1,040,272**	**-**	**1,393,335**	**-**	**2,433,607**
Total	**1,283,025**	**3,557,502**	**3,154,221**	**(382,403)**	**7,612,345**
Group – Previous Year					
General funds	224,259	-	965,254	(429,907)	759,606
Designated funds	-	-	563,330	-	563,330
Endowment funds	-	4,049,456	-	-	4,049,456
Restricted funds	80,171	-	1,646,525	-	1,726,696
Total	304,430	4,049,456	3,175,109	(429,907)	7,099,088
Charity – Current Year					
General funds	**242,753**	**100**	**886,513**	**(306,274)**	**823,092**
Designated funds	**-**	**-**	**793,466**	**-**	**793,466**
Endowment funds	**-**	**3,557,502**	**-**	**-**	**3,557,502**
Restricted funds	**1,040,272**	**-**	**1,393,335**	**-**	**2,433,607**
Total	**1,283,025**	**3,557,602**	**3,073,314**	**(306,274)**	**7,607,667**
Charity – Previous Year					
General funds	222,473	100	775,501	(243,146)	754,928
Designated funds	-	-	563,330	-	563,330
Endowment funds	-	4,049,456	-	-	4,049,456
Restricted funds	80,171	-	1,646,525	-	1,726,696
Total	302,644	4,049,556	2,985,356	(243,146)	7,094,410

20 Liability to the members

Every member of the company undertakes to contribute an amount not exceeding £1 to the assets of the charitable company in the event of the company being wound up while he is a member, or within one year after he ceases to be a member. This contribution is for the payment of the debts and liabilities of the charitable company contracted before he ceases to be a member and of costs of winding up.

21 Analysis of cash and cash equivalents

	Group 2022 £	**Charity 2022** £	Group 2021 £	Charity 2021 £
Cash at bank and in hand	**3,070,293**	**2,960,795**	3,068,775	2,902,755

22 Analysis of net debt

At 31 December 2022 the group and charity had no loans classified as debt.

23 Financial commitments

An amount of £495,512 (2021 - £1,357,212) has been contracted to pay for the capital refurbishment of the Glasshouses in 2022/23. This restoration is being funded out of the restricted fund for that purpose.

24 Commitments under operating leases

At 31 December 2022 the group and charity had future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
No later than 1 year	**3,236**	3,236
Later than 1 year and no later than 5 years	**6,473**	9,709
	9,709	12,945

THE CHELSEA PHYSIC GARDEN COMPANY

England & Wales - Charity number 286513

Accounts

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and Consolidated Financial Statements

Year Ended

31 December 2021

Company Number 01690871

Charity Number 286513

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and financial statements
for the year ended 31 December 2021

Contents

Page:

1	Directors' report (incorporating the Strategic report)
13	Directors' responsibilities statement
14	Independent auditor's report
18	Consolidated statement of financial activities
19	Consolidated balance sheet
20	Charity balance sheet
21	Statement of consolidated cash flows
22	Notes forming part of the financial statements

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report
for the year ended 31 December 2021

The trustees, who are also directors for the purpose of company law present their report together with the audited financial statements for the year ended 31 December 2021 which are also prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

Status and Constitution

Charity Name:	Chelsea Physic Garden Company (The)
Charity registration number:	286513
Company registration number:	01690871
Registered office and operational address:	66 Royal Hospital Road London SW3 4HS

The charity is constituted as a company limited by guarantee. The charity is governed by its Articles of Association dated 17 May 2019.

The company was incorporated to act as a Trustee of the charity known as The Chelsea Physic Garden (Charity registration number 286513) and to advance public education and in particular to promote the study of botany and related sciences.

The Chelsea Physic Garden is currently dormant and is consolidated within the accounts of The Chelsea Physic Garden Company.

Directors and members of the Board

The directors and members of the Board (who also act as trustees for the charitable activities of The Chelsea Physic Garden Company) who served during the year were:

Mrs Cathy Arnold	(resigned on 22 July 2021)
Mr Colin Chisholm	(Hon. Treasurer, Finance & Operations Committee)
Mr Alan Dempsey	(appointed 22 July 2021)
Mr Paul Martin Gray	(Finance & Operations Committee)
Mrs Sukie Hemming	
Dr Helen Charman	(appointed 4 February 2021)
Ms Anna Jobson	
Mr Tony Kirkham	(Chair of Advisory Committee)
Lady Arabella Lennox-Boyd	
Mr Simon Major	(appointed 4 November 2021)
Mr Michael McGonigle	(Finance & Operations Committee)
Mr Quoc-Nghi Nguyen	
Mr Michael Prideaux	(Chairman of the Board, Finance & Operations Committee)
Dr Philippa Simpson	(appointed 22 July 2021)
Mrs Sarah Speller	(Finance & Operations Committee)
Mr Andrew Woodward	(appointed 22 July 2021)
Mrs Susan Medway	(Company Secretary)

Senior Leadership Team

Director	Mrs Susan Medway
Development Director	Ms Joanna Wells
Commercial Director	Mr Tom Gilliford
Deputy Director (Visitor Experience)	Ms Frances Sampayo
Head of Finance	Mr Paul Ryan
Head of Plant Collections	Ms Nell Jones
Head of Learning & Public Engagement	Ms Katy Parry
Executive Assistant	Ms Gill Mathias
Project Manager	Mrs Sue Saville
	Mrs Bridget McGee (from July 2021)

Professional advisors

Bank:	National Westminster Bank plc 183b Kings Road Chelsea London SW3 5EB
Solicitors:	Farrer & Co 66 Lincolns' Inn Fields London WC2A 3LH
Auditor:	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA
Fund Managers:	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
Registered and principal office:	66 Royal Hospital Road London SW3 4HS

Organisation and Structure

Appointments to the Board are for an initial period of three years after which directors can seek re-election, serving two additional terms each of three years. These provisions also apply to appointments to the Board of CPG Enterprises Limited, the Advisory Committee and other board committees. There is provision to extend the appointment of a director for a limited period where the experience or organisational knowledge of that director supports an important or timely activity.

Four new directors have been appointed to join the Board during the year and will work alongside existing directors as a period of handover prior to their retirement at the conclusion of their term of office. The directors determine the overall strategy and policies of the company. The delivery of the Garden's strategic plans, fundraising and external professional relations together with day to day management are delegated to the Director, Mrs Susan Medway, who is also appointed as Company Secretary. The Director takes a lead on major project activity as the most senior executive of the company. She is supported by a small team of senior managers and staff.

Organisation and Structure *(continued)*

The principal departments and senior roles are:

The Deputy Director (Visitor Experience) is responsible for the welcome provided to visitors and for management of the buildings and their services. Through the learning and public programme team they have oversight of learning activity and the public programme. The Deputy Director deputises for the Director in their absence.

The Commercial Director is responsible for all commercial activity including retail, venue hire and commercial partnerships, they also manage the relationship with the catering partner. They are responsible for the Friends' scheme; through their team they undertake all PR, marketing and communications including digital.

The Development Director is responsible for supporting senior fundraising volunteers as well as direct fundraising for both specific capital projects and also to support the charity's education and learning programmes. Notable is the project to restore the Garden's glasshouses which has received a Round 2 delivery grant from the National Lottery Heritage Fund and for which a successful capital appeal has taken place.

The Head of Finance is responsible for all finance activities for the company and the wholly owned trading subsidiary CPG Enterprises Limited. The Head of Plant Collections is responsible for the horticultural management of the garden and its plant collections together with the herbarium and seed bank. They ensure delivery of the horticultural training programmes. The Project Manager leads on coordinating the project Board, the project team, the capital design team and supporting colleagues to achieve progress on all capital and programme activities required for the Glasshouse project and plans towards the Gardens building refurbishment programme as part of its 350 anniversary celebrations in 2023. The Executive Assistant supports the Board, its sub-committees and senior staff. They take minutes for all meetings including the Board, their sub-committees as well as the Project Board and project meetings.

Related parties and co-operation with other organisations

None of the directors receive remuneration or other benefits from their work with the charity. Any connection between a director or senior manager of the charity with another organisation, another charity or an individual that the charity may come into contact with in the course of pursuing its objectives must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. The charity's wholly owned subsidiary, CPG Enterprises Limited, was established on 20 December 1995 (company number 3140004). It is responsible for overseeing commercial activities, retail, catering, venue hire and any licensing for commercial purposes of the charity's trademark. CPG Enterprises Limited has a licence from the charity to occupy the shop premises and gifts its profits to the charity (see note 13b to the financial statements). The catering operation is contracted out with an agreed percentage of net turnover paid to CPG Enterprises Limited. The vast majority of venue hire bookings are fulfilled outside of the visitor opening periods. The charity has working relationships and maintains networks with a number of organisations at a local, national and international level. As a small independent charity these are important to raise and maintain its profile, to promote its diverse work and to share information and best practice.

Related parties and co-operation with other organisations *(continued)*

The charity maintains membership of the Botanic Gardens Education Network, Botanic Gardens Conservation International, the Association of Independent Museums, the National Council for the Conservation of Plants and Gardens, and The Heritage Alliance.

Close networks exist between a large number of international botanic gardens notably through the Index Seminum, the international seed exchange programme. The Garden also maintains good working relationships with staff at the Royal Botanic Gardens, Kew; Cambridge and Oxford Botanic Gardens; Edinburgh and Bristol Botanic Gardens. The Royal Horticultural Society and Kew support the Garden with technical advice, expertise and plant material. The Garden has reciprocated with similar exchanges of expertise and also hosted visits from horticultural trainees from many of these Gardens. There is a developing network through the charity's outreach programme with organisations such as the Octavia Foundation, Chelsea Academy, Kings' College (Civic Leadership Academy) and Social Farms and Gardens.

At a local level the charity engages with what is going on within the borough of Kensington and Chelsea, and particularly within the environs of Chelsea and Kings Road. The Garden pays attention to activities relating to tourism, education and community initiatives that it proactively supports. Representatives from the charity attend meetings and networking events of the Kings Road Business Forum and The Chelsea Society and they work with the Royal Hospital, Chelsea and the National Army Museum. The Director sits on the Committee of London Gardens Network, whose aim is to support and develop the skills and opportunities for professional gardeners. She is a Trustee of The London Gardens Society, a charity whose purpose is to stimulate pride in London especially by cultivating flowers and home gardens. She is a Liveryman of the Worshipful Company of Gardeners and sits on one of their sub committees.

All intra-group transactions have taken place in the normal course of business. There are no other related party transactions requiring disclosure.

Aims and Objectives

Purpose and principal activities

The charitable purpose and objectives of the charity are to demonstrate the medicinal, economic, cultural and environmental importance of plants to the survival and well-being of humankind.

Chelsea Physic Garden carries out this charitable purpose for the public benefit by:

- providing programmes of educational activities, publications and events;
- maintaining documented plant collections in labelled and interpreted displays in an historic botanic garden;
- demonstrating the development of the science and practice of horticulture, botany and related disciplines through the historical role of the garden; and
- promoting the importance of the conservation of plants and the natural environment.

Ensuring our work delivers our aims for the public benefit

The aims and activities of the company as a charity are reviewed each year. Public engagement and the conservation and care of Chelsea Physic Garden's collections are at the core of the charity's activities. The annual review looks at what has been achieved and the outcome and impact of that work in the previous 12 months against the key performance indicators monitored throughout the year. The principal performance indicators relate to:

- overall number of visitors to the Garden and admissions income;
- total number of School Learners;
- total number of Learners on Outreach visits and Community Engagement participants;
- number of participants on Public programmes and Family activity days;
- the number of Friends of the Garden;
- retail revenue;
- venue hire revenue;
- website and social media activity; and
- fundraising activity to support operating and capital projects.

Public benefit statement

The charity Trustees consider that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission and that the benefits that the charity provides are not unreasonably restricted.

The directors ensure the charity delivers public benefit by:
- admitting the public to the Garden on payment of a modest admission charge;
- maintaining a Friends scheme;
- providing a range of learning and public programmes on and off-site;
- working with partner organisations to identify groups that would benefit from community membership access;
- site and collections interpretation;
- publications and digital resources; and
- providing guided tours, visitor services and on-line access.

Our activities

We aim to demonstrate horticultural and botanical excellence in the presentation of the Garden, whilst providing interesting and accessible interpretation. Work continues to maintain interest in the horticultural displays and whilst the layout of the Garden remains largely unchanged, seasonal planting is introduced in order to interpret the collections and extend the season. Maintenance and redecoration work continues, particularly in the short period of closure in early January, ensuring that we maintain standards of presentation pending major refurbishment.

Notwithstanding the continuing impact of the COVID-19 global pandemic which is detailed later in this report, the Garden has been able to remain open to visitors 11 months of the year, six days a week, albeit visit levels are not at pre-pandemic levels. The Garden maintains longer opening hours (11am- 6pm) between April and October and has evening openings on Tuesdays and Wednesdays in July and August staying open until 10pm. Saturdays are exclusively reserved for private hire.

In 2021 the Garden welcomed 55,335 visitors (35,583 in 2020). The number of Friends at 31 December was 6,639 an, increase of 11% on 2020.

Income from commercial lettings forms a significant part of the charity's income. Information relating to private hire and to the Garden's public programme of activities is posted on the website and is promoted via the monthly e-newsletter. Venue hire and a range of public programme activities have taken place in line with the Government restrictions prevailing throughout the year.

Our activities *(continued)*

The collaboration with Beefeater Gin through the London Garden Gin product and their charitable donation to the Garden continued in 2021. The agreement with Octopus Publishing continues and a second book has been published under the Garden's trademark.

The City Bridge Trust and the John Lyon's Charity have continued their support for our learning outreach and engagement programmes and we are grateful for their continued and vital support.

The Garden has continued to deliver learning both onsite, offsite and online. There has been an increase in the delivery of activities through a programme of community partnerships. The total number of school and community participants for the year was 3,074. In addition we welcomed a further 5,039 participants to one of our public programme activities throughout the year, which may have been anything from summer outdoor music on the lawn, to a family activity day, a workshop on chocolate making or a herbal remedies course.

Future vision

As part of the preparation for celebrations of the 350 anniversary of the Garden in 2023, work continues on achieving the overall objectives of updating the Garden's horticultural and learning facilities and infrastructure and to improve and enhance the overall accessibility and experience for visitors.

The first phase of this work is restoration and reinterpretation of the Garden's Victorian Glasshouses. In March 2021 the National Lottery Heritage Fund (NLHF) awarded a Round Two Delivery Grant of £680,700. Detailed preparations have been completed, contracts awarded to specialist contractors and works begin on site in January 2022.

All the necessary fundraising for the full cost of the project (£2.8m) has been completed and the capital and comprehensive activity plans are also fully funded.

COVID-19

The Garden has continued to operate and open in line with Government guidance throughout, and it has not been necessary to close the Garden to visitors at any stage during the year. However there remains considerable caution in the UK and overseas tourism market. Restrictions have been in place for much of the year on overseas travel which has affected the number of visitors, notably constraining group visits. The move of the RHS Chelsea Flower Show to September (from May) did however give a later season boost to Garden visits and venue hire.

Venue hire activity has continued to be affected because of restrictions in place on numbers of guests, social distancing etc. and this has affected income and led to cancelled and rearranged bookings. A larger number of smaller bookings have been accepted in order to generate income.

The Garden's catering partners CH & Co. have remained flexible in responding to the different changes in legislation relating to food and drink venues and alternatively offered takeaway and table service. Their trading performance and consequently the income received by the Garden has been affected.

A Board and senior management sub-committee met bi-monthly to review the performance and financial stability of the company and its trading subsidiary. They monitored the key performance indicators, all major income and expenditure and monitored closely cash flow to ensure that the company and trading subsidiary are able to meet their liabilities and can continue to trade on a going concern basis.

Volunteers

The Garden's team of volunteers, provides invaluable support across the charity and we continually look to diversify the activities in which they are involved. In 2021 a Volunteer Development Manager was appointed, supported by the NLHF. They will work with us to diversify our recruitment of volunteers and ensure we better train and support existing and new volunteers.

Fundraising statement

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not currently undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." We have an on-line donation page for the general public to make donations to fundraising appeals, including the 'Hothouse Challenge' for the Glasshouses project. At 31 December 2021 £36,471 had been received for this and other projects via the website. Such amounts received are presented in our accounts as "voluntary income" and include legacies and grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators, professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the senior management team, who are accountable to the Trustees.

The charity is not bound by any undertaking to any regulatory scheme however the charity voluntarily follows The Code of Fundraising Practice.

The charity has received no complaints in relation to fundraising activities. The charity monitors the activities of its employees including those responsible for fundraising with regular reports prepared for Trustees.

Principal Funding Sources

Income is principally generated by the charity from charging visitors' admission to enter the Garden, from annual subscriptions from Friends of the Garden and from the public programme. In addition, the commercial activities of CPG Enterprises Limited make a significant contribution to the funding of the charity. The charity also holds long-term investments in the form of an Endowment Fund. This endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustee's discretion in support of the Charity's work. At 31 December 2021 the endowment fund value was £4,049,456.

Trust and Major Donors 2021

The Garden is fortunate to have the support of a number of Charitable Trusts and Foundations together with many individuals who make donations supporting capital works and the charity as a whole. In 2021 grants were received from the following generous donors:

General
Cadogan Charity
Culture Recovery Fund
Drapers' Company
Garden House School
John Lewis Partnership
Joseph Rochford Gardens Ltd
Pamela Matthews Charitable Trust
Peter Stormonth Darling Charitable Trust
Stonewall Park Charitable Trust
Tanner Trust

Horticultural Education, Horticultural Trainees and Garden Projects
Barbara Whatmore Charitable Trust
The Ironmongers' Trust Company
The Finnis Scott Foundation
Lord Leverhulme's Charitable Trust
Stanley Smith (UK) Horticultural Trust

Trust and Major Donors 2021 (continued)

Learning and Outreach Projects
City Bridge Trust
D'Oyly Carte Charitable Trust
John Lyon's Charity
Kusuma Trust
John Swire 1989 Charitable Trust
R U B White Charitable Trust

Glasshouse Restoration Project
National Lottery Heritage Fund
Garfield Weston Foundation
John Armitage Charitable Trust
John Balson Legacy
Esmée Fairbairn Foundation

With special thanks to The John Browne Charitable Trust and the 2021 Hothouse Challenge Donors including:
Sir Richard and Lady Aikens
Amanda Bishop
Britwell Trust
Broughton Family Charitable Trust
Richard Broyd OBE
Mr Colin Chisholm
Ann Cloke
Mrs V Coral
Ms J Coussmaker
Lord and Lady Davies of Abersoch
Professor Dianne Edwards
Anita Fairbairn
Mr Peter Gregory
Sir Henry and the Hon Lady Keswick
Richard Mansell-Jones
Nghi Nguyen
Dr Stefan Paetke
Sir Simon Robey
Leslie and Walter Rogers
Paul Roy
Lord and Lady Sassoon
Mr Martin Schoernig
Lulu and Ed Siskind
Sloane Stanley LLP
Fiona Squire and Geoff Squire OBE
Lady Henrietta St. George
Deborah Swallow
Ken Watters and Robin Wilkinson
James and Sarah Williams

And all our donors who wish to remain anonymous.

Investment Policy

The directors have considered the most appropriate policy for managing the charity's endowment funds and unrestricted reserves. They have delegated management of these funds to a specialist fund manager, Sarasin & Partners LLP. The investment mandate set for the fund manager is to provide a level of annual income to support the running of the charity, whilst also looking to achieve long term capital growth of the funds.

Reserves

Total funds at the year-end amount to £7,099,088 (2020: £4,981,386) of which £1,926,696 (2020: £479,789) can only be used for particular restricted purposes as stipulated by the donors. The assets and liabilities attributable to the various funds are shown in notes 18 and 19 to the financial statements which also describe the various funds of the charity.

Unrestricted funds amount to £5,172,392 (2020: £4,501,597), of which £509,606 (2020 - £950,800) is freely available as the directors consider the Endowment funds of £4,049,456 (2020: £3,300,797) to be available only in exceptional circumstances. The charity relies on the income generated from these long term investments (and also from its own activities) for the day to day upkeep of the Garden and for capital growth to ensure continued income generation in future years.

The directors review annually the reserves policy and have set the target level of free reserves at the equivalent of operational expenditure over the next three months which equates to £528,493. The freely available reserves of £509,606 equate to a little under 3 months of expenditure reserve and are therefore broadly in line with this reserves policy. The directors will be undertaking a review of the charity's reserves policy in 2022.

Financial review

The results for the year show net surplus of £1,869,043 before gains on investments, compared with a net deficit of £40,724 in 2020 and a net surplus (after unrealised gains) of £2,117,702 compared with £124,616 in 2020.After a year of uncertainty because of the impact of COVID-19, the balance sheet shows a positive position, in all the circumstances, in part due to grant applications and a successful business interruption insurance claim.

The Garden's trading subsidiary, CPG Enterprises Limited, showed a pre-tax profit of £95,144 (2020: £15,169), before a donation under deed of covenant was made to the Garden.

Income from letting rooms and external events in the Garden is £308,972 (2020: £64,745) which is 14% (2020 - 4%) of total income. The income received from the Friends related to the renewal of annual subscriptions to the Friends' scheme and the making of new Friends of the Garden generated an income of £385,822 (2020: £272,030).

Total expenditure of £1,681,338 decreased by 6.7% (2020 - £1,801,904). The decreases were in horticultural, premises, professional fees and administrations costs.

Going concern

In assessing the impact of COVID-19 on The Chelsea Physic Garden Company group, the Directors have considered all the matters described in the Directors' Report, including the group's operations, the impact on subscriptions, donations, and other trading activities, as well as the impact on the group's investment portfolio. In particular, in order to support the Directors' assessment of the sustainability of the group's activities, management continues to prepare quarterly cash-flow forecasts based on actual performance against budget for the 2022 and to make assumptions through to the end of 2023 that reflect possible scenarios based on current performance and market predictions. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, is the wholly owned subsidiary which undertakes certain commercial trading activities of the group. In assessing the ongoing impact of COVID-19, the Directors have reviewed the likely levels of activities over the next 12 months. 2022 venue hire booking are at the maximum capacity the Garden can fulfil within the annual calendar and retail and catering all performing broadly in line with budgets. The directors are therefore confident of future trading conditions. A separate monthly cash-flow forecast continues to be prepared to reflect actual against budget which shows a positive cash flow going forward. Provided that trading activities ordinarily undertaken by CPG Enterprises Ltd continue the trading company remains a going concern throughout.

At the date of signing of these financial statements, the directors' forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern. The directors therefore consider that no material uncertainty exists in relation to going concern for the Group.

Charity Governance Code

The Board of Trustees is committed to good governance and to its own and the charity's continuous improvement in delivering its purposes most effectively for the public benefit.

The charity is in the process of reviewing the Charity Corporate Governance Code and is considering whether to implement any changes in response.

Plans for Future Periods

In anticipation of the Garden's 350 anniversary in 2023 the charity continues work on the development of the project's aims to achieve improvements to and refurbishment of the visitor, horticultural and learning facilities and infrastructure and to improve and enhance the overall accessibility and experience for visitors.

The first phase of this project is the restoration and reinterpretation of the Glasshouses at cost of £2.8m. The National Lottery Heritage Fund have awarded a Delivery Grant of up to £680,700 towards the overall cost. The total amount raised or pledged for the Glasshouse project including the delivery of the capital and activity programmes is £2,739,962 (£100,000 of this was received after 31 December 2021).

There has been no long term impact of COVID-19 on future plans as most of the work either has already been achieved or the capital works are yet to start on site.

Other capital projects are modest in nature and only commence when all funding is in place to meet the full cost of the activity.

Carbon Footprint

During the development phase of the Glasshouse project the Garden developed a Sustainability Framework through which it evaluated the deliverables for the repair and improvements to the Glasshouses. It is proposed that this Sustainability Framework which covers accessibility, biodiversity, energy, water, materials, waste and pollution be further developed to provide a benchmark by which the Garden can track, reduce and mitigate its environmental footprint.

Recruitment and Appointment of the Board

All members of the Board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 9 to the financial statements.

The Nominations and Appointments Committee is charged with setting and regularly reviewing the requisite skills and competencies for board members and members of committees/panels, undertaking recruitment searches and recommending appointments as required to ensure there is an appropriate mix of skills. Four new directors have been appointed to the Board in the course of this year and a process to identify the skills required was undertaken beforehand as they will replace directors who stand down in the course of the next two years. Skills identified as being necessary included major capital project management, legal and charity governance experience, as well as digital and marketing skills. In addition, one new director has been appointed to the Board of CPG Enterprises Limited.

Trustee Induction and Training

New Trustees are invited and encouraged to attend at the Garden to familiarise themselves with the charity and the context within which it operates, including meeting with senior management and taking tours with the volunteer Guides. An induction day was carried out with newly appointed directors. They are invited to attend the main Spring briefing and the subsequent quarterly staff and volunteer briefing sessions.

Pay policy of senior staff

The Remuneration Committee, is responsible for annually reviewing the pay and conditions of staff and volunteer expense remuneration. Benchmarking is undertaken within the relevant sector of all vacant roles prior to re-advertising. A bi-annual benchmarking programme is undertaken for all roles within the horticultural sector to ensure that the Garden's pay and conditions are in line with comparable organisations.

Risk Management

The directors actively review the major risks which the charity might face, in particular those relating to governance, reputation, operations and finance. As part of the risk monitoring infrastructure the charity maintains an active risk register, business continuity and disaster plan. The charity annually reviews its insurance provision including the type of cover and overall levels of cover.

The Board puts great emphasis on active monitoring of the financial risks for both the charity and its subsidiary including the liquid funds to settle debts as they fall due, the active management of trade debtors and creditor balances and ensuring sufficient working capital is available to the charity and its subsidiary company.

The directors believe that maintaining free reserves at the levels stated above, combined with regular reviews of the controls over key financial systems, will provide sufficient protection for the charity in the event of adverse operating conditions.

The risk associated with the impacts of COVID-19 pandemic have been monitored closely by management and reported regularly to Trustees, including the effect on the charity's ability to deliver its public benefit agenda and up to date information on the cash flow position.

The directors have considered where there are any risks associated with the ongoing crisis in Ukraine and will continue to monitor and mitigate the limited impact this may on the Garden's operations including but not limited to supply chain, inflationary pressure and cyber security.

Provision of information to auditors

Each of the persons who are directors at the time when the Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- that the director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing his report and to establish that the company's auditor is aware of that information.

This report, including the strategic report, was approved by the Board on 12 May 2022 and signed on its behalf by:

Michael Prideaux
Director

Colin Chisholm
Director

Directors' responsibilities statement for the year ended 31 December 2021

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company and charity law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the group and parent charity and of the incoming resources and application of resources, including its income and expenditure, of the group for the year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report
To the Directors of The Chelsea Physic Garden Company
for the year ended 31 December 2021

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2021 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The Chelsea Physic Garden Company ("the Parent Charitable Company") and its subsidiary ("the Group") for the year ended 31 December 2021 which comprise the consolidated and charity parent balance sheet, the statement of consolidated cash flows and notes forming part of the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and Parent 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.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charitable Company'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 Trustees are responsible for the other information. The other information comprises the information included in the Consolidated Report, other than the financial statements and our auditor's report thereon. The other information comprises: the Directors' 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.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's 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 by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Directors' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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 Group's and the Parent 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 Group or the Parent 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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

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 is detailed below:

Based on our understanding of the charitable company and the sector in which it operates, we identified that the principal laws and regulations that directly affect the financial statements. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. We considered the charitable company's own assessment of the risks that irregularities may occur either as a result of fraud or error. We also considered the risks of non-compliance with other requirements imposed by the Companies House and Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements.

In addition, the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, fundraising regulations, data protection and health and safety legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

We understood how the charitable company is complying with those legal and regulatory frameworks by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes and correspondences with HMRC and the various charity regulators.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries of the Audit Committee and management, and a review of minutes of meetings of those charged with governance. We made enquiries regarding any matters identified as a Serious Incident as reportable to the Charity Commission of England and Wales. We also performed analytical procedures to identify any unusual or unexpected relationships
that may indicate risks of material misstatement due to fraud.

We did not identify any matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls, including testing journals including those which potentially impact remuneration and other performance targets and evaluating whether there was evidence of bias by management or the Board that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:
https://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.

DocuSigned by:
Fiona Condron
BC8C15A11E97446...

Fiona Condron (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London,
United Kingdom

Date: 15 June 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated statement of financial activities (including consolidated income and expenditure account) for the year ended 31 December 2021

	Note	Unrestricted General funds £	Endowment funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from:						
Donations and legacies	2	782,575	-	1,203,653	**1,986,228**	977,222
Other trading activities	3	643,838	-	-	**643,838**	200,685
Charitable activities	4	621,914	-	-	**621,914**	403,538
Other income		175,336	-	-	**175,336**	47,752
Investments	5	123,115	-	-	**123,115**	131,983
Total income		**2,346,778**	**-**	**1,203,653**	**3,550,431**	1,761,180
Expenditure on:						
Charitable activities	8	1,154,078	-	206,746	**1,360,824**	1,504,099
Raising funds	9	295,110	25,454	-	**320,564**	297,805
Total expenditure	7	**1,449,188**	**25,454**	**206,746**	**1,681,388**	1,801,904
Net income/(expenditure) before gains, losses and transfers	6	**897,590**	**(25,454)**	**996,907**	**1,869,043**	(40,724)
Net gain on investments	13	-	248,659	-	**248,659**	165,340
Net surplus/(deficit) before transfers		**897,590**	**223,205**	**996,907**	**2,117,702**	124,616
Transfers between funds	18	(775,454)	525,454	250,000	**-**	-
Net movement in funds		**122,136**	**748,659**	**1,246,907**	**2,117,702**	124,616
Reconciliation of funds						
Total funds brought forward at 1 January 2021	18	1,200,800	3,300,797	479,789	**4,981,386**	4,856,770
Total funds carried forward at 31 December 2021	18	1,322,936	4,049,456	1,726,696	**7,099,088**	4,981,386

All results are derived from continuing activities.

The group has no other recognised gains and losses other than those stated above.

The notes on pages 22 to 44 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated balance sheet
at 31 December 2021

Company number 01690871

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	12		**304,430**		249,605
Investments	13		**4,049,456**		3,300,797
			4,353,886		3,550,402
Current assets					
Stocks	14	**29,990**		22,575	
Debtors	15	**76,344**		52,041	
Cash at bank and in hand	23	**3,068,775**		1,831,333	
		3,175,109		1,905,949	
Creditors: amounts falling due within one year	16	**(429,907)**		(474,965)	
Net current assets			**2,745,202**		1,430,984
Net assets	19		**7,099,088**		4,981,386
Funds					
Unrestricted:					
General	18	**759,606**		950,800	
Designated	18	**563,330**		250,000	
Endowment funds	18	**4,049,456**		3,300,797	
Restricted funds	18	**1,726,696**		479,789	
Total funds	18		**7,099,088**		4,981,386

The financial statements were approved and authorised for issue by the Board and authorised for issue on

12 MAY 2022

Michael Prideaux
Director

Colin Chisholm
Director

The notes on pages 22 to 44 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Charity balance sheet
at 31 December 2021

Company number 01690871

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	12		**302,644**		247,372
Investments	13		**4,049,556**		3,300,897
			4,352,200		3,548,269
Current assets					
Debtors	15	**82,601**		25,339	
Cash at bank and in hand	23	**2,902,755**		1,758,117	
		2,985,356		1,783,456	
Creditors: amounts falling due within one year	16	**(243,146)**		(355,017)	
Net current assets			**2,742,210**		1,428,439
Net assets	19		**7,094,410**		4,976,708
Funds					
Unrestricted:					
General	18	**754,928**		946,122	
Designated	18	**563,330**		250,000	
Endowment funds	18	**4,049,456**		3,300,797	
Restricted funds	18	**1,726,696**		479,789	
Total funds	18		**7,094,410**		4,976,708

As permitted by section 408 of the Companies Act 2006, the Parent Charitable Company's profit and loss account has not been included in these financial statements. The surplus for the year was £2,117,702 (2020: £124,616).

The financial statements were approved and authorised for issue by the Board and authorised for issue on 12 MAY 2022

Michael Prideaux
Director

Colin Chisholm
Director

The notes on pages 22 to 44 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Statement of consolidated cash flows at 31 December 2021

	Note	2021 £	2020 £
Reconciliation of net income to cash flows from operating activities			
Net movement in funds		**2,117,702**	124,616
Gain on investments		**(248,659)**	(165,340)
Investment income		**(123,115)**	(131,983)
Depreciation		**25,346**	28,985
(Increase)/decrease in debtors		**(24,303)**	69,734
(Decrease)/increase in creditors		**(45,058)**	115,376
(Increase)/decrease in stocks		**(7,415)**	21,536
Cash flows from operating activities		**1,694,498**	62,924
Cash flows from investing activities			
Investment income	5	**123,115**	131,983
Purchase of investments	13	**(500,000)**	-
Disposal of investments	13	**-**	500,000
Purchase of property, plant and equipment	12	**(80,171)**	-
		(457,056)	631,983
Increase in cash for the year		**1,237,442**	694,907
Cash at beginning of year		**1,831,333**	1,136,426
Cash at end of year	21,22	**3,068,775**	1,831,333

The notes on pages 22 to 44 form part of these financial statements.

1 Accounting policies

The Chelsea Physic Garden Company is a registered charity and incorporated in England and Wales under the Companies Act 2006. It is a company limited by guarantee. The address of the registered office is given on page 1 of the Directors' report.

The principal accounting policies adopted, judgements and key sources of estimation or uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared on a historic cost basis except for the revaluation of investments.

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) (effective 1 January 2019) - (Charities SORP, 2nd Edition (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

Exemptions for qualifying entities under FRS 102

The parent charitable company has taken the following disclosure exemptions:

- from preparing a statement of cash flows on the basis that it is a qualifying entity and the group cash flow statement included within these financial statements, include the company's cash flows; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

Going concern

In assessing the impact of COVID-19 on The Chelsea Physic Garden Company group, the Directors have considered all the matters described in the Directors' Report, including the group's operations, the impact on subscriptions, donations, and other trading activities, as well as the impact on the group's investment portfolio. In particular, in order to support the Directors' assessment of the sustainability of the group's activities, management continues to prepare monthly cash-flow forecasts based on assumptions, through to the end of 2023 that reflect possible scenarios arising from the impact of COVID-19. The major revenue and expenditure budgets are tracked on a month by month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure through 2022 up to December 2023. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsiduary which undertakes certain commercial trading activities of the group, has had separate cash-flow forecasts prepared to reflect actual against budget which shows a positive cash flow going forward. Provided that trading activities ordinarily undertaken by CPG Enterprises Ltd continue the trading company remains a going concern throughout.

At the date of signing of these financial statements, the directors' forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern. The directors therefore consider that no material uncertainty exists in relation to going concern for the Group.

1 **Accounting policies** *(continued)*

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary of CPG Enterprises Limited on a line by line basis. A separate Statement of Financial Activities, or income and expenditure account for the charitable company itself, is not presented in these accounts because the charitable company has taken advantage of the exemptions offered by Section 408 of the Companies Act 2006.

Income

Donations, grants and legacies

Cash donations and gifts are included in the Statement of Financial Activities when conditions for their receipt have been met. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods.

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 Trust 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 likely 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.

Government grants

Payments received from the government for furloughed employees are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised in income in the period in which it becomes receivable and the related expense is incurred.

Commercial trading operations

Shop income comprises revenue recognised by the company in respect of goods supplied, exclusive of Value Added Tax and trade discounts. Lettings income comprises revenue recognised by the company in relation to the lettings of the grounds and associated facility fees.

Income from fundraising events is included in the financial statements in the period in which the fundraising event takes place.

Income from royalties comprises of revenue from the sale and publication of botanical books.

1 Accounting policies *(continued)*

Gift Aid

The charity owns the whole of the issued share capital of CPG Enterprises Limited.

Each year CPG Enterprises Limited pays to the charity, under the provisions related to Gift Aid, a sum based on the taxable profits of the company. The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

Investment income

Dividends are included in the Statement of Financial Activities when they are declared at an amount, which includes the tax credit recoverable from the H M Revenue and Customs.

Interest is included when receivable by the group.

Income from charitable activities

Admissions are recognised when received by the group. Friends subscriptions are recognised over the period to which they relate, any relating to future periods is deferred. Life subscriptions are recognised as they are received.

Expenditure

Expenditure is recognised on an accruals basis in the period in which it is incurred. Costs of raising funds for commercial trading operations comprise the costs associated with the letting of grounds and goods supplied.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs including governance costs are allocated between the expenditure categories of the charity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are charged directly, others are apportioned on an appropriate basis.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the directors. These include the assets of the trading company. The directors use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

The **Endowment** Fund is an expendable Endowment and represents investments and cash which continue to be used by the directors in the best interests of the charity. The endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustees' discretion in support of the Charity's work.

Restricted funds can only be used for the particular restricted purposes within the objectives of the charity. Restrictions are imposed by the donor or when funds are raised for specified restricted purposes. The notes to the financial statements provide further details.

1 **Accounting policies** *(continued)*

Tangible fixed assets

Generally, tangible fixed assets are capitalised if they can be used for more than one year and cost at least £2,500. They are valued at cost.

The charity does not have a policy on revaluation, a nominal value of £1 is put on the main buildings and gardens which are leased in perpetuity for a rent of £5 a year.

Depreciation of fixed assets is charged at rates estimated to write off their costs over the expected useful lives. The rates used are as follows:

Buildings	-	2% of cost
Assets Under Construction	-	Not depreciated
Improvements	-	10% of cost
Office fixtures and equipment	-	20% of cost
Horticultural equipment	-	20% of cost
Computer equipment	-	20% of cost

Stock

Stock is included at the lower of cost and net realisable value and consists of goods for resale.

Investments

Listed investments are stated at closing market value at the balance sheet date. Unrealised gain or loss is calculated as the difference between opening and closing market value, as adjusted for additions and disposals in the year.

Investments held in subsidiary companies are recognised at cost.

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.

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.

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.

Financial instruments

The group 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.

1 Accounting policies *(continued)*

Leased assets

The group has operating leases. Their annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Pension scheme contribution

The charity does not operate its own pension scheme. Pension costs relate to payments made by the group to the personal pension plans of employees.

Estimates and judgments

There are not considered to be any significant estimates and judgements involved in the preparation of the financial statements. Those estimates and judgements made, which are not considered to be significant, are covered by the other accounting policies.

2 Income from donations, grants and legacies

	Unrestricted funds £	Restricted funds £	2021 £
Donations and legacies	**378,049**	**1,203,653**	**1,581,702**
Government grants	**404,526**	**-**	**404,526**
	782,575	**1,203,653**	**1,986,228**

Government grants of £404,526 (2020 - £214,100) relates to grant income received under the Culture Recovery Fund scheme administered by the National Lottery Heritage Fund to support small scale capital expenditure and contribution to core costs including staff wages.

	Unrestricted funds £	Restricted funds £	2020 £
Donations and legacies	128,667	634,455	763,122
Government grants	214,100	-	214,100
	342,767	634,455	977,222

3 Income from other trading activities

	2021 £	2020 £
Commissions and letting of rooms	**297,354**	64,745
Shop income	**103,953**	84,049
Fundraising events	**230,920**	49,724
Royalties	**11,611**	2,167
Commercial trading operations	**643,838**	200,685

All income from trading activities was unrestricted in the current and preceding year.

4 Income from charitable activities

	2021 £	2020 £
Admissions	**236,092**	131,407
Friends subscriptions	**385,822**	272,030
Art in the Garden	**-**	101
	621,914	403,538

All income from charitable activities was unrestricted in the current and preceding year.

5 Investment income

	2021 £	2020 £
Income from fixed asset distribution unit funds	**123,115**	131,983

Income from investments was unrestricted in the current and preceding year.

6 Net income

	2021 £	2020 £
Net income for the year is stated after charging:		
Auditor's remuneration	**23,829**	24,500
Accountancy services	**4,800**	4,800
Depreciation of tangible fixed assets	**25,346**	28,985

7 Total expenditure

	Staff costs £	Premises costs £	Depreciation £	Other costs £	Total 2021 £
Charitable activities (note 8)	800,624	156,824	23,228	380,148	**1,360,824**
Raising funds (note 9)	178,175	2,195	2,118	138,076	**320,564**
	978,799	**159,019**	**25,346**	**518,224**	**1,681,338**

	Staff costs £	Premises costs £	Depreciation £	Other costs £	Total 2020 £
Charitable activities (note 8)	802,563	142,786	26,534	532,216	1,504,099
Raising funds (note 9)	173,248	2,305	2,451	119,801	297,805
	975,811	145,091	28,985	652,017	1,801,904

Total expenditure for the year was £1,681,338 (2020: £1,801,904) of which £206,746 was restricted (2020: £436,349), £1,154,078 was unrestricted (2020: £1,340,983) and £25,454 (2020: £24,572) related to endowment funds.

8 Expenditure on charitable activities

	Direct £	Support £	Total 2021 £
Science and horticulture	**545,092**	**-**	**545,092**
Educational programmes	**109,687**	**-**	**109,687**
Other projects	**542,048**	**163,997**	**706,045**
	1,196,827	**163,997**	**1,360,824**

	Direct £	Support £	Total 2020 £
Science and horticulture	453,119	-	453,119
Educational programmes	122,537	-	122,537
Other projects	687,354	241,089	928,443
	1,263,010	241,089	1,504,099

Expenditure on charitable activities in the year was £1,360,824 (2020: £1,504,519) of which £206,746 was restricted (2020: £436,349), £1,154,078 was unrestricted (2020: £1,067,750) and £Nil was relating to endowment funds (2020: £Nil).

Analysis of direct costs

	Total 2021 £	Total 2020 £
Wages and Salaries	**713,557**	665,293
Depreciation	**21,553**	24,981
Materials	**3,965**	7,166
Equipment	**3,215**	1,949
Repairs, maintenance & cleaning	**126,367**	111,658
Security	**7,870**	6,066
Advertising and marketing	**13,737**	44,304
Education costs	**10,353**	23,954
Recruitment	**8,719**	16,330
Rent, rates, water, heat & light	**20,392**	23,240
Travel, subsistence & entertaining	**6,189**	5,093
Insurance	**29,327**	30,938
Printing, postage & stationary	**35,296**	39,293
Telephone and internet	**4,487**	4,614
Ticket commissions	**22,322**	8,247
Professional fees	**22,945**	195,546
Other costs	**146,533**	54,338
Total	**1,196,827**	1,263,010

8 Expenditure on charitable activities *(continued)*

Analysis of support costs

	Total 2021 £	Total 2020 £
Wages and Salaries	**87,067**	137,270
Depreciation	**1,675**	1,553
Repairs, maintenance & cleaning	**-**	-
Security	**611**	377
Advertising and marketing	**1,066**	2,754
Recruitment	**677**	1,015
Rent, rates, water, heat & light	**1,584**	1,445
Travel, subsistence & entertaining	**291**	201
Printing, postage & stationary	**978**	2,415
Telephone and internet	**349**	287
Professional fees	**898**	11,752
Other costs	**6,605**	2,938
Governance costs	**62,196**	79,082
Total	**163,997**	241,089

Support costs are allocated on an apportionment basis as follows:

	2021	2020
Total employees	**30**	29
Support staff	**2**	2
% for apportionment	**6.7%**	6.9%

Any cost that can be directly attributed to the charitable activities are allocated before any apportionment of costs.

Governance costs relate to audit and accountancy fees, legal fees and finance charges.

9 Expenditure on raising funds

	2021 £	2020 £
Wages and salaries	**178,175**	173,248
Expenditure of CPG Enterprises (including depreciation)	**54,154**	60,641
Fundraising costs of charity	**14,732**	31,309
Investment manager fees	**25,454**	24,572
Costs incurred on fundraising fair	**48,049**	8,035
	320,564	297,805

Expenditure on raising funds for the year was £320,564 (2020: £297,805) of which £25,454 (2020: £24,572) related to endowment funds and £295,110 (2020: £273,233) related to unrestricted funds.

Total direct costs of raising voluntary income included within direct costs are £131,962 which represent 11.0% of all direct costs (2020 – £119,111 which represents 9.4% of direct costs).

Other than those costs that wholly relate to fundraising costs all other expenditure on raising funds is based on an apportionment basis as follows:

	2021	2020
Total employees	**30**	29
Fundraising staff	**2**	2
% for apportionment	**6.7%**	6.9%

10 Directors and employees

	Group 2021 £	Group 2020 £
Wages and salaries	**840,262**	860,152
Social security costs	**71,962**	66,572
Pension costs	**65,157**	47,467
Temporary Staff	**1,418**	1,620
	978,799	975,811

The group does not operate its own pension scheme. Pension costs relate to payments made by the group to the personal pension plans of employees.

10 Directors and employees *(continued)*

Average number of employees as a headcount:

	Group 2021 Number	Group 2020 Number
Charitable	**26**	25
Administration and support	**2**	2
Fundraising	**2**	2
	30	29

The group was helped by a substantial number of volunteers, approximately 120 (2020: 135) throughout the year.

The key management personnel of the group, include a number of senior managers across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total employment benefits paid to key management personnel of the group were £498,715 (2020: £455,861).

Salary range for employees earning £60,000 p.a. or more	2021	2020
£60,000 - £69,999	**1**	**1**
£70,000 - £79,999	**-**	**-**
£80,000 - £89,999	**-**	**-**
£90,000 - £99,999	**1**	**1**

Redundancy, restructuring and termination costs relating to 2 employees (2020 – 2) were £4,528 (2020: £8,415).

Government grants relating to furloughed staff were received of £2,365 (2020: £46,723). The furlough claim is included within Other Income.

Directors' remuneration and expenses

None (2020 – none) of the directors received any remuneration. During the year one director (2020 – one) received £3,762 expense reimbursement (2020 – £127 expense reimbursed).

11 Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

No tax charge arose in the period.

The subsidiary company makes a qualifying donation of all taxable profit to The Chelsea Physic Garden. No corporation tax liability on the subsidiary arises in the accounts.

12 Tangible assets

Group

	Buildings and improvements £	Assets under construction £	Office fixtures and equipment £	Horticultural equipment £	Computer equipment £	Total £
Cost						
At 1 January 2021	695,457	-	209,686	15,167	111,691	**1,032,001**
Additions	-	80,171	-	-	-	**80,171**
At 31 December 2021	**695,457**	**80,171**	**209,686**	**15,167**	**111,691**	**1,112,172**
Depreciation						
At 1 January 2021	477,255	-	183,107	15,167	106,867	**782,396**
Charge for the year	12,226	-	8,472	-	4,648	**25,346**
At 31 December 2021	**489,481**	**-**	**191,579**	**15,167**	**111,515**	**807,742**
Net book value						
At 31 December 2021	205,976	80,171	18,107	-	176	**304,430**
At 31 December 2020	218,202	-	26,579	-	4,824	**249,605**

12 Tangible assets *(continued)*

Charity

	Buildings and improvements £	Assets under construction £	Office fixtures and equipment £	Horticultural equipment £	Computer equipment £	Total £
Cost						
At 1 January 2021	695,457	-	201,573	15,167	111,691	1,023,888
Additions	-	80,171	-	-	-	80,171
At 31 December 2021	**695,457**	**80,171**	**201,573**	**15,167**	**111,691**	**1,104,059**
Depreciation						
At 1 January 2021	477,255	-	177,227	15,167	106,867	776,516
Charge for the year	12,226	-	8,025	-	4,648	24,899
At 31 December 2021	**489,481**	**80,171**	**185,252**	**15,167**	**111,515**	**801,415**
Net book value						
At 31 December 2021	**205,976**	**80,171**	**16,321**	**-**	**176**	**302,644**
At 31 December 2020	218,202	-	24,346	-	4,824	247,372

13 Fixed asset investments

13a Listed investments

	2021 £	2020 £
Market value at 1 January 2021	**3,300,797**	3,635,457
Additions	**525,454**	24,572
Disposals	**-**	(500,000)
Investment manager fees	**(25,454)**	(24,572)
Gain in the year	**248,659**	165,340
Market value at 31 December 2021	**4,049,456**	3,300,797

Investments are held in listed funds managed by Sarasin & Partners LLP.

The historical cost of the listed investment at 31 December 2021 was £3,376,630 (2020 - £2,876,071).

13b Investments in subsidiaries

	Charity 2021 £	Charity 2020 £
Shares in CPG Enterprises Limited at cost	**100**	100

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Total fixed asset investments	**4,049,456**	**4,049,556**	3,300,797	3,300,897

The wholly owned trading subsidiary, CPG Enterprises Limited (03140004), is registered in the United Kingdom. The principal activity of CPG Enterprises Limited is the running of the shop at The Chelsea Physic Garden and the letting of the grounds of the charity.

At 31 December 2021 the income of CPG Enterprises was £412,943 (2020: £151,007) and expenditure was £317,799 (2020: £135,838). The net assets of CPG Enterprises Limited were £4,778 (2020: £4,778) and the retained profit to that date was £4,678 (2020: £4,678), after payment to Chelsea Physic Garden Company under qualifying charitable donation of £95,144 (2020 - £15,169).

14 Stocks

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Goods for resale	**29,990**		22,575	-

There is no material difference between what is stated above and the recoverable amount.

15 Debtors

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Amounts falling due within one year:				
Trade debtors	**39,278**	**412**	29,458	2,756
Amounts owed by subsidiary	**-**	**46,064**	-	-
Prepayments and accrued income	**31,951**	**31,951**	16,735	16,735
Other debtors	**5,115**	**4,174**	5,848	5,848
	76,344	**82,601**	52,041	25,339

16 Creditors: amounts falling due within one year

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Trade creditors	**21,897**	**21,878**	26,155	21,636
Amounts owed to subsidiary	**-**	**-**	-	15,422
Other creditors	**5,000**	**5,000**	-	-
Other taxation and social security	**32,152**	**22,813**	22,813	15,040
Accruals	**48,057**	**41,057**	46,027	39,027
Deferred income	**322,801**	**152,398**	379,970	263,892
	429,907	**243,146**	474,965	355,017

17 Deferred income reconciliation

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Balance as at 1 January 2021	**379,970**	**263,892**	240,277	163,304
Amount released to income earned from charitable activities	**(379,970)**	**(263,892)**	(240,277)	(163,304)
Amount deferred in the year	**322,801**	**152,398**	379,970	263,892
Balance at 31 December 2021	**322,801**	**152,398**	379,970	263,892

Deferred income relates mainly to the income received from memberships in relation to the next financial period. Other amounts relate to income received in advance of events booked for the next financial period.

18 Analysis of charitable funds

Group – current year

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2021 £
Unrestricted funds						
General fund	950,800	2,146,778	(1,449,188)	(888,784)	-	**759,606**
Designated projects funds	250,000	-	-	(250,000)	-	**-**
Designated fund – Cadogan estates	-	200,000	-	-	-	**200,000**
Designated building maintenance fund	-	-	-	363,330	-	**363,330**
Total unrestricted funds	**1,200,800**	**2,346,778**	**(1,449,188)**	**(775,454)**	**-**	**1,322,936**
Endowment fund	**3,300,797**	**-**	**(25,454)**	**525,454**	**248,659**	**4,049,456**
Restricted funds						
Horticultural Trainees	18,107	20,000	(16,164)	-	-	**21,943**
Historic Glasshouse	24,342	-	-	(24,342)		**-**
Florilegium Anniversary Project	1,706	-	-	-	-	**1,706**
Digitisation Project	9,554		(158)			**9,396**
John Lyons Education Outreach Administration Co-Ordinator	19,613	588	(21,960)		-	**(1,759)**
Acoustic Panels	5,088		(1,825)			**3,263**
Horticultural educational, Trainees	-					**-**
Band Trust Education and Outreach	2,139	-	(2,139)		-	**-**
Turning Point Gardening Group	66	-	(66)		-	**-**
Education and Outreach Project	335	-	(300)		-	**35**
City Bridge Trust Education and Outreach	-	52,797	(25,944)			**26,853**
Garden Restricted Donations	2,666	-	-			**2,666**
Judith Bronkhurst Donation	141	-	-	-	-	**141**
R.U.B White Charitable Trust Community Outreach	9,862	5,000	(3,626)	-	-	**11,236**
Oak Foundation Education Outreach	3,155	-	(1,587)	-	-	**1,568**
Education & Outreach/ Young Offenders	1,017	-	(1,017)	-	-	**-**
The Art & Healing Power of Plants	3,034	-	(3,034)	-	-	**-**
Glasshouses Restorations NLHF Funding	377,019	1,076,897	(123,503)	274,342	-	**1,604,755**
Friends Scheme Review	267	-	(128)	-	-	**139**
Legacy Roger Melvin Monks Horticulture Students Travel	418	-	-	-	-	**418**
John Lyons Charity - Family Activity Days	1,260	(99)	(1,161)	-	-	**-**
Tanners Trust	-	3,400	(570)	-	-	**2,830**
D'Oyly Carte Help Us Grow	-	3,000	(2,038)			**962**
John Swire 1989 Charitable Trust	-	25,000	-	-	-	**25,000**
Stanley Smith UK Hort Trust	-	5,000	-	-	-	**5,000**
Kanlungan Trust	-	4,470	(1,526)	-	-	**2,944**
Chelsea Academy	-	7,600	-	-	-	**7,600**
Total restricted funds	**479,789**	**1,203,653**	**(206,746)**	**250,000**	**-**	**1,726,696**
Total funds	**4,981,386**	**3,550,431**	**(1,681,388)**	**-**	**248,659**	**7,099,088**

18 Analysis of charitable funds *(continued)*

Group – previous year

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2020 £
Unrestricted funds						
General fund	692,864	1,126,725	(1,340,983)	472,194	-	950,800
Designated projects funds	250,000	-	-	-	-	250,000
Total unrestricted funds	942,864	1,126,725	(1,340,983)	472,194	-	1,200,800
Endowment fund	3,635,457	-	(24,572)	(475,428)	165,340	3,300,797
Restricted funds						
Horticultural Trainees	11,678	23,000	(16,571)	-	-	18,107
Historic Glasshouse	24,342	-	-	-	-	24,342
Florilegium Society Anniversary Project	2,214	-	(508)	-	-	1,706
Digitisation Project	9,554	-	-	-	-	9,554
John Lyon's Education Outreach	20,983	22,000	(18,805)	(4,565)	-	19,613
Acoustic Panels Project	5,088	-	-	-	-	5,088
Band Trust Education Outreach	5,819	-	(3,680)	-	-	2,139
Sowing The Seeds Of Discovery/Daniel Pinto	-	105,000	(108,234)	3,234	-	-
Turning Point Garden Group	66	-	-	-	-	66
Education Outreach	523	-	(188)	-	-	335
City Bridge Trust	21,885	50	(26,500)	4,565	-	-
Garden Fund Restricted Donations	1,666	1,000	-	-	-	2,666
Judith Bronkhurst Donation	141	-	-	-	-	141
R.U.B. White Charitable Trust Community Outreach	5,546	5,000	(684)	-	-	9,862
Oak Foundation Education Outreach	3,515	-	(360)	-	-	3,155
Education and Outreach/Young Offenders	2,683	-	(1,666)	-	-	1,017
The Art & Healing Power of Plants	4,861	-	(1,827)	-	-	3,034
Glasshouses Restorations NLHF Funding	155,340	478,405	(256,726)	-	-	377,019
Friends' Scheme Review	267	-	-	-	-	267
Medicinal Plants Research	600	-	(600)	-	-	-
Legacy Roger Melvin Monks Horticulture Students Travel	418	-	-	-	-	418
John Lyon's Family Activity Days	1,260	-	-	-	-	1,260
Total restricted funds	278,449	634,455	(436,349)	3,234	-	479,789
Total funds	4,856,770	1,761,180	(1,801,904)	-	165,340	4,981,386

18 Analysis of charitable funds *(continued)*

Charity – current year

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Net gains on investments £	At 31 December 2021 £
Unrestricted funds						
General fund	946,122	2,029,898	(1,332,308)	(888,784)	-	**754,928**
Designated projects funds	250,000	-	-	(250,000)	-	**-**
Designated fund – Cadogan estates	-	200,000	-	-	-	**200,000**
Designated building maintenance fund	-	-	-	363,330	-	**363,330**
Total unrestricted funds	**1,196,122**	**2,229,898**	**(1,332,308)**	**(775,454)**	**-**	**1,318,258**
Endowment fund	**3,300,797**	**-**	**(25,454)**	**525,454**	**248,659**	**4,049,456**
Restricted funds						
Horticultural Trainees	18,107	20,000	(16,164)	-	-	**21,943**
Historic Glasshouse	24,342	-	-	(24,342)		**-**
Florilegium Anniversary Project	1,706	-	-	-	-	**1,706**
Digitisation Project	9,554	-	(158)	-		**9,396**
John Lyons Education Outreach Administration Co-Ordinator	19,613	588	(21,960)	-	-	**(1,759)**
Acoustic Panels	5,088	-	(1,825)	-	-	**3,263**
Band Trust Education and Outreach	2,139	-	(2,139)	-	-	**-**
Turning Point Gardening Group	66	-	(66)	-	-	**-**
Education and Outreach Project	335	-	(300)	-	-	**35**
City Bridge Trust Education and Outreach	-	52,797	(25,944)	-	-	**26,853**
Garden Restricted Donations	2,666	-	-	-	-	**2,666**
Judith Bronkhurst Donation	141	-	-	-	-	**141**
R.U.B White Charitable Trust Community Outreach	9,862	5,000	(3,626)	-	-	**11,236**
Oak Foundation Education Outreach	3,155	-	(1,587)	-	-	**1,568**
Education & Outreach/ Young Offenders	1,017	-	(1,017)	-	-	**-**
The Art & Healing Power of Plants	3,034	-	(3,034)	-	-	**-**
Glasshouses Restorations HLF Funding	377,019	1,076,897	(123,503)	274,342	-	**1,604,755**
Friends Scheme Review	267	-	(128)	-	-	**139**
Legacy Roger Melvin Monks Horticulture Students Travel	418	-	-	-	-	**418**
John Lyons Charity Family Activity Days	1,260	(99)	(1,161)	-	-	**-**
Tanners Trust	-	3,400	(570)	-	-	**2,830**
D'Oyly Carte Help Us Grow	-	3,000	(2,038)			**962**
John Swire 1989 Charitable Trust	-	25,000	-	-	-	**25,000**
Stanley Smith UK Hort Trust	-	5,000	-	-	-	**5,000**
Kanlungan Trust	-	4,470	(1,526)	-	-	**2,944**
Chelsea Academy	-	7,600	-	-	-	**7,600**
Total restricted funds	**479,789**	**1,203,653**	**(206,746)**	**250,000**	**-**	**1,726,696**
Total funds	**4,976,708**	**3,433,551**	**(1,564,508)**	**-**	**248,659**	**7,094,410**

18 Analysis of charitable funds *(continued)*

Charity – previous year

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Net gains on investments £	At 31 December 2020 £
Unrestricted funds						
General fund	688,186	993,936	(1,208,194)	472,194	-	946,122
Designated projects funds	250,000	-	-	-	-	250,000
Total unrestricted funds	938,186	993,936	(1,208,194)	472,194	-	1,196,122
Endowment fund	3,635,457	-	(24,572)	(475,428)	165,340	3,300,797
Restricted funds						
Horticultural Trainees	11,678	23,000	(16,571)	-	-	18,107
Historic Glasshouse	24,342	-	-	-	-	24,342
Florilegium Society Anniversary Project	2,214	-	(508)	-	-	1,706
Digitisation Project	9,554	-	-	-	-	9,554
John Lyon's Education Outreach	20,983	22,000	(18,805)	(4,565)	-	19,613
Acoustic Panels Project	5,088	-	-	-	-	5,088
Band Trust Education Outreach	5,819	-	(3,680)	-	-	2,139
Sowing The Seeds Of Discovery/Daniel Pinto	-	105,000	(108,234)	3,234	-	-
Turning Point Garden Group	66	-	-	-	-	66
Education Outreach	523	-	(188)	-	-	335
City Bridge Trust	21,885	50	(26,500)	4,565	-	-
Garden Fund Restricted Donations	1,666	1,000	-	-	-	2,666
Judith Bronkhurst Donation	141	-	-	-	-	141
R.U.B. White Charitable Trust Community Outreach	5,546	5,000	(684)	-	-	9,862
Oak Foundation Education Outreach	3,515	-	(360)	-	-	3,155
Education and Outreach/Young Offenders	2,683	-	(1,666)	-	-	1,017
The Art & Healing Power of Plants	4,861	-	(1,827)	-	-	3,034
Glasshouses Restorations NLHF Funding	155,340	478,405	(256,726)	-	-	377,019
Friends' Scheme Review	267	-	-	-	-	267
Medicinal Plants Research	600	-	(600)	-	-	-
Legacy Roger Melvin Monks Horticulture Students Travel	418	-	-	-	-	418
John Lyon's Family Activity Days	1,260	-	-	-	-	1,260
Total restricted funds	278,449	634,455	(436,349)	3,234	-	479,789
Total funds	4,852,092	1,628,391	(1,669,115)	-	165,340	4,976,708

18 Analysis of charitable funds *(continued)*

Restricted funds have been established to provide financial support for specific projects as below:

Horticultural Trainees	-	A one year training programme for students interested in pursuing a career in horticulture.
Historic Glasshouse	-	The replacement of one of the range of Foster & Pearson clearspan glasshouses originally constructed between 1901-07. The structure will provide greater space for growing tender plants and an additional educational facility.
John Lyons Charity Education Outreach	-	A donation to fund education outreach including employing an Outreach Officer to work with School and community projects in target London boroughs including Hammersmith & Fulham, Kensington & Chelsea, City of Westminster, City, Camden, Brent Ealing, Harrow and Barnet.
The Florilegium Society 20th anniversary exhibition	-	An exhibition of original artwork from members of the Florilegium Society at the Physic Garden during August 2015 with associated marketing and publicity.
Digitisation Project	-	A project to start digitising the Physic Garden's archive of books, papers and the Florilegium's original artwork including purchase of a hi- resolution scanner and associated software.
Acoustic Panels Project	-	A project to complete the introduction of acoustic panels along Embankment reducing the impact of traffic noise along this boundary. Generous donations were received from Grandiflora Patrons enabling the panels to be introduced and subsequently the planting in this area to is being augmented and improved.
Horticultural Education, Trainees and Interns	-	Ongoing annual fundraising to support the horticultural trainee programme, the intern and the volunteer training and development programme. It includes travel and training, specific skills development and supports interns with modest travel and subsistence allowances.
Education and Outreach Project	-	Funds raised to support the education programme including for specific initiatives including the Shelf Life project and the outreach programme with Waltham Forest Young offenders institute together with the ongoing programme of on-site and off-site and web-based teaching and interaction with schools, colleges and community groups.
City Bridge Trust	-	A grant to fund an Education Outreach Officer to further the Gardens schools and community outreach.
Education and Outreach/Young Offenders	-	A donation to enable the Garden to continue working with the Waltham Forest Young Offenders and education and outreach.
Band Trust Education Outreach	-	Donations to fund education and outreach activity for three years to August 2021.
Turning Point Garden Group	-	A donation for the development of an education garden and the running of a gardening group for adults in recovery.
Garden Fund Restricted Donation	-	Donations, including in memoriam donations, received specifically for the Garden horticulture activities.
Judith Bronkhurst Donation	-	A donation to fund the purchase of terracotta plant pots.
R.U.B White Charitable Trust Community Outreach	-	A donation to support the community outreach programme.
Oak Foundation Education Outreach	-	A donation to support educational outreach initiatives.
The Art & Healing Power of Plants	-	A collaboration between the charity and the NHS Royal Brompton Hospital to stage an exhibition of artwork at the Garden and hospital and undertake activities with patients undergoing long term treatment.

18 Analysis of charitable funds *(continued)*

Glasshouses Restorations NLHF Funding	-	Restoration and reinterpretation of the Garden's glasshouses together with supporting activity programmes, interpretation and plant collections review. £250,000 has been transferred from designated funds into the Glasshouse Restoration fund as the charity's contribution to the overall costs of delivering the project.
Friends Scheme Review	-	A paid intern undertook a review of the Friends scheme including questionnaires to Friends, benchmarking and proposals for improvements.
Legacy Roger Melvin Monks Horticulture Students Travel	-	A legacy from Roger M. Monks to assist needy overseas students to pursue study at the Garden by supporting travel costs.
John Lyons Charity Family Activity Days	-	A grant from the John Lyon's Charity to provide free places for low income families on Family Activity Days and free entry to the Garden for Sunday Fundays.
Tanners Trust	-	Improvements to front of house, including displays and wayfinding signage
D'Oyly Carte - Help Us Grow	-	A grant to support the delivery of social and therapeutic horticulture, through our Help Us Grow programme
John Swire 1989 Charitable Trust	-	A grant to support Community Outreach, part of which has been designated to an internship programme
Stanley Smith UK Hort Trust	-	Supporting the horticultural trainee programme for 2021/2022
Kusama Trust - Kanlungan	-	A grant to support a wellbeing project with Kanlungan, to support Filipino migrants
Kusama Trust - Chelsea Academy	-	A grant to support the delivery of a greening project at Chelsea Academy, working with teachers and students

Unrestricted funds are used in accordance with the charitable objectives at the discretion of the directors. The directors use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

A further £363,330 of general funds has been designated to address emergency building repairs maintenance and backlog.

The Cadogan Estates Donation Designated Fund represents a grant to support the wider capital development of the charity.

The Endowment Fund is an expendable Endowment and represents investments and cash which continue to be used by the directors in the best interests of the charity. The endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustee's discretion in support of the Charity's work. Please see note 13a for more information on the transfers into (2020 – out of) endowment funds.

19 Analysis of net assets between funds

Group – current year

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General funds	304,430	-	885,083	(429,907)	**759,606**
Designated funds	-	-	563,330	-	**563,330**
Endowment funds	-	4,049,456	-	-	**4,049,456**
Restricted funds	-	-	1,726,696	-	**1,726,696**
	304,430	**4,049,456**	**3,175,109**	**(429,907)**	**7,099,088**

Group – previous year

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General funds	249,605	-	1,176,160	(474,965)	950,800
Designated funds	-	-	250,000	-	250,000
Endowment funds	-	3,300,797	-	-	3,300,797
Restricted funds	-	-	479,789	-	479,789
	249,605	3,300,797	1,905,949	(474,965)	4,981,386

Charity – current year

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General funds	302,644	100	695,330	(243,146)	**754,928**
Designated funds	-	-	563,330	-	**563,330**
Endowment funds	-	4,049,456	-	-	**4,049,456**
Restricted funds	-	-	1,726,696	-	**1,726,696**
	302,644	**4,049,556**	**2,985,356**	**(243,146)**	**7,094,410**

19 Analysis of net assets between funds *(continued)*

Charity – previous year

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General funds	247,372	100	1,053,667	(355,017)	946,122
Designated funds	-	-	250,000	-	250,000
Endowment funds	-	3,300,797	-	-	3,300,797
Restricted funds	-	-	479,789	-	479,789
	247,372	3,300,897	1,783,456	(355,017)	4,976,708

20 Liability to the members

Every member of the company undertakes to contribute an amount not exceeding £1 to the assets of the charitable company in the event of the company being wound up while he is a member, or within one year after he ceases to be a member. This contribution is for the payment of the debts and liabilities of the charitable company contracted before he ceases to be a member and of costs of winding up.

21 Analysis of cash and cash equivalents

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Cash at bank and in hand	**3,068,775**	**2,902,755**	1,831,333	1,758,117

22 Analysis of net debt

At 31 December 2021 the group and charity had no loans classified as debt.

23 Financial commitments

An amount of £1,357,212 has been contracted to pay for the capital refurbishment of the Glasshouses in 2022-23. This will be funded out of the restricted fund Glasshouses Restoration NLHF Funding.

24 Commitments under operating leases

At 31 December 2021 the group and charity had future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
No later than 1 year	**3,236**	1,279
Later than 1 year and no later than 5 years	**9,709**	-
	12,945	1,279

THE CHELSEA PHYSIC GARDEN COMPANY

England & Wales - Charity number 286513

Accounts

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated Report and Financial Statements

Year Ended

31 December 2020

Company Number 01690871

Charity Number 286513

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and financial statements
for the year ended 31 December 2020

Contents

Page:

1	Directors' and Strategic report
13	Directors' responsibilities statement
14	Independent auditor's report
18	Consolidated statement of financial activities
19	Consolidated balance sheet
20	Charity balance sheet
21	Statement of consolidated cash flows
22	Notes forming part of the financial statements

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report
for the year ended 31 December 2020

The trustees, who are also directors for the purpose of company law present their report together with the audited financial statements for the year ended 31 December 2020 which are also prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

Status and Constitution

Charity Name:	The Chelsea Physic Garden Company
Charity registration number:	286513
Company registration number:	01690871
Registered office and operational address:	66 Royal Hospital Road London SW3 4HS

The charity is constituted as a company limited by guarantee. The charity is governed by its Articles of Association dated 17 May 2019.

The company was incorporated to act as a Trustee of the charity known as The Chelsea Physic Garden (Charity registration number 286513) and to advance public education and in particular to promote the study of botany and related sciences.

The Chelsea Physic Garden is currently dormant and is consolidated within the accounts of The Chelsea Physic Garden Company.

Directors and members of the Board

The directors and members of the Board (who also act as trustees for the charitable activities of The Chelsea Physic Garden Company) who served during the year and subsequently were:

Mrs Cathy Arnold	
Mr Colin Chisholm	(Hon. Treasurer, Finance & Operations Committee)
Mr Paul Martin Gray	(Finance & Operations Committee)
Mrs Sukie Hemming	
Dr Helen Charman	(appointed 4 February 2021)
Ms Anna Jobson	
Mr Tony Kirkham	(Chair of Advisory Committee)
Mrs Patricia Lankester	(Resigned 31 December 2020)
Lady Arabella Lennox-Boyd	
Mr Michael McGonigle	(Finance & Operations Committee)
Mr Quoc-Nghi Nguyen	
Mr Michael Prideaux	(Chairman of the Board, Finance & Operations Committee)
Mrs Sarah Speller	(Finance & Operations Committee)
Mrs Susan Medway	(Company Secretary)

Senior Management Team

Director	Mrs Susan Medway
Development Director	Mrs Joanna Wells
Commercial Director	Mrs Wendy Bowen Mr Tom Gilliford (from April 2020)
Deputy Director (Visitor Experience)	Ms Frances Sampayo
Head of Finance	Mr Paul Ryan
Head of Plant Collections	Ms Nell Jones
Head of Learning & Public Engagement	Ms Katy Parry
Executive Assistant	Ms Gill Mathias
Project Manager	Mrs Sue Saville

Professional advisors

Bank:	National Westminster Bank plc 183b Kings Road Chelsea London SW3 5EB
Solicitors:	Farrer & Co 66 Lincolns' Inn Fields London WC2A 3LH
	Wilsons LLP Alexander House St Johns Street Salisbury SP1 2SB
Auditor:	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA
Fund Managers:	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
Registered and principal office:	66 Royal Hospital Road London SW3 4HS

Organisation and Structure

Appointments to the Board are for an initial period of three years after which directors can seek re-election, serving two additional terms each of three years. These provisions also apply to appointments to the Board of CPG Enterprises Limited, the Advisory Committee and other board committees. There is provision to extend the appointment of a director for a limited period where the experience or organisational knowledge of that director supports an important or timely activity.

Mrs Patricia Lankester retired at the end of 2020 following a one year extension to her appointment as a director of the company in order to continue to contribute to the development of the learning strategy and activity programme associated with the Glasshouse capital project.

The directors determine the overall strategy and policies of the company. The delivery of the Garden's strategic plans, fundraising and external professional relations together with day to day management are delegated to the Director, Mrs Susan Medway, who is also appointed as Company Secretary. The Director takes a lead on major project activity as the most senior executive of the company. She is supported by a small team of senior managers and staff.

Organisation and Structure *(continued)*

The principal departments and senior roles are:

The Deputy Director (Visitor Experience) is responsible for the welcome provided to visitors and for management of the buildings and their services. Through the Learning and public programme team they have oversight of learning activity and the public programme. The Deputy Director deputise for the Director in their absence.

The Commercial Director is responsible for all commercial activity including retail, venue hire and commercial partnerships, they also manage the relationship with the catering partner. They are responsible for the Friends' scheme; through their team they undertake all PR, marketing and communications including digital.

The Development Director is responsible for supporting senior fundraising volunteers as well as direct fundraising for both specific capital projects and also to support the charity's education and learning programmes. Notable is the project to restore the Garden's glasshouses which has been supported by a development grant from the National Lottery Heritage Fund and for which a capital appeal is underway.

The Head of Finance is responsible for all finance activities for the company and the wholly owned trading subsidiary CPG Enterprises Limited.

The Head of Plant Collections is responsible for the horticultural management of the garden and its plant collections together with the herbarium and seed bank. They ensure delivery of the horticultural training programmes.

The Project Manager leads on coordinating the project Board, the project team, the capital design team and supporting colleagues to achieve progress on all capital and programme activities required for the Glasshouse project and plans towards the Gardens building refurbishment programme as part of its 350th anniversary celebrations in 2023.

The Executive Assistant supports the Board, its sub-committees and senior staff. They take minutes for all meetings including all the Board, their sub-committees as well as the Project Board and project meetings.

Related parties and co-operation with other organisations

None of the directors receive remuneration or other benefits from their work with the charity. Any connection between a director or senior manager of the charity with another organisation, another charity or an individual that the charity may come into contact with in the course of pursuing its objectives must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

The charity's wholly owned subsidiary, CPG Enterprises Limited, was established on 20 December 1995 (company number 3140004). It is responsible for overseeing commercial activities, retail, catering, venue hire and any licensing for commercial purposes of the charity's trademark. CPG Enterprises Limited has a licence from the charity to occupy the shop premises and gift aids its profits to the charity (see note 13b to the financial statements). The catering operation is contracted out with an agreed percentage of net turnover paid to CPG Enterprises Limited. The vast majority of venue hire bookings are fulfilled outside of the visitor opening periods.

The charity has working relationships and maintains networks with a number of organisations at a local, national and international level. As a small independent charity these are important to raise and maintain its profile, to promote its diverse work and to share information and best practice.

Related parties and co-operation with other organisations *(continued)*

The charity maintains membership of the Botanic Gardens Education Network, Botanic Gardens Conservation International, the Association of Independent Museums, the National Council for the Conservation of Plants and Gardens, the Chartered Institute of Personnel & Development and The Heritage Alliance.

Close networks exist between a large number of international botanic gardens notably through the Index Seminum, the international seed exchange programme. The Garden also maintains good working relationships with staff at the Royal Botanic Gardens, Kew; Cambridge and Oxford Botanic Gardens; Edinburgh and Bristol Botanic Gardens. The Royal Horticultural Society and Kew support the Garden with technical advice, expertise and plant material. The Garden has reciprocated with similar exchanges of expertise and also hosted visits from horticultural trainees from many of these Gardens. There is a developing network through the charity's outreach programme including the small community garden in North Kensington and with organisations such as St Mungo's and The Passage.

At a local level the charity engages with what is going on within the borough of Kensington and Chelsea, and particularly within the environs of Chelsea and Kings Road. The Garden pays attention to activities relating to tourism, education and community initiatives that it can support and promote either actively or passively. Representatives from the charity attend meetings and networking events of the Kings Road Business Forum and The Chelsea Society and they work with the Royal Hospital, Chelsea and the National Army Museum. The Director sits on the Committee of London Gardens Network, whose aim is to support and develop the skills and opportunities for professional gardeners. She is a Trustee of The London Gardens Society, a charity whose purpose is to stimulate pride in London especially by cultivating flowers and home gardens. She is a Liveryman of the Worshipful Company of Gardeners.

All intra-group transactions have taken place in the normal course of business. There are no other related party transactions requiring disclosure.

Aims and Objectives

Purpose and principal activities

The charitable purpose and objectives of the charity are to demonstrate the medicinal, economic, cultural and environmental importance of plants to the survival and well-being of humankind.

Chelsea Physic Garden carries out this charitable purpose for the public benefit by:

- providing programmes of educational activities, publications and events;
- maintaining documented plant collections in labelled and interpreted displays in an historic botanic garden;
- demonstrating the development of the science and practice of horticulture, botany and related disciplines through the historical role of the garden; and
- promoting the importance of the conservation of plants and the natural environment.

Ensuring our work delivers our aims for the public benefit

The aims and activities of the company as a charity are reviewed each year. Public engagement and the conservation and care of Chelsea Physic Garden's collections are at the core of the charity's activities. The annual review looks at what has been achieved and the outcome and impact of that work in the previous 12 months against the key performance indicators monitored throughout the year. The principal performance indicators relate to:

- overall number of visitors to the Garden and admissions income;
- total number of School Learners;
- total number of Learners on Outreach visits and Community Engagement participants;
- number of participants on Public programmes and Family activity days;
- the number of Friends of the Garden;
- retail revenue;
- venue hire revenue;
- website and social media activity; and
- fundraising activity to support operating and capital projects.

Public benefit statement

The charity Trustees consider that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission and that the benefits that the charity provides are not unreasonably restricted.

The directors ensure the charity delivers public benefit by:
- admitting the public to the Garden on payment of a modest admission charge;
- maintaining a Friends scheme;
- providing a range of learning and public programmes on and off-site;
- site and collections interpretation;
- publications and digital resources; and
- providing guided tours, visitor services and on-line access.

Our activities

We aim to demonstrate horticultural and botanical excellence in the presentation of the Garden, whilst interpreting it in an interesting and accessible manner. Work continues to maintain interest in the horticultural displays and whilst the layout of the Garden remains largely unchanged, seasonal planting and interpretation is introduced in order to interpret the collections and extend the season. Maintenance and redecoration work continues, ensuring that we maintain standards of presentation pending major refurbishment.

Notwithstanding the impact of the COVID-19 global pandemic the impact of which is detailed later in this report, in normal times, the Garden is open to visitors 11 months of the year, six days a week; it maintains longer opening hours (11am- 6pm) between April and October and has evening openings on Tuesdays and Wednesdays in July and August staying open until 10pm. Saturdays are exclusively reserved for private hire.

Because of the effect of the COVID-19 pandemic, repeated restrictions on travel, a period of forced closure in 2020 the Garden welcomed 35,583 visitors, a decrease of 50% on 2019. The number of Friends at 31 December was 5,975, a decrease of 8.25% on 2019.

Income from commercial lettings should form a significant part of the charity's income. Information relating to private hire and to the Garden's programme of events and activities is posted on the website and is promoted via the monthly e-newsletter, and of this activity has been substantially affected by and curtailed by the restrictions in place throughout the year. Very little venue hire has been possible and any has been very small scale, the public programme has been delivered digitally.

Our activities *(continued)*

The collaboration with Beefeater Gin through the London Garden Gin product and their charitable donation to the Garden continued in 2020. An agreement has been reached with Octopus Publishing for the production of a Garden Herbal and an initial charitable donation has been made by them.

The City Bridge Trust and the Band Trust have continued their support of the outreach programme which enabled this to continue. The Garden was able to welcome 722 learners to the Garden and a further 439 took part in some form of activity off-site either within their own space or at the community Garden. We are clear that this substantial decrease in physical engagement with learners was a consequence of education institutions having to adapt repeated closures and to restrictions on travel. We have used the funding to develop and launch various digital resources. In the year we had 2,346 digital downloads of our learning resources and 814 participants on our digital public programme. The committed funding has been in place to the end of 2020 and efforts are underway to secure new funding to continue the programmes.

Funding from private individuals and charitable trusts, including the continued generous support from the Eranda Rothschild Foundation, has ensured that the Garden continues to be able to offer a one year horticultural training programme specifically tailored to improving the skills of successful candidates in working in an historic botanical garden open to the public. In 2020 we were able to only secure funding for one trainee. The intern programme has been able to continue, with a student able to take up a placement during the summer undertaking periods of study.

Future vision

Progress on achieving the overall objective to update the Gardens horticultural and learning facilities and infrastructure; to improve and enhance the overall accessibility and experience for visitors, as part of its 350 anniversary celebrations in 2023 continue.

The first phase of this is restoration and reinterpretation of the Garden's Victorian Glasshouses. The National Lottery Heritage Fund (NLHF) approved a first round grant of £172,500 in December 2019 and work has been undertaken to prepare a detailed plan to fully repair the Glasshouses to better care for the plant collections, to improve the interpretation unlocking stories that help visitors understand the value of plants in their lives, together with important conservation and biodiversity and environmental issues.

Fundraising has been successfully undertaken to fully support the project including a delivery grant award from the NLHF.

COVID-19

In line with Government guidance, the charity closed the Garden to all but essential workers on 22 March 2020 in order to comply with guidance on supporting the requirement to stay at home and self-isolate, to try and contain the virus. In line with the guidance relating to open spaces the Garden reopened at the beginning of June 2020. Throughout the year the Garden has been able to continue to be open to Friends and members of the public for essential exercise and well-being visits.

The retail operation reopened in the Garden in June 2020 but it became apparent that it was not financially viable to keep this operating and it was therefore closed and mothballed at the end of September 2020 for the time being, until retail sentiment returned and it reopened in April 2021 on a limited basis. Two staff roles were disestablished consequently.

Venue hire activity has been substantially affected because of the restrictions imposed with the vast majority of bookings postponed. The majority have been able to be reorganised and will, it is hoped be able to be accommodated some time in 2021.

COVID-19 *(continued)*

The Garden's catering partners have been very flexible in responding to the different changes in legislation relating to food and drink venues and alternatively offered takeaway and table service. Their trading performance and consequently the income received by the Garden has been affected.

A Board and senior management subcommittee meet monthly to review the performance and financial stability of the company and its trading subsidiary. They monitor and review all the key performance indicators, all major income and expenditure and monitor closely the cash flow to ensure that the company and trading subsidiary are able to meet their liabilities and can continue to trading on an ongoing concern basis.

Volunteers

The Garden's team of volunteers, 135 (2019: 127) in total, provides invaluable support across the charity and their numbers have risen slightly. Recruitment of volunteers throughout the year to support all areas of our activity continues, to improve our care of the Garden, our collections and the standard of service offered to visitors. Around 32 (2019: 46) volunteers support horticulture; 9 (2019: 10) in administration; 17 support the learning and public engagement programme; whilst the largest proportion of volunteers, 77 (2019: 63) in 2020, helped support the Garden. The annual programme of new Guide recruitment was undertaken and the training sessions completed prior to the first lockdown, but the new Guides had little opportunity to practice their newly acquired skills. Guided tours were undertaken in the summer for groups of no more than six until restrictions again made this not possible.

In line with the closing of the Garden due to COVID-19 volunteers have continued to support the Garden remotely, some carrying out research, as well as support with internal communications and they remain ready to return when restrictions allow.

Fundraising statement

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not currently undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." We have an on-line donation page for the Glasshouse Appeal which was created during the year. At 31 December 2020 £11,440 had been received specifically for this Appeal via the website. Such amounts received are presented in our accounts as "voluntary income" and include legacies and grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators, professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the senior management team, who are accountable to the Trustees.

The charity is not bound by any undertaking to any regulatory scheme however the charity voluntarily follows The Code of Fundraising Practice.

The charity has received no complaints in relation to fundraising activities. The charity monitors the activities of its employees including those responsible for fundraising with regular reports prepared for Trustees.

Principal Funding Sources

Income is principally generated by the charity from charging visitors admission to enter the Garden, from annual subscriptions from Friends of the Garden and from the Adult education programme. In addition, the commercial activities of CPG Enterprises Limited make a significant contribution to the funding of the charity. The charity also holds long-term investments in the form of an Endowment Fund. This endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustee's discretion in support of the Charity's work. On 11 June 2020 the Trustees instructed the investment fund managers to liquidate sufficient long term investments to provide cash resources of £500,000 in order to ensure that the charity has sufficient liquidity in a period of substantial uncertainty. At 31 December 2020 the endowment fund value was £3,300,797.

Trust and Major Donors 2020

The Garden is fortunate to have the support of a number of Charitable Trusts and Foundations together with many individuals who make donations supporting capital works and the charity as a whole. In 2020 grants were received from the following generous donors:

General
Culture Recovery Fund
The David Laing Foundation
Garden House School
John and Diana Kemp-Welch Charitable Trust
Joyce Hogge Legacy
The Stonewall Park Charitable Trust

Horticultural Education, Horticultural Trainees and Garden Projects
Dianne Edwards
The Barbara Whatmore Charitable Trust
The Eranda Foundation
The Finnis Scott Foundation
The Stanley Smith (UK) Horticultural Trust

Education and Outreach Projects
City Bridge Trust
John Lyon's Charity
Mrs R U B White Charitable Trust

Glasshouse Restoration Project
National Lottery Heritage Fund
The Band Trust
John Balson Legacy
The Hobson Charity Ltd
The John Armitage Charitable Trust
The John Swire 1989 Charitable Trust
Lady Sandra Lean Legacy
The Peter Stormonth Darling Charitable Trust
The Pilgrim Trust

Trust and Major Donors 2020 *(continued)*

With special thanks to The John Browne Charitable Trust and Hothouse Challenge Donors, including:

Augusta Charitable Trust
Chelsea Physic Garden Florilegium Society
The Consuelo and Anthony Brooke Charitable Trust
David and Emma Verey Charitable Trust
Mr Stephen Edge
The Hon William & Mrs Gibson
The Golden Bottle Trust
The Hon Lady Arabella Lennox-Boyd
London Gardens Network
The Marchus Trust
Bryan Mayou FRCS
Mr Michael McGonigle
Daniel & Marcella Pinto
Mr Michael Prideaux
Mrs Sue Prideaux
The R H Charitable Trust
Libby and David Richwhite
Adrian Sassoon
Dr Martin Schoernig
Sir James & Lady Scott
Stevenson Family's Charitable Trust
The Worshipful Society of the Apothecaries of London

CPG350: Sowing the Seeds of Discover Project
Daniel & Marcella Pinto

And all our donors who wish to remain anonymous.

Investment Policy

The directors have considered the most appropriate policy for managing the charity's endowment funds and unrestricted reserves. They have delegated management of these funds to a specialist fund manager, Sarasin & Partners LLP. The investment mandate set for the fund manager is to provide a level of annual income to support the running of the charity, whilst also looking to achieve long term capital growth of the funds.

Reserves

Total funds at the year-end amount to £4,981,386 (2019: £4,856,770) of which £479,789 (2019: £278,449) can only be used for particular restricted purposes as stipulated by the donors. The assets and liabilities attributable to the various funds are shown in notes 18 and 19 to the financial statements which also describe the various funds of the charity.

Unrestricted funds amount to £1,200,800 (2019: £942,864), of which £950,800 (2019 - £692,864) is freely available as the directors consider the Endowment funds of £3,300,797 (2019: £3,635,457) to be available only in exceptional circumstances. The charity relies on the income generated from these long term investments (and also from its own activities) for the day to day upkeep of the Garden and for capital growth to ensure continued income generation in future years.

The directors review annually the reserves policy and have set the target level of free reserves at the equivalent of operational expenditure over the next six months which equates to £907,700. The freely available reserves of £950,800 equate to a little over six months of expenditure reserve and are therefore broadly in line with this reserves policy.

Financial review

The results for the year show net deficit of £40,724 compared with a net surplus of £251,474 in 2019 and a net surplus (after unrealised gains) of £124,616 compared with £742,837 in 2019. After a year of uncertainty because of the impact of COVID-19, the balance sheets shows a positive position, in all the circumstances.

The Garden's trading subsidiary, CPG Enterprises Limited, showed a pre-tax profit of £15,169 (2019: £82,536), before a donation under deed of covenant was made to the Garden.

Income from letting rooms and external events in the Garden was £64,745 (2019: £386,006) which was 4% (2019 - 17%) of total income. The income received from the Friends related to the renewal of annual subscriptions to the Friends' scheme and the making of new Friends of the Garden generated an income of £272,030 (2019: £295,700).

Total expenditure of £1,801,904 decreased by 9.5% (2019 - £1,991,775). The decreases were in wage, energy, water, printing, stationary and marketing costs.

Going concern

In assessing the impact of COVID-19 on The Chelsea Physic Garden Company group, the Directors have considered all the matters described in the Directors' Report, including the group's operations, the impact on subscriptions, donation, and other trading activities, as well as the impact on the group's investment portfolio. In particular, in order to support the Directors' assessment of the sustainability of the group's activities, management continues to prepare monthly cash-flow forecasts based on assumptions, through to the end of 2022 that reflect possible scenarios arising from the impact of COVID-19. The major revenue and expenditure budgets are tracked on a month by month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure through 2021 up to December 2022. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsidiary which undertakes certain commercial trading activities of the group, has been subjected to separate stress tests for a period which extends forward to the end of 2022. Whilst the closure of the Garden to visitors between 22 March and 8 June 2020 and the subsequent restrictions that remained in place throughout the year resulted in the cancellation of events, the curtailment of the café's operations and the closure of the shop within the Garden (reopening on 12 April 2021), together with the curtailment of other trading activities ordinarily undertaken by CPG Enterprises Ltd, the stress tests demonstrate that the trading company remains an independent going concern throughout.

At the date of signing of these financial statements, the directors' forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern. The directors therefore consider that no material uncertainty exists in relation to going concern for the Group.

Charity Governance Code

The Board of Trustees is committed to good governance and to its own and the charity's continuous improvement in delivering its purposes most effectively for the public benefit.

The charity is in the process of reviewing the Charity Corporate Governance Code and is considering whether to implement any changes in response.

Plans for Future Periods

In anticipation of the Garden's 350th anniversary in 2023 the charity continues work on the development of the project's aims to achieve improvements to and refurbishment of the visitor, horticultural and learning facilities and infrastructure and to improve and enhance the overall accessibility and experience for visitors.

The first phase of this project is the restoration and reinterpretation of the Glasshouses at an estimated cost of £2.8m. The National Lottery Heritage Fund awarded a Development Grant of £172,500 towards the overall development phase costs of £487,241. At 31 December 2020, £201,489 had been received. The directors have designated funds amounting to £250,000 in 2020 from the operating surplus and reserves to be spent as a contribution in order to support this project.

COVID-19

The impact of COVID-19 on future plans has to date had a negligible effect on the timetable to progress activities associated with the Glasshouse capital project as most of the work either has already been achieved or can continue remotely and it is anticipated that progress to completion to the end of RIBA Stage III has been achieved. A Second Round application has been submitted to the National Lottery Heritage Fund and received on 23 March 2021.

Fundraising progress to raise the balance of funds needed for the Glasshouse project to progress from RIBA Stage III to completion is ongoing and substantial progress has been achieved with a specific Challenge fundraising initiative in progress. Active communication with current funders and with the National Lottery Heritage Fund continues throughout.

Other capital projects are modest in nature and only commence when all funding is in in place to meet the full cost of the activity.

Recruitment and Appointment of the Board

All members of the Board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 9 to the financial statements.

The Nominations and Appointments Committee is charged with setting and regularly reviewing the requisite skills and competencies for board members and members of committees/panels, undertaking recruitment searches and recommending appointments as required to ensure there is an appropriate mix of skills.

Trustee Induction and Training

New Trustees are invited and encouraged to attend at the Garden to familiarise themselves with the charity and the context within which it operates, including meeting with senior management and taking tours with the volunteer Guides. They are invited to attend the main Spring briefing and the subsequent quarterly staff and volunteer briefing sessions.

Pay policy of senior staff

A sub-committee of the Board, the Remuneration Committee, is responsible for annually reviewing the pay and conditions of staff and volunteer expense remuneration. Benchmarking is undertaken within the relevant sector of all vacant roles prior to re-advertising. A bi-annual benchmarking programme is undertaken for all roles within the horticultural sector to ensure that the Garden's pay and conditions are in line with comparable organisations.

Risk Management

The directors actively review the major risks which the charity might face, in particular those relating to governance, reputation, operations and finance. As part of the risk monitoring infrastructure the charity maintains an active risk register, business continuity and disaster plan. These are regularly reviewed to ensure relevance and in 2020 the new monitoring arrangements introduced in 2019 became established. The charity annually reviews its insurance provision including the type of cover and overall levels of cover.

The Board puts great emphasis on active monitoring of the financial risks for both the charity and its subsidiary including the liquid funds to settle debts as they fall due, the active management of trade debtors and creditor balances and ensuring sufficient working capital is available to the charity and its subsidiary company.

The directors believe that maintaining free reserves at the levels stated above, combined with regular reviews of the controls over key financial systems, will provide sufficient protection for the charity in the event of adverse operating conditions.

The risk associated with the impacts of COVID-19 pandemic are being monitored closely by management on a daily basis and reported regularly to Trustees, as a minimum weekly or more regularly if necessary, including the effect on the charity's ability to deliver its public benefit agenda and up to date information on the cash flow position.

Provision of information to auditors

Each of the persons who are directors at the time when the Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- that the director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing his report and to establish that the company's auditor is aware of that information.

This report, including the strategic report, was approved by the Board on 22 July 2021 and signed on its behalf by:

Michael Prideaux
Director

Colin Chisholm
Director

Directors' responsibilities statement for the year ended 31 December 2020

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company and charity law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the group and parent charity and of the incoming resources and application of resources, including its income and expenditure, of the group for the year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and Companies Act 2006. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report
To the Directors of The Chelsea Physic Garden Company
for the year ended 31 December 2020

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The Chelsea Physic Garden Company ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 December 2020 which comprise the consolidated statement of financial activities (including consolidated income and expenditure account), the consolidated and charity parent balance sheet, the statement of consolidated cash flows and notes forming part of the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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 related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charitable Company'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 Trustees are responsible for the other information. The other information comprises the information included in the Consolidated Report, other than the financial statements and our auditor's report thereon. The other information comprises: the Directors' 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.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's 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 by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or

- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of Directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Directors' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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 Group's and the Parent 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 Group or the Parent 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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

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 is detailed below:

Based on our understanding of the charitable company and the sector in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be relevant charities acts in the UK and Ireland. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. We considered the charitable company's own assessment of the risks that irregularities may occur either as a result of fraud or error. We also considered the risks of non-compliance with other requirements imposed by the Companies House and Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements.

In addition, the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, fundraising regulations, data protection and health and safety legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

We understood how the charitable company is complying with those legal and regulatory frameworks by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes and correspondences with HMRC and the various charity regulators.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries of the Board of Trustees and management, and a review of minutes of meetings of those charged with governance. We made enquiries regarding any matters identified as a Serious Incident as reportable to the Charity Commission of England and Wales. We also performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

We did not identify any matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls, including testing journals including those which potentially impact remuneration and other performance targets and evaluating whether there was evidence of bias by management or the Board that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:
https://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.

DocuSigned by:
Paul Clark
7AF3AA992E64437...

Paul Clark (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London,
United Kingdom

Date: 06 August 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated statement of financial activities
(including consolidated income and expenditure account)
for the year ended 31 December 2020

	Note	Unrestricted funds £	Endowment funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income from:						
Donations and legacies	2	342,767	-	634,455	**977,222**	626,196
Other trading activities	3	200,685	-	-	**200,685**	859,894
Charitable activities	4	403,538	-	-	**403,538**	604,302
Other income		47,752	-	-	**47,752**	11,521
Investments	5	131,983	-	-	**131,983**	141,336
Total income		**1,126,725**	**-**	**634,455**	**1,761,180**	2,243,249
Expenditure on:						
Charitable activities	8	1,067,750	-	436,349	**1,504,099**	1,508,519
Raising funds	9	273,233	24,572	-	**297,805**	483,256
Total expenditure	7	**1,340,983**	**24,572**	**436,349**	**1,801,904**	1,991,775
Net income/(expenditure) before gains, losses and transfers	6	**(214,258)**	**(24,572)**	**198,106**	**(40,724)**	251,474
Net gain on investments	13	-	165,340	-	**165,340**	491,363
Net surplus/(deficit) before transfers		**(214,258)**	**140,768**	**198,106**	**124,616**	742,837
Transfers between funds	18	472,194	(475,428)	3,234	**-**	-
Net movement in funds		**257,936**	**(334,660)**	**201,340**	**124,616**	742,837
Reconciliation of funds						
Total funds brought forward at 1 January 2020	18	942,864	3,635,457	278,449	**4,856,770**	4,113,933
Total funds carried forward at 31 December 2020	18	1,200,800	3,300,797	479,789	**4,981,386**	4,856,770

All results are derived from continuing activities.

The group has no other recognised gains and losses other than those stated above.

The notes on pages 22 to 44 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated balance sheet
at 31 December 2020

Company number 1690871

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	12		**249,605**		278,590
Investments	13		**3,300,797**		3,635,457
			3,550,402		3,914,047
Current assets					
Stocks	14	**22,575**		44,111	
Debtors	15	**52,041**		121,775	
Cash at bank and in hand	23	**1,831,333**		1,136,426	
		1,905,949		1,302,312	
Creditors: amounts falling due within one year	16	**(474,965)**		(359,589)	
Net current assets			**1,430,984**		942,723
Net assets	19		**4,981,386**		4,856,770
Funds					
Unrestricted:					
General	18	**950,800**		692,864	
Designated	18	**250,000**		250,000	
Restricted funds	18	**479,789**		278,449	
Endowment funds	18	**3,300,797**		3,635,457	
Total funds	18		**4,981,386**		4,856,770

The financial statements were approved and authorised for issue by the Board and authorised for issue on

22 July 2021

M.P.

Colin Chisholm

Michael Prideaux
Director

Colin Chisholm
Director

The notes on pages 22 to 44 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Charity balance sheet
at 31 December 2020

Company number 1690871

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	12		**247,372**		275,872
Investments	13		**3,300,897**		3,635,557
			3,548,269		3,911,429
Current assets					
Debtors	15	**25,339**		107,895	
Cash at bank and in hand	23	**1,758,117**		1,101,755	
		1,783,456		1,209,650	
Creditors: amounts falling due within one year	16	**(355,017)**		(268,987)	
Net current assets			**1,428,439**		940,663
Net assets	19		**4,976,708**		4,852,092
Funds					
Unrestricted:					
General	18	**946,122**		688,186	
Designated	18	**250,000**		250,000	
Restricted funds	18	**479,789**		278,449	
Endowment funds	18	**3,300,797**		3,635,457	
Total funds	18		**4,976,708**		4,852,092

As permitted by section 408 of the Companies Act 2006, the Parent Charitable Company's profit and loss account has not been included in these financial statements. The surplus for the year was £124,616 (2019: £742,837).

The financial statements were approved and authorised for issue by the Board and authorised for issue on 22 July 2021

M.P.S.

Michael Prideaux
Director

Colin Chisholm
Director

The notes on pages 22 to 44 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Statement of consolidated cash flows at 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net movement in funds		**124,616**	742,837
Gain on investments		**(165,340)**	(491,363)
Investment income		**(131,983)**	(141,336)
Depreciation		**28,985**	37,999
Decrease/(increase) in debtors		**69,734**	(91,077)
Increase in creditors		**115,376**	29,429
Decrease/(increase) in stocks		**21,536**	(7,983)
		62,924	78,506
Cash flows from investing activities			
Investment income	5	**131,983**	141,336
Disposal of investments	13	**500,000**	-
Purchase of PPE	12	**-**	(15,276)
		631,983	126,060
Increase in cash for the year		**694,907**	204,566
Cash at beginning of year		**1,136,426**	931,860
Cash at end of year	21,22	**1,831,333**	1,136,426

The notes on pages 22 to 44 form part of these financial statements.

1 Accounting policies

The Chelsea Physic Garden Company is a registered charity and incorporated in England and Wales under the Companies Act 2006. It is a company limited by guarantee. The address of the registered office is given on page 1 of the Directors' report.

The principal accounting policies adopted, judgements and key sources of estimation or uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared on a historic cost basis except for the revaluation of investments.

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) (effective 1 January 2019) - (Charities SORP, 2nd Edition (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

Exemptions for qualifying entities under FRS 102

The parent charitable company has taken the following disclosure exemptions:

- from preparing a statement of cash flows on the basis that it is a qualifying entity and the group cash flow statement included within these financial statements, include the company's cash flows; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

Going concern

In assessing the impact of COVID-19 on The Chelsea Physic Garden Company group, the Directors have considered all the matters described in the Directors' Report, including the group's operations, the impact on subscriptions, donation, and other trading activities, as well as the impact on the group's investment portfolio. In particular, in order to support the Directors' assessment of the sustainability of the group's activities, management continues to prepare monthly cash-flow forecasts based on assumptions, through to the end of 2022 that reflect possible scenarios arising from the impact of COVID-19. The major revenue and expenditure budgets are tracked on a month by month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure through 2021 up to December 2022. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsidiary which undertakes certain commercial trading activities of the group, has been subjected to separate stress tests for a period which extends forward to the end of 2022. Whilst the closure of the Garden to visitors between 22 March and 8 June 2020 and the subsequent restrictions that remained in place throughout the year have resulted in the cancellation of events, the curtailment of the café's operations and the closure of the shop within the Garden (reopening on 12 April 2021), together with the curtailment of other trading activities ordinarily undertaken by CPG Enterprises Ltd, the stress tests demonstrate that the trading company remains an independent going concern throughout.

1 Accounting policies *(continued)*

Going concern (continued)

At the date of signing of these financial statements, the directors' forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern.

The directors therefore consider that no material uncertainty exists in relation to going concern for the Group.

Consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary of CPG Enterprises Limited on a line by line basis. A separate Statement of Financial Activities, or income and expenditure account for the charitable company itself, is not presented in these accounts because the charitable company has taken advantage of the exemptions offered by Section 408 of the Companies Act 2006.

Income

Donations, grants and legacies

Cash donations and gifts are included in the Statement of Financial Activities when conditions for their receipt have been met. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods.

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 Trust 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 likely 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.

Payments received from the government for furloughed employees are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised in income in the period in which it becomes receivable and the related expense is incurred.

Commercial trading operations

Shop income comprises revenue recognised by the company in respect of goods supplied, exclusive of Value Added Tax and trade discounts. Lettings income comprises revenue recognised by the company in relation to the lettings of the grounds and associated facility fees.

Income from fundraising events is included in the financial statements in the period in which the fundraising event takes place.

Income from royalties comprises of revenue from the sale and publication of botanical books.

1 Accounting policies *(continued)*

Gift Aid

The charity owns the whole of the issued share capital of CPG Enterprises Limited.

Each year CPG Enterprises Limited pays to the charity, under the provisions related to Gift Aid, a sum based on the taxable profits of the company. The payment of Gift Aid is subject to the reserves policy of the gifting entity, and the approval of the charity.

Gift Aid is recognised on the accruals basis in line with the deed of covenant.

Investment income

Dividends are included in the Statement of Financial Activities when they are declared at an amount, which includes the tax credit recoverable from the H M Revenue and Customs.

Interest is included when receivable by the group.

Income from charitable activities

Admissions are recognised when received by the group. Friends subscriptions are recognised over the period to which they relate, any relating to future periods is deferred. Life subscriptions are recognised as they are received.

Expenditure

Expenditure is recognised on an accruals basis in the period in which it is incurred. Costs of raising funds for commercial trading operations comprise the costs associated with the letting of grounds and goods supplied.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs including governance costs are allocated between the expenditure categories of the charity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are charged directly, others are apportioned on an appropriate basis.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the directors. These include the assets of the trading company. The directors use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

The **Endowment** Fund is an expendable Endowment and represents investments and cash which continue to be used by the directors in the best interests of the charity. The endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustee's discretion in support of the Charity's work.

Restricted funds can only be used for the particular restricted purposes within the objectives of the charity. Restrictions are imposed by the donor or when funds are raised for specified restricted purposes. The notes to the financial statements provide further details.

1 Accounting policies *(continued)*

Tangible fixed assets

Generally, tangible fixed assets are capitalised if they can be used for more than one year and cost at least £2,500. They are valued at cost.

The charity does not have a policy on revaluation. A nominal value of £1 is put on the main buildings and gardens which are leased in perpetuity for a rent of £5 a year.

Depreciation of fixed assets is charged at rates estimated to write off their costs over the expected useful lives. The rates used are as follows:

Buildings	-	2% of cost
Improvements	-	10% of cost
Office fixtures and equipment	-	20% of cost
Horticultural equipment	-	20% of cost
Computer equipment	-	20% of cost

Stock

Stock is included at the lower of cost and net realisable value and consists of goods for resale.

Investments

Listed investments are stated at closing market value at the balance sheet date. Unrealised gain or loss is calculated as the difference between opening and closing market value, as adjusted for additions and disposals in the year.

Investments held in subsidiary companies are recognised at cost.

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.

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.

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.

Financial instruments

The group 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.

1 Accounting policies *(continued)*

Leased assets

The group has operating leases. Their annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Pension scheme contribution

The charity does not operate its own pension scheme. Pension costs relate to payments made by the group to the personal pension plans of employees.

Estimates and judgments

There are not considered to be any significant estimates and judgements involved in the preparation of the financial statements. Those estimates and judgements made, which are not considered to be significant, are covered by the other accounting policies.

2 Income from donations, grants and legacies

	Unrestricted funds £	Restricted funds £	2020 £	2019 £
Donations and legacies	**128,667**	**634,455**	**763,122**	626,196
Government grants	**214,100**	**-**	**214,100**	-
	342,767	**634,455**	**977,222**	626,196
Total 2019	150,249	475,947	626,196	

Government grants of £214,100 relate to grant income received under the Culture Recovery Fund scheme administered by the National Lottery Heritage Fund to support small scale capital expenditure and contribution to core costs including staff wages.

3 Income from other trading activities

	2020 £	2019 £
Commissions and letting of rooms	**64,745**	386,006
Shop income	**84,049**	235,343
Fundraising events	**49,724**	234,545
Royalties	**2,167**	4,000
Commercial trading operations	**200,685**	859,894

All income from trading activities was unrestricted in the current and preceding year.

4 Income from charitable activities

	2020 £	2019 £
Admissions	**131,407**	308,602
Friends subscriptions	**272,030**	295,700
Art in the Garden	**101**	-
	403,538	604,302

All income from charitable activities was unrestricted in the current and preceding year.

5 Investment income

	2020 £	2019 £
Income from fixed asset distribution unit funds	**131,983**	141,336
	131,983	141,336

Income from investments was fully unrestricted in the current and preceding year.

6 Net income

	2020 £	2019 £
Net income for the year is stated after charging:		
Auditor's remuneration	**24,500**	19,950
Accountancy services	**4,800**	4,575
Depreciation of tangible fixed assets	**28,985**	37,999

7 Total expenditure

	Staff costs £	Premises costs £	Depreciation £	Other costs £	Total 2020 £
Charitable activities (note 8)	802,563	142,786	26,534	532,216	**1,504,099**
Raising funds (note 9)	173,248	2,305	2,451	119,801	**297,805**
	975,811	**145,091**	**28,985**	**652,017**	**1,801,904**

	Staff costs £	Premises costs £	Depreciation £	Other costs £	Total 2019 £
Charitable activities (note 8)	786,804	180,948	34,967	505,800	1,508,519
Raising funds (note 9)	178,073	12,176	3,032	289,975	483,256
	964,877	193,124	37,999	795,775	1,991,775

Total expenditure for the year was £1,801,904 (2019: £1,991,775) of which £436,349 was restricted (2019: £286,842), £1,340,983 was unrestricted (2019: £1,679,645) and £24,572 (2019: £25,288) related to endowment funds.

8 Expenditure on charitable activities

	Direct £	Support £	Total 2020 £
Science and horticulture	**453,119**	**-**	**453,119**
Educational programmes	**122,537**	**-**	**122,537**
Other projects	**687,354**	**241,089**	**928,443**
	1,263,010	**241,089**	**1,504,099**

	Direct £	Support £	Total 2019 £
Science and horticulture	611,348	-	611,348
Educational programmes	108,548	-	108,548
Other projects	526,851	261,772	788,623
	1,246,747	261,772	1,508,519

Expenditure on charitable activities in the year was £1,504,519 (2019: £1,508,519) of which £436,349 was restricted (2019: £286,842), £1,067,750 was unrestricted (2019: £1,221,677) and £Nil was relating to endowment funds (2019: £Nil).

Analysis of direct costs

	Total 2020 £	Total 2019 £
Wages and Salaries	**655,293**	620,535
Depreciation	**24,981**	29,972
Materials	**7,166**	17,426
Equipment	**1,949**	9,549
Repairs, maintenance & cleaning	**111,658**	115,302
Security	**6,066**	7,956
Advertising and marketing	**44,304**	41,325
Education costs	**23,954**	48,055
Recruitment	**16,330**	17,295
Rent, rates, water, heat & light	**23,240**	33,339
Travel, subsistence & entertaining	**5,093**	27,362
Insurance	**30,938**	30,240
Printing, postage & stationary	**39,293**	49,595
Telephone and internet	**4,614**	5,286
Ticket commissions	**8,247**	3,040
Professional fees	**195,546**	93,216
Other costs	**54,338**	97,254
Total	**1,263,010**	1,246,747

8 Expenditure on charitable activities *(continued)*

Analysis of support costs

	Total 2020 £	Total 2019 £
Wages and Salaries	**137,270**	166,269
Depreciation	**1,553**	4,995
Repairs, maintenance & cleaning	**-**	17,469
Security	**377**	1,326
Advertising and marketing	**2,754**	6,808
Recruitment	**1,015**	2,883
Rent, rates, water, heat & light	**1,445**	5,557
Travel, subsistence & entertaining	**201**	2,904
Printing, postage & stationary	**2,415**	7,939
Telephone and internet	**287**	881
Professional fees	**11,752**	13,994
Other costs	**2,938**	6,614
Governance costs	**79,082**	24,133
Total	**241,089**	261,772

Support costs are allocated on an apportionment basis as follows:

	2020	2019
Total employees	29	30
Support staff	2	4
% for apportionment	6.9%	13.3%

Any cost that can be directly attributed to the charitable activities are allocated before any apportionment of costs.

The % of expenditure allocated to support costs has decreased due to the reduction in the number of support staff.

Governance costs relate to audit and accountancy fees, legal fees and finance charges.

9 Expenditure on raising funds

	2020 £	2019 £
Wages and salaries	**173,248**	178,073
Expenditure of CPG Enterprises (including depreciation)	**60,641**	190,909
Fundraising costs of charity	**31,309**	35,685
Investment manager fees	**24,572**	25,288
Costs incurred on fundraising fair	**8,035**	53,301
	297,805	483,256

Expenditure on raising funds for the year was £297,805 (2019: £483,256) of which £24,572 (2019: £25,288) related to endowment funds and £273,233 (2019: £457,968) related to unrestricted funds.

Other than those costs that wholly relate to fundraising costs all other expenditure on raising funds is based on an apportionment basis as follows:

	2020	2019
Total employees	29	30
Fundraising staff	2	2
% for apportionment	6.9%	6.7%

10 Directors and employees

	Group 2020 £	Group 2019 £
Wages and salaries	**860,152**	857,279
Social security costs	**66,572**	73,989
Pension costs	**47,467**	33,609
Temporary staff	**1,620**	-
	975,811	964,877

The group does not operate its own pension scheme. Pension costs relate to payments made by the group to the personal pension plans of employees.

10 Directors and employees *(continued)*

Average number of employees as a headcount:

	Group 2020 Number	Group 2019 Number
Charitable	**25**	24
Administration and support	**2**	4
Fundraising	**2**	2
	29	30

The group was helped by a substantial number of volunteers, approximately 135 (2019: 127) throughout the year.

The key management personnel of the group, include a number of senior managers across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total employment benefits paid to key management personnel of the group were £455,861 (2019: £446,711).

Salary range for employees earning £60,000 p.a. or more	2020	2019
£60,000 - £69,999	**1**	1
£70,000 - £79,999	**-**	-
£80,000 - £89,999	**-**	1
£90,000 - £99,999	**1**	-

Redundancy, restructuring and termination costs relating to a number of employees were £8,415 (2019: £Nil).

Government grants relating to furloughed staff were received of £46,723 (2019: £Nil). The furlough claim is included within Other Income.

Directors' remuneration and expenses

None of the directors received any remuneration. During the year one director received £127 expense reimbursement (2019 – £223 expense reimbursed).

11 Taxation

The Chelsea Physic Garden Company is a registered charity and has no liability to taxation on its income for the year. Tax recovered from voluntary income received under gift aid is recognised when the related income is receivable and is allocated to the income category to which the income relates.

12 Tangible assets

Group

	Buildings and improvements £	Office fixtures and equipment £	Horticultural equipment £	Computer equipment £	Total £
Cost					
At 1 January 2020	695,457	209,686	15,167	111,691	1,032,001
Additions	-	-	-	-	-
At 31 December 2020	**695,457**	**209,686**	**15,167**	**111,691**	**1,032,001**
Depreciation					
At 1 January 2020	459,287	176,857	15,048	102,219	753,411
Charge for the year	17,968	6,250	119	4,648	28,985
At 31 December 2020	**477,255**	**183,107**	**15,167**	**106,867**	**782,396**
Net book value					
At 31 December 2020	**218,202**	**26,579**	**-**	**4,824**	**249,605**
At 31 December 2019	236,170	32,829	119	9,472	278,590

12 Tangible assets *(continued)*

Charity

	Buildings and improvements £	Office fixtures and equipment £	Horticultural equipment £	Computer equipment £	Total £
Cost					
At 1 January 2020	695,457	201,573	15,167	111,691	1,023,888
Additions	-	-	-	-	-
At 31 December 2020	**695,457**	**201,573**	**15,167**	**111,691**	**1,023,888**
Depreciation					
At 1 January 2020	459,287	171,462	15,048	102,219	748,016
Charge for the year	17,968	5,765	119	4,648	28,500
At 31 December 2020	477,255	177,227	15,167	106,867	776,516
Net book value					
At 31 December 2020	**218,202**	**24,346**	**-**	**4,824**	**247,372**
At 31 December 2019	236,170	30,111	119	9,472	275,872

13 Fixed asset investments

13a Listed investments

	2020 £	2019 £
Market value at 1 January 2020	**3,635,457**	3,144,094
Disposals	**(500,000)**	-
Gain in the year	**165,340**	491,363
Market value at 31 December 2020	**3,300,797**	3,635,457

Investments are held in listed funds managed by Sarasin & Partners LLP.

The historical cost of the listed investments at 31 December 2020 was £2,876,071 (2019 - £3,358,994).

13b Investments in subsidiaries

	Charity 2020 £	Charity 2019 £
Shares in CPG Enterprises Limited at cost	**100**	100

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Total fixed asset investments	**3,300,797**	**3,300,897**	3,635,457	3,635,557

The wholly owned trading subsidiary, CPG Enterprises Limited (03140004), is registered in the United Kingdom. The principal activity of CPG Enterprises Limited is the running of the shop at The Chelsea Physic Garden and the letting of the grounds of the charity.

At 31 December 2020 the income of CPG Enterprises was £151,007 (2019: £625,484) and expenditure was £135,838 (2019: £542,948). The net assets of CPG Enterprises Limited were £4,778 (2019: £4,778) and the retained profit to that date was £4,678 (2019: £4,678), after payment to Chelsea Physic Garden Company under Gift Aid of £15,169 (2019 - £82,536).

14 Stocks

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Goods for resale	**22,575**	**-**	44,111	-

There is no material difference between what is stated above and the recoverable amount.

15 Debtors

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Amounts falling due within one year:				
Trade debtors	**29,458**	**2,756**	47,232	14,508
Amounts owed by subsidiary	**-**	**-**	-	18,844
Prepayments and accrued income	**16,735**	**16,735**	70,196	70,196
Other debtors	**5,848**	**5,848**	4,347	4,347
	52,041	**25,339**	121,775	107,895

The loan to the subsidiary is unsecured, interest free and repayable on demand.

16 Creditors: amounts falling due within one year

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Trade creditors	**26,155**	**21,636**	25,484	25,483
Amounts owed to subsidiary	**-**	**15,422**	-	-
Other taxation and social security	**22,813**	**15,040**	51,758	45,714
Accruals	**46,027**	**39,027**	42,070	34,486
Deferred income	**379,970**	**263,892**	240,277	163,304
	474,965	**355,017**	359,589	268,987

The loan from the subsidiary is unsecured, interest free and repayable on demand.

17 Deferred income reconciliation

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Balance as at 1 January 2020	**240,277**	**163,304**	203,534	168,744
Amount released to income earned from charitable activities	**(240,277)**	**(163,304)**	(203,534)	(168,744)
Amount deferred in the year	**379,970**	**263,892**	240,277	163,304
Balance at 31 December 2020	**379,970**	**263,892**	240,277	163,304

Deferred income relates mainly to the income received from memberships in relation to the next financial period. Other amounts relate to income received in advance of events booked for the next financial period.

18 Analysis of charitable funds

Group – current year

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2020 £
Unrestricted funds						
General fund	692,864	1,126,725	(1,340,983)	472,194	-	**950,800**
Designated projects funds	250,000	-	-	-	-	**250,000**
Total unrestricted funds	**942,864**	**1,126,725**	**(1,340,983)**	**472,194**	**-**	**1,200,800**
Endowment fund	**3,635,457**	**-**	**(24,572)**	**(475,428)**	**165,340**	**3,300,797**
Restricted funds						
Horticultural Trainees	11,678	23,000	(16,571)	-	-	**18,107**
Historic Glasshouse	24,342	-	-	-	-	**24,342**
Florilegium Society Anniversary Project	2,214	-	(508)	-	-	**1,706**
Digitisation Project	9,554	-	-	-	-	**9,554**
John Lyon's Education Outreach	20,983	22,000	(18,805)	(4,565)	-	**19,613**
Acoustic Panels Project	5,088	-	-	-	-	**5,088**
Band Trust Education Outreach	5,819	-	(3,680)	-	-	**2,139**
Sowing The Seeds Of Discovery/Daniel Pinto	-	105,000	(108,234)	3,234	-	**-**
Turning Point Garden Group	66	-	-	-	-	**66**
Education Outreach	523	-	(188)	-	-	**335**
City Bridge Trust	21,885	50	(26,500)	4,565	-	**-**
Garden Fund Restricted Donations	1,666	1,000	-	-	-	**2,666**
Judith Bronkhurst Donation	141	-	-	-	-	**141**
R.U.B. White Charitable Trust Community Outreach	5,546	5,000	(684)	-	-	**9,862**
Oak Foundation Education Outreach	3,515	-	(360)	-	-	**3,155**
Education and Outreach/Young Offenders	2,683	-	(1,666)	-	-	**1,017**
The Art & healing Power of Plants	4,861	-	(1,827)	-	-	**3,034**
Glasshouses Restorations HLF Funding	155,340	478,405	(256,726)	-	-	**377,019**
Friends Scheme Review	267	-	-	-	-	**267**
Medicinal Plants Research	600	-	(600)	-	-	**-**
Legacy Roger Melvin Monks Horticulture Students Travel	418	-	-	-	-	**418**
John Lyon's family Activity days	1,260	-	-	-	-	**1,260**
Total restricted funds	**278,449**	**634,455**	**(436,349)**	**3,234**	**-**	**479,789**
Total funds	**4,856,770**	**1,761,180**	**(1,801,904)**	**-**	**165,340**	**4,981,386**

18 Analysis of charitable funds *(continued)*

Group – previous year

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	Net gains on investments £	At 31 December 2019 £
Unrestricted funds						
General fund	781,334	1,767,302	(1,679,645)	(176,127)	-	692,864
Designated projects funds	100,000	-	-	150,000	-	250,000
Total unrestricted funds	881,334	1,767,302	(1,679,645)	(26,127)	-	942,864
Endowment fund	3,144,094	-	(25,288)	25,288	491,363	3,635,457
Restricted funds						
Horticultural Trainees	-	52,251	(40,573)	-	-	11,678
Historic Glasshouse	24,342	-	-	-	-	24,342
Florilegium Society Anniversary Project	2,214	-	-	-	-	2,214
Digitisation Project	10,856	-	(1,302)	-	-	9,554
John Lyon's Education Outreach	3,506	22,000	(4,523)	-	-	20,983
Cool Fernery	958	-	(958)	-	-	-
Acoustic Panels Project	7,492	-	(2,404)	-	-	5,088
Band Trust Education Outreach	3,722	15,000	(12,903)	-	-	5,819
*Sowing The Seeds Of Discovery/Daniel Pinto	12,183	105,100	(118,122)	839	-	-
Turning Point Garden Group	216	-	(150)	-	-	66
Education Outreach	523	-	-	-	-	523
Miller Education Garden	1,588	-	(1,588)	-	-	-
City Bridge Trust	6,464	41,300	(25,879)	-	-	21,885
Garden Fund Restricted Donations	1,000	666	-	-	-	1,666
Judith Bronkhurst Donation	1,101	-	(960)	-	-	141
R.U.B. White Charitable Trust Community Outreach	5,000	5,000	(4,454)	-	-	5,546
Oak Foundation Education Outreach	4,657	-	(1,142)	-	-	3,515
Education and Outreach/Young Offenders	2,683	-	-	-	-	2,683
The Art & healing Power of Plants	-	25,000	(20,139)	-	-	4,861
Glasshouses Restorations HLF Funding	-	201,489	(46,149)	-	-	155,340
Friends Scheme Review	-	3,070	(2,803)	-	-	267
Medicinal Plants Research	-	2,600	(2,000)	-	-	600
Legacy Roger Melvin Monks Horticulture Students Travel	-	1,001	(583)	-	-	418
John Lyon's family Activity days	-	1,470	(210)	-	-	1,260
Total restricted funds	88,505	475,947	(286,842)	839	-	278,449
Total funds	4,113,933	2,243,249	(1,991,775)	-	491,363	4,856,770

18 Analysis of charitable funds *(continued)*

Charity – current year

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Net gains on investments £	At 31 December 2020 £
Unrestricted funds						
General fund	688,186	993,936	(1,208,194)	472,194	-	**946,122**
Designated projects funds	250,000	-	-	-	-	**250,000**
Total unrestricted funds	**938,186**	**993,936**	**(1,208,194)**	**472,194**	**-**	**1,196,122**
Endowment fund	**3,635,457**	**-**	**(24,572)**	**(475,428)**	**165,340**	**3,300,797**
Restricted funds						
Horticultural Trainees	11,678	23,000	(16,571)	-	-	**18,107**
Historic Glasshouse	24,342	-	-	-	-	**24,342**
Florilegium Society Anniversary Project	2,214	-	(508)	-	-	**1,706**
Digitisation Project	9,554	-	-	-	-	**9,554**
John Lyon's Education Outreach	20,983	22,000	(18,805)	(4,565)	-	**19,613**
Acoustic Panels Project	5,088	-	-	-	-	**5,088**
Band Trust Education Outreach	5,819	-	(3,680)	-	-	**2,139**
Sowing The Seeds Of Discovery/Daniel Pinto	-	105,000	(108,234)	3,234	-	**-**
Turning Point Garden Group	66	-	-	-	-	**66**
Education Outreach	523	-	(188)	-	-	**335**
City Bridge Trust	21,885	50	(26,500)	4,565	-	**-**
Garden Fund Restricted Donations	1,666	1,000	-	-	-	**2,666**
Judith Bronkhurst Donation	141	-	-	-	-	**141**
R.U.B. White Charitable Trust Community Outreach	5,546	5,000	(684)	-	-	**9,862**
Oak Foundation Education Outreach	3,515	-	(360)	-	-	**3,155**
Education and Outreach/Young Offenders	2,683	-	(1,666)	-	-	**1,017**
The Art & healing Power of Plants	4,861	-	(1,827)	-	-	**3,034**
Glasshouses Restorations HLF Funding	155,340	478,405	(256,726)	-	-	**377,019**
Friends Scheme Review	267	-	-	-	-	**267**
Medicinal Plants Research	600	-	(600)	-	-	**-**
Legacy Roger Melvin Monks Horticulture Students Travel	418	-	-	-	-	**418**
John Lyon's family Activity days	1,260	-	-	-	-	**1,260**
Total restricted funds	**278,449**	**634,455**	**(436,349)**	**3,234**	**-**	**479,789**
Total funds	**4,852,092**	**1,628,391**	**(1,669,115)**	**-**	**165,340**	**4,976,708**

18 Analysis of charitable funds *(continued)*

Charity – previous year

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	Net gain/(loss) on investments £	At 31 December 2019 £
Unrestricted funds						
General fund	776,656	1,484,333	(1,396,676)	(176,127)	-	688,186
Designated projects funds	100,000	-	-	150,000	-	250,000
Total unrestricted funds	876,656	1,484,333	(1,396,676)	(26,127)	-	938,186
Endowment fund	3,144,094	-	(25,288)	25,288	491,363	3,635,457
Restricted funds						
Horticultural Trainees	-	52,251	(40,573)	-	-	11,678
Historic Glasshouse	24,342	-	-	-	-	24,342
Florilegium Society Anniversary Project	2,214	-	-	-	-	2,214
Digitisation Project	10,856	-	(1,302)	-	-	9,554
John Lyon's Education Outreach	3,506	22,000	(4,523)	-	-	20,983
Cool Fernery	958	-	(958)	-	-	-
Acoustic Panels Project	7,492	-	(2,404)	-	-	5,088
Band Trust Education Outreach	3,722	15,000	(12,903)	-	-	5,819
*Sowing The Seeds Of Discovery/Daniel Pinto	12,183	105,100	(118,122)	839	-	-
Turning Point Garden Group	216	-	(150)	-	-	66
Education Outreach	523	-	-	-	-	523
Miller Education Garden	1,588	-	(1,588)	-	-	-
City Bridge Trust	6,464	41,300	(25,879)	-	-	21,885
Garden Fund Restricted Donations	1,000	666	-	-	-	1,666
Judith Bronkhurst Donation	1,101	-	(960)	-	-	141
R.U.B. White Charitable Trust Community Outreach	5,000	5,000	(4,454)	-	-	5,546
Oak Foundation Education Outreach	4,657	-	(1,142)	-	-	3,515
Education and Outreach/Young Offenders	2,683	-	-	-	-	2,683
The Art & healing Power of Plants	-	25,000	(20,139)	-	-	4,861
Glasshouses Restorations HLF Funding	-	201,489	(46,149)	-	-	155,340
Friends Scheme Review	-	3,070	(2,803)	-	-	267
Medicinal Plants Research	-	2,600	(2,000)	-	-	600
Legacy Roger Melvin Monks Horticulture Students Travel	-	1,001	(583)	-	-	418
John Lyon's family Activity days	-	1,470	(210)	-	-	1,260
Total restricted funds	88,505	475,947	(286,842)	839	-	278,449
Total funds	4,109,255	1,960,280	(1,708,806)	-	491,363	4,852,092

18 Analysis of charitable funds *(continued)*

Restricted funds have been established to provide financial support for specific projects as below:

Horticultural Trainees	-	A one year training programme for students interested in pursuing a career in horticulture.
Historic Glasshouse	-	The replacement of one of the range of Foster & Pearson clearspan glasshouses originally constructed between 1901-07. The structure will provide greater space for growing tender plants and an additional educational facility.
Education Outreach	-	A donation to fund education outreach including employing an Outreach Officer to work with School and community projects in target London boroughs including Hammersmith & Fulham, Kensington & Chelsea, City of Westminster, City, Camden, Brent Ealing, Harrow and Barnet.
The Florilegium Society 20th anniversary exhibition	-	An exhibition of original artwork from members of the Florilegium Society at the Physic Garden during August 2015 with associated marketing and publicity.
Digitisation Project	-	A project to start digitising the Physic Garden's archive of books, papers and the Florilegium's original artwork including purchase of a hi- resolution scanner and associated software.
Acoustic Panels Project	-	A project to complete the introduction of acoustic panels along Embankment reducing the impact of traffic noise along this boundary. Generous donations were received from Grandiflora Patrons enabling the panels to be introduced and subsequently the planting in this area to is being augmented and improved.
Horticultural Education, Trainees and Interns	-	Ongoing annual fundraising to support the horticultural trainee programme, the intern and the volunteer training and development programme. It includes travel and training, specific skills development and supports interns with modest travel and subsistence allowances.
Education and Outreach	-	Funds raised to support the education programme including for specific initiatives including the Shelf Life project and the outreach programme with Waltham Forest Young offenders institute together with the ongoing programme of on-site and off-site and web-based teaching and interaction with schools, colleges and community groups.
City Bridge Trust	-	A grant to fund an Education Outreach Officer to further the Gardens schools and community outreach.
Education and Outreach/Young Offenders	-	A donation to enable the Garden to continue working with the Waltham Forest Young Offenders and education and outreach.

18 Analysis of charitable funds *(continued)*

Band Trust Education Outreach	-	Donations to fund education and outreach activity for three years to August 2020.
Sowing the Seeds of Discovery/Daniel Pinto	-	Donations to fund the CPG350: Sowing the Seeds of Discovery project to achieve improvements to and refurbishment of the visitor, horticultural and learning facilities and infrastructure and to improve and enhance the overall accessibility and experience for visitors.
Turning Point Garden Group	-	A donation for the development of an education garden and the running of a gardening group for adults in recovery.
Garden Fund Restricted Donation	-	Donations, including in memoriam donations, received specifically for the Garden horticulture activities.
Judith Bronkhust Donation	-	A donation to fund the purchase of terracotta plant pots.
R.U.B White Charitable Trust Community Outreach	-	A donation to support the community outreach programme.
Oak Foundation Education Outreach	-	A donation to support educational outreach initiatives.
The Art & Healing Power of Plants	-	A collaboration between the charity and the NHS Royal Brompton Hospital to stage an exhibition of artwork at the Garden and hospital and undertake activities with patients undergoing long term treatment.
Glasshouses Restorations HLF Funding	-	Restoration and reinterpretation of the Garden's glasshouses together with supporting activity programmes, interpretation and plant collections review.
Friends Scheme Review	-	A paid intern undertook a review of the Friends scheme including questionnaires to Friends, benchmarking and proposals for improvements.
Medicinal Plants Research	-	A paid intern undertook research into the Garden's historic and current medicinal plant collections, their link to botanists and to the original drugs developed from them.
Legacy Roger Melvin Monks Horticulture Students Travel	-	A legacy from Roger M. Monks to assist needy overseas students to pursue study at the Garden by supporting travel costs.
John Lyons Charity Family Activity Days	-	A grant from the John Lyon's Charity to provide free places for low income families on Family Activity Days and free entry to the Garden for Sunday Fundays.

Unrestricted funds are used in accordance with the charitable objectives at the discretion of the directors. The directors use part of the unrestricted funds from time to time for specific projects and set up designated funds to reflect this.

The directors have designated £250,000 of the general funds of the charity. This represents funds to be used to continue to develop plans for programmes of activities and to refurbish the buildings at the Garden, restoration of glasshouses, update the visitors, education and learning facilities and refurbish the catering and retail facilities.

The Endowment Fund is an expendable Endowment and represents investments and cash which continue to be used by the directors in the best interests of the charity. The endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustee's discretion in support of the Charity's work.

A transfer of £475,000 was made out of endowment funds during the year. At the onset of the financial impact of the pandemic the directors authorised the sale of a proportion of the investment portfolio in order to raise cash to ensure that the company has sufficient working capital to continue to meet it liabilities. These are held as general funds for the use as needed.

19 Analysis of net assets between funds

Group – current year

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General funds	249,605	-	1,176,160	(474,965)	**950,800**
Designated funds	-	-	250,000	-	**250,000**
Endowment funds	-	3,300,797	-	-	**3,300,797**
Restricted funds	-	-	479,789	-	**479,789**
	249,605	**3,300,797**	**1,905,949**	**(474,965)**	**4,981,386**

Group – previous year

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General funds	278,590	-	773,863	(359,589)	692,864
Designated funds	-	-	250,000	-	250,000
Endowment funds	-	3,635,457	-	-	3,635,457
Restricted funds	-	-	278,450	-	278,450
	278,590	3,635,457	1,302,312	(359,589)	4,856,770

Charity – current year

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General funds	247,372	100	1,053,667	(355,017)	**946,122**
Designated funds	-	-	250,000	-	**250,000**
Endowment funds	-	3,300,797	-	-	**3,300,797**
Restricted funds	-	-	479,789	-	**479,789**
	247,372	**3,300,897**	**1,783,456**	**(355,017)**	**4,976,708**

Charity – previous year

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General funds	275,872	100	681,201	(268,987)	688,186
Designated funds	-	-	250,000	-	250,000
Endowment funds	-	3,635,457	-	-	3,635,457
Restricted funds	-	-	278,449	-	278,449
	275,872	3,635,557	1,209,650	(268,987)	4,852,092

20 Liability to the members

Every member of the company undertakes to contribute an amount not exceeding £1 to the assets of the charitable company in the event of the company being wound up while he is a member, or within one year after he ceases to be a member. This contribution is for the payment of the debts and liabilities of the charitable company contracted before he ceases to be a member and of costs of winding up.

21 Analysis of cash and cash equivalents

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Cash at bank and in hand	**1,831,333**	**1,758,117**	1,136,426	1,101,755

22 Analysis of net debt

At 31 December 2020 the group and charity had no loans classified as debt.

23 Commitments under operating leases

At 31 December 2020 the group and charity had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
No later than 1 year	**1,279**	4,470
Later than 1 year and no later than 5 years	**-**	1,279
	1,279	5,749