

**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**

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# The Chelsea Physic Garden Company

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## 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<br>London<br>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                    |

# **The Chelsea Physic Garden Company**

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## **Trustees' report for the year ended 31 December 2022 (*continued*)**

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### **Professional advisors**

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

# **The Chelsea Physic Garden Company**

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## **Trustees' report for the year ended 31 December 2022 (continued)**

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### **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.

# **The Chelsea Physic Garden Company**

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## **Trustees' report for the year ended 31 December 2022 (continued)**

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### **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.

# **The Chelsea Physic Garden Company**

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## **Trustees' report for the year ended 31 December 2022 (continued)**

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### **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.

# **The Chelsea Physic Garden Company**

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## **Trustees' report for the year ended 31 December 2022 (continued)**

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### **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 than 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.



# **The Chelsea Physic Garden Company**

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## **Trustees' report for the year ended 31 December 2022 (continued)**

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### **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

# **The Chelsea Physic Garden Company**

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## **Trustees' report for the year ended 31 December 2022 (continued)**

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### **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.

# The Chelsea Physic Garden Company

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## Trustees' report for the year ended 31 December 2022 (*continued*)

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### 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.

# The Chelsea Physic Garden Company

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## Trustees' report for the year ended 31 December 2022 (*continued*)

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### 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.

# The Chelsea Physic Garden Company

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## Trustees' report for the year ended 31 December 2022 (*continued*)

### 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.

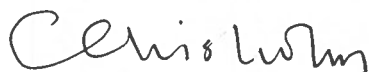
### Small company exemption

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

# **The Chelsea Physic Garden Company**

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## **Independent auditor's report To the Directors of The Chelsea Physic Garden Company for the year ended 31 December 2022**

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### **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.

# **The Chelsea Physic Garden Company**

(a company limited by guarantee)

## **Independent auditor's report (*continued*) To the Directors of The Chelsea Physic Garden Company for the year ended 31 December 2022**

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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.

# **The Chelsea Physic Garden Company**

(a company limited by guarantee)

## **Independent auditor's report (*continued*) To the Directors of The Chelsea Physic Garden Company for the year ended 31 December 2022**

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.



# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Independent auditor's report (*continued*) To the Directors of The Chelsea Physic Garden Company for the year ended 31 December 2022

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.



Andrew Stickland (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 11 May 2023

6<sup>th</sup> 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<br>Funds<br>£ | Endowment<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>2022<br>£ | Total<br>2021<br>£ |
|--|------|----------------------------|-------------------------|--------------------------|--------------------|--------------------|
| <b>Income from :</b>   |      |                            |                         |                          |                    |                    |
| 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            |
| <b>Total income</b>  |      | <b>2,106,761</b>           | <b>-</b>                | <b>954,636</b>           | <b>3,061,397</b>   | <b>3,550,431</b>   |
| <b>Expenditure On:</b>   |      |                            |                         |                          |                    |                    |
| 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            |
| <b>Total Expenditure</b>   | 7    | <b>1,807,888</b>           | <b>7,013</b>            | <b>248,298</b>           | <b>2,063,199</b>   | <b>1,681,388</b>   |
| <b>Net income/(expenditure)<br/>before gains, losses and<br/>transfers</b> | 6    | <b>298,873</b>             | <b>(7,013)</b>          | <b>706,338</b>           | <b>998,198</b>     | <b>1,869,043</b>   |
| Net (loss)/gain on<br>investments  | 13   | -                          | (484,941)               | -                        | (484,941)          | 248,659            |
| <b>Net surplus/(deficit)<br/>before transfers</b>                          |      | <b>298,873</b>             | <b>(491,954)</b>        | <b>706,338</b>           | <b>513,257</b>     | <b>2,117,702</b>   |
| Transfers between funds  | 18   | (573)                      | -                       | 573                      | -                  | -                  |
| <b>Net movement in funds</b>   |      | <b>298,300</b>             | <b>(491,954)</b>        | <b>706,911</b>           | <b>513,257</b>     | <b>2,117,702</b>   |
| <b>Reconciliation of funds</b>   |      |                            |                         |                          |                    |                    |
| Total funds brought forward<br>at 1 January 2022                           | 18   | 1,322,936                  | 4,049,456               | 1,726,696                | 7,099,088          | 4,981,386          |
| <b>Total funds carried forward<br/>at 31 December 2022</b>                 | 18   | <b>1,621,236</b>           | <b>3,557,502</b>        | <b>2,433,607</b>         | <b>7,612,345</b>   | <b>7,099,088</b>   |

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

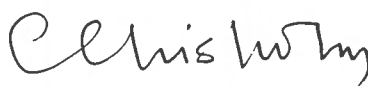
|  | Note | 2022<br>£        | 2022<br>£               | 2021<br>£        | 2021<br>£               |
|--|------|------------------|-------------------------|------------------|-------------------------|
| <b>Fixed assets</b>  |      |                  |                         |                  |                         |
| Tangible assets  | 12   |                  | 1,283,025               |                  | 304,430                 |
| Investments  | 13   |                  | 3,557,502               |                  | 4,049,456               |
|  |      |                  | <u>4,840,527</u>        |                  | <u>4,353,886</u>        |
| <b>Current assets</b>  |      |                  |                         |                  |                         |
| 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        |                         |
|  |      | <u>3,154,221</u> |                         | <u>3,175,109</u> |                         |
| <b>Creditors: amounts falling due within one year</b>          | 16a  | <u>(340,115)</u> |                         | <u>(429,907)</u> |                         |
| <b>Net current assets</b>                                      |      |                  | <u>2,814,106</u>        |                  | <u>2,745,202</u>        |
| <b>Total assets less current liabilities</b>                   |      |                  | <u>7,654,633</u>        |                  | <u>7,099,088</u>        |
| <b>Creditors: amounts falling due after more than one year</b> | 16b  |                  | <u>(42,288)</u>         |                  | <u>-</u>                |
| <b>Net assets</b>  | 19   |                  | <u><u>7,612,345</u></u> |                  | <u><u>7,099,088</u></u> |
| <b>Funds</b>   |      |                  |                         |                  |                         |
| 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        |                         |
| <b>Total funds</b>   | 18   |                  | <u><u>7,612,345</u></u> |                  | <u><u>7,099,088</u></u> |

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

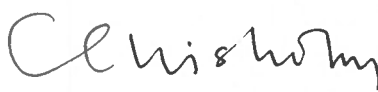
|  | Note | 2022<br>£        | 2022<br>£               | 2021<br>£        | 2021<br>£               |
|--|------|------------------|-------------------------|------------------|-------------------------|
| <b>Fixed assets</b>  |      |                  |                         |                  |                         |
| Tangible assets  | 12   |                  | 1,283,025               |                  | 302,644                 |
| Investments  | 13   |                  | 3,557,602               |                  | 4,049,556               |
|  |      |                  | <u>4,840,627</u>        |                  | <u>4,352,200</u>        |
| <b>Current assets</b>  |      |                  |                         |                  |                         |
| Debtors  | 15   | 112,519          |                         | 82,601           |                         |
| Cash at bank and in hand                                       | 21   | 2,960,795        |                         | 2,902,755        |                         |
|  |      | <u>3,073,314</u> |                         | <u>2,985,356</u> |                         |
| <b>Creditors: amounts falling due within one year</b>          | 16a  | <u>(263,986)</u> |                         | <u>(243,146)</u> |                         |
| <b>Net current assets</b>                                      |      |                  | <u>2,809,328</u>        |                  | <u>2,742,210</u>        |
| <b>Total assets less current liabilities</b>                   |      |                  | <u>7,649,955</u>        |                  | <u>7,094,410</u>        |
| <b>Creditors: amounts falling due after more than one year</b> | 16b  |                  | <u>(42,288)</u>         |                  | <u>-</u>                |
| <b>Net assets</b>  | 19   |                  | <u><u>7,607,667</u></u> |                  | <u><u>7,094,410</u></u> |
| <b>Funds</b>   |      |                  |                         |                  |                         |
| 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        |                         |
| <b>Total funds</b>   | 18   |                  | <u><u>7,607,667</u></u> |                  | <u><u>7,094,410</u></u> |

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<br>£          | 2021<br>£ |
|---|-------|--------------------|-----------|
| <b>Reconciliation of net income to cash flows from operating activities</b> |       |                    |           |
| Net movement in funds   | 18    | <b>513,257</b>     | 2,117,702 |
| Gain/(loss) on investments  | 13a   | <b>491,954</b>     | (248,659) |
| Investment income   | 5     | <b>(108,497)</b>   | (123,115) |
| Depreciation  | 6     | <b>26,048</b>      | 25,346    |
| Loss/(profit) on disposal of assets   |       | <b>(2,308)</b>     | -         |
| (Increase)/decrease in debtors  |       | <b>25,403</b>      | (24,303)  |
| (Decrease)/(increase) in creditors  |       | <b>(47,504)</b>    | (45,058)  |
| (Increase)/decrease in stocks   |       | <b>(2,997)</b>     | (7,415)   |
| Cash flows from operating activities  |       | <b>895,356</b>     | 1,694,498 |
| <b>Cash flows from investing activities</b>                                 |       |                    |           |
| Investment income   | 5     | <b>108,497</b>     | 123,115   |
| Purchase of investments   |       | <b>-</b>           | (500,000) |
| Purchase of property, plant and equipment                                   | 12    | <b>(1,005,810)</b> | (80,171)  |
| Proceeds from the sale of tangible fixed assets                             |       | <b>3,475</b>       | -         |
|   |       | <b>(893,838)</b>   | (457,056) |
| Increase in cash for the year   |       | <b>1,518</b>       | 1,237,442 |
| Cash at beginning of year   |       | <b>3,068,775</b>   | 1,831,333 |
| Cash at end of year   | 21/22 | <b>3,070,293</b>   | 3,068,775 |

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

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022

### 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, 2<sup>nd</sup> 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.

# **The Chelsea Physic Garden Company**

(a company limited by guarantee)

## **Notes forming part of the financial statements for the year ended 31 December 2022 (continued)**

### **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.

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (*continued*)

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### 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.



# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

### 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.

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

### 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<br>funds<br>£ | Restricted<br>funds<br>£ | 2022<br>£        |
|------------------------|----------------------------|--------------------------|------------------|
| Donations and legacies | 402,957                    | 954,636                  | 1,357,593        |
|                        | <u>402,957</u>             | <u>954,636</u>           | <u>1,357,593</u> |
|                        |                            |                          |                  |
|                        | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2021<br>£        |
| Donations and legacies | 378,049                    | 1,203,653                | 1,581,702        |
| Government grants      | 404,526                    | -                        | 404,526          |
|                        | <u>782,575</u>             | <u>1,203,653</u>         | <u>1,986,228</u> |

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.

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

### 3 Income from other trading activities

|                                  | 2022<br>£        | 2021<br>£      |
|----------------------------------|------------------|----------------|
| Commissions and letting of rooms | 611,646          | 297,354        |
| Shop income                      | 170,282          | 103,953        |
| Fundraising events               | 258,479          | 230,920        |
| Royalties                        | -                | 11,611         |
|                                  | <u>1,040,407</u> | <u>643,838</u> |

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

### 4 Income from charitable activities

|                        | 2022<br>£      | 2021<br>£      |
|------------------------|----------------|----------------|
| Admissions             | 243,943        | 236,092        |
| Friends' subscriptions | 307,280        | 385,822        |
|                        | <u>551,223</u> | <u>621,914</u> |

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

### 5 Investment income

|   | 2022<br>£      | 2021<br>£      |
|---|----------------|----------------|
| Income from fixed asset distribution unit funds | 108,497        | 123,115        |
|   | <u>108,497</u> | <u>123,115</u> |

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

### 6 Net Income

|   | 2022<br>£ | 2021<br>£ |
|---|-----------|-----------|
| 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    |
|   | <u></u>   | <u></u>   |

# The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements  
for the year ended 31 December 2022 (continued)

## 7 Total expenditure

|                                   | Staff<br>Costs<br>£ | Premises<br>costs<br>£ | Depreciation<br>£ | Other<br>costs<br>£ | Total<br>2022<br>£ |
|-----------------------------------|---------------------|------------------------|-------------------|---------------------|--------------------|
| Charitable activities<br>(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            |
|                                   | <u>1,181,459</u>    | <u>188,858</u>         | <u>26,049</u>     | <u>666,833</u>      | <u>2,063,199</u>   |

|                                   | Staff<br>Costs<br>£ | Premises<br>costs<br>£ | Depreciation<br>£ | Other<br>costs<br>£ | Total<br>2021<br>£ |
|-----------------------------------|---------------------|------------------------|-------------------|---------------------|--------------------|
| Charitable activities<br>(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            |
|                                   | <u>978,799</u>      | <u>159,019</u>         | <u>25,346</u>     | <u>518,224</u>      | <u>1,681,388</u>   |

## 8 Expenditure on charitable activities

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

|                          | Direct<br>£      | Support<br>£   | Total 2021<br>£  |
|--------------------------|------------------|----------------|------------------|
| Science and horticulture | 545,092          | -              | 545,092          |
| Educational programmes   | 109,687          | -              | 109,687          |
| Other projects           | 542,048          | 163,997        | 706,045          |
|                          | <u>1,196,827</u> | <u>163,997</u> | <u>1,360,824</u> |

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

### 8 Expenditure on charitable activities (continued)

#### Analysis of direct costs

|                                    | Total 2022<br>£  | Total 2021<br>£  |
|------------------------------------|------------------|------------------|
| 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 & stationery     | 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          |
|                                    | <b>1,543,422</b> | <b>1,196,827</b> |

#### Analysis of support costs

|                                    | Total 2022<br>£ | Total 2021<br>£ |
|------------------------------------|-----------------|-----------------|
| 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          |
|                                    | <b>164,616</b>  | <b>163,997</b>  |

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.

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

### 9 Expenditure on raising funds

|   | 2022<br>£      | 2021<br>£      |
|---|----------------|----------------|
| 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         |
|   | <u>355,161</u> | <u>320,564</u> |

### 10 Trustees and employees

|                       | Group<br>2022<br>£ | Group<br>2021<br>£ |
|-----------------------|--------------------|--------------------|
| 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              |
|                       | <u>1,181,459</u>   | <u>978,799</u>     |

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<br>2022 | Group<br>2021 |
|----------------|---------------|---------------|
| Charitable     | 36            | 26            |
| Administration | 2             | 2             |
| Fundraising    | 2             | 2             |
|                | <u>40</u>     | <u>30</u>     |

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).

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

### 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<br>and<br>improvements<br>£ | Assets<br>under<br>construction<br>£ | Office<br>fixtures and<br>equipment<br>£ | Horticultural<br>equipment<br>£ | Computer<br>equipment<br>£ | Total<br>£ |
|-----------------------|---------------------------------------|--------------------------------------|--|---------------------------------|----------------------------|------------|
| <b>Cost</b>           |                                       |                                      |  |                                 |                            |            |
| 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  |
| <b>Depreciation</b>   |                                       |                                      |  |                                 |                            |            |
| 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    |
| <b>Net book value</b> |                                       |                                      |  |                                 |                            |            |
| 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    |

# The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements  
for the year ended 31 December 2022 (continued)

## 12 Tangible assets (continued)

| Charity               | Buildings and improvements<br>£ | Assets under construction<br>£ | Office fixtures and equipment<br>£ | Horticultural equipment<br>£ | Computer equipment<br>£ | Total<br>£       |
|-----------------------|---------------------------------|--------------------------------|------------------------------------|------------------------------|-------------------------|------------------|
| <b>Cost</b>           |                                 |                                |                                    |                              |                         |                  |
| 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   | <u>714,601</u>                  | <u>1,040,272</u>               | <u>97,544</u>                      | <u>25,159</u>                | <u>23,235</u>           | <u>1,900,811</u> |
| <b>Depreciation</b>   |                                 |                                |                                    |                              |                         |                  |
| 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   | <u>502,790</u>                  | <u>-</u>                       | <u>88,878</u>                      | <u>2,883</u>                 | <u>23,235</u>           | <u>617,786</u>   |
| <b>Net book value</b> |                                 |                                |                                    |                              |                         |                  |
| At 31 December 2022   | <u>211,811</u>                  | <u>1,040,272</u>               | <u>8,666</u>                       | <u>22,276</u>                | <u>-</u>                | <u>1,283,025</u> |
| At 31 December 2021   | <u>205,976</u>                  | <u>80,171</u>                  | <u>16,321</u>                      | <u>-</u>                     | <u>176</u>              | <u>302,644</u>   |

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<br>£        | 2021<br>£        |
|----------------------------------|------------------|------------------|
| 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          | <u>(484,941)</u> | <u>248,659</u>   |
| Market value at 31 December 2022 | <u>3,557,502</u> | <u>4,049,456</u> |

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.



# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

### 13 Fixed Asset investments (continued)

#### 13b Investments in subsidiaries

|   | 2022<br>£ | 2021<br>£ |
|---|-----------|-----------|
| Shares in CPG Enterprises Limited at cost | 100       | 100       |

|                               | Group<br>2022<br>£ | Charity<br>2022<br>£ | Group<br>2021<br>£ | Charity<br>2021<br>£ |
|-------------------------------|--------------------|----------------------|--------------------|----------------------|
| Total Fixed Asset Investments | <u>3,557,502</u>   | <u>3,557,602</u>     | <u>4,049,456</u>   | <u>4,049,556</u>     |

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<br>2022<br>£ | Charity<br>2022<br>£ | Group<br>2021<br>£ | Charity<br>2021<br>£ |
|------------------|--------------------|----------------------|--------------------|----------------------|
| Goods for resale | <u>32,987</u>      | <u>-</u>             | <u>29,990</u>      | <u>-</u>             |

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

### 15 Debtors

|   | Group<br>2022<br>£ | Charity<br>2022<br>£ | Group<br>2021<br>£ | Charity<br>2021<br>£ |
|---|--------------------|----------------------|--------------------|----------------------|
| <b>Amounts falling due within one year:</b> |                    |                      |                    |                      |
| 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                |
|   | <u>50,941</u>      | <u>112,519</u>       | <u>76,344</u>      | <u>82,601</u>        |

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

### 16a Creditors : Amounts falling due within one year

|                                    | Group<br>2022<br>£ | Charity<br>2022<br>£ | Group<br>2021<br>£ | Charity<br>2021<br>£ |
|------------------------------------|--------------------|----------------------|--------------------|----------------------|
| 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              |
|                                    | <u>340,115</u>     | <u>263,986</u>       | <u>429,907</u>     | <u>243,146</u>       |

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<br>2022<br>£ | Charity<br>2022<br>£ | Group<br>2021<br>£ | Charity<br>2021<br>£ |
|-----------------|--------------------|----------------------|--------------------|----------------------|
| Other creditors | 42,288             | 42,288               | -                  | -                    |
|                 | <u>42,288</u>      | <u>42,288</u>        | <u>-</u>           | <u>-</u>             |

### 17 Deferred income reconciliation

|   | Group<br>2022<br>£ | Charity<br>2022<br>£ | Group<br>2021<br>£ | Charity<br>2021<br>£ |
|---|--------------------|----------------------|--------------------|----------------------|
| 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              |
|   | <u>239,339</u>     | <u>167,951</u>       | <u>322,801</u>     | <u>152,398</u>       |

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.

# The Chelsea Physic Garden Company

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Notes forming part of the financial statements  
for the year ended 31 December 2022 (continued)

## 18 Analysis of charitable funds Group – current year

|   | At<br>1 January<br>2022 | Income           | Expenditure        | Transfers    | Net gain on<br>investments | At<br>31 December<br>2022 |
|---|-------------------------|------------------|--------------------|--------------|----------------------------|---------------------------|
|   |                         | £                | £                  | £            | £                          | £                         |
| <b>Unrestricted funds</b>   |                         |                  |                    |              |                            |                           |
| 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                       |
| <b>Total unrestricted funds</b>                                     | <b>1,322,936</b>        | <b>2,106,761</b> | <b>(1,807,888)</b> | <b>(573)</b> | <b>-</b>                   | <b>1,621,236</b>          |
| <b>Endowment fund</b>   | <b>4,049,456</b>        | <b>-</b>         | <b>(7,013)</b>     | <b>-</b>     | <b>(484,941)</b>           | <b>3,557,502</b>          |
| <b>Restricted funds</b>   |                         |                  |                    |              |                            |                           |
| 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                    |
| <b>Total restricted funds</b>                                       | <b>1,726,696</b>        | <b>954,636</b>   | <b>(248,298)</b>   | <b>573</b>   | <b>-</b>                   | <b>2,433,607</b>          |
| <b>Total funds</b>  | <b>7,099,088</b>        | <b>3,061,397</b> | <b>(2,063,199)</b> | <b>-</b>     | <b>(484,941)</b>           | <b>7,612,345</b>          |

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

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

|   | At<br>1 January<br>2021 | Income           | Expenditure        | Transfers        | Net gain on<br>investments | At<br>31 December<br>2021 |
|---|-------------------------|------------------|--------------------|------------------|----------------------------|---------------------------|
|   |                         | £                | £                  | £                | £                          | £                         |
| <b>Unrestricted funds</b>                   |                         |                  |                    |                  |                            |                           |
| 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                   |
| <b>Total unrestricted funds</b>             | <b>1,200,800</b>        | <b>2,346,778</b> | <b>(1,449,188)</b> | <b>(775,454)</b> | <b>-</b>                   | <b>1,322,936</b>          |
| <b>Endowment fund</b>                       | <b>3,300,797</b>        | <b>-</b>         | <b>(25,454)</b>    | <b>525,454</b>   | <b>248,659</b>             | <b>4,049,456</b>          |
| <b>Restricted funds</b>                     |                         |                  |                    |                  |                            |                           |
| 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<br>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                     |
| <b>Total restricted funds</b>               | <b>479,789</b>          | <b>1,203,653</b> | <b>(206,746)</b>   | <b>250,000</b>   | <b>-</b>                   | <b>1,726,696</b>          |
| <b>Total funds</b>                          | <b>4,981,386</b>        | <b>3,550,431</b> | <b>(1,681,388)</b> | <b>-</b>         | <b>248,659</b>             | <b>7,099,088</b>          |

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

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

|   | At<br>1 January<br>2022 | Income           | Expenditure        | Transfers    | Net gain on<br>investments | At<br>31 December<br>2022 |
|---|-------------------------|------------------|--------------------|--------------|----------------------------|---------------------------|
|   |                         | £                | £                  | £            | £                          | £                         |
| <b>Unrestricted funds</b>   |                         |                  |                    |              |                            |                           |
| 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                       |
| <b>Total unrestricted funds</b>                                     | <b>1,318,258</b>        | <b>1,954,327</b> | <b>(1,655,454)</b> | <b>(573)</b> | <b>-</b>                   | <b>1,616,558</b>          |
| <b>Endowment fund</b>   | <b>4,049,456</b>        | <b>-</b>         | <b>(7,013)</b>     | <b>-</b>     | <b>(484,941)</b>           | <b>3,557,502</b>          |
| <b>Restricted funds</b>   |                         |                  |                    |              |                            |                           |
| 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                    |
| <b>Total restricted funds</b>                                       | <b>1,726,696</b>        | <b>954,636</b>   | <b>(248,298)</b>   | <b>573</b>   | <b>-</b>                   | <b>2,433,607</b>          |
| <b>Total funds</b>  | <b>7,094,410</b>        | <b>2,908,963</b> | <b>(1,910,765)</b> | <b>-</b>     | <b>(484,941)</b>           | <b>7,607,667</b>          |

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

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

|  | At<br>1 January<br>2021 | Income           | Expenditure        | Transfers        | Net gain on<br>investments | At<br>31 December<br>2021 |
|--|-------------------------|------------------|--------------------|------------------|----------------------------|---------------------------|
|  |                         | £                | £                  | £                | £                          | £                         |
| <b>Unrestricted funds</b>                                |                         |                  |                    |                  |                            |                           |
| 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                   |
| <b>Total unrestricted funds</b>                          | <b>1,196,122</b>        | <b>2,229,898</b> | <b>(1,332,308)</b> | <b>(775,454)</b> | <b>-</b>                   | <b>1,318,258</b>          |
| <b>Endowment fund</b>                                    | <b>3,300,797</b>        | <b>-</b>         | <b>(25,454)</b>    | <b>525,454</b>   | <b>248,659</b>             | <b>4,049,456</b>          |
| <b>Restricted funds</b>                                  |                         |                  |                    |                  |                            |                           |
| 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                     |
| <b>Total restricted funds</b>                            | <b>479,789</b>          | <b>1,203,653</b> | <b>(206,746)</b>   | <b>250,000</b>   | <b>-</b>                   | <b>1,726,696</b>          |
| <b>Total funds</b>                                       | <b>4,976,708</b>        | <b>3,433,551</b> | <b>(1,564,508)</b> | <b>-</b>         | <b>248,659</b>             | <b>7,094,410</b>          |

# The Chelsea Physic Garden Company

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## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

### 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                           | - | A donation to support the community outreach programme.  |
| Community Outreach                                     | - |  |
| 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.   |

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

### 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.



# The Chelsea Physic Garden Company

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Notes forming part of the financial statements  
for the year ended 31 December 2022 (continued)

## 19 Analysis of net assets between funds

|                                | Tangible<br>Fixed assets<br>£ | Investments<br>£ | Current assets<br>£ | Creditors<br>£   | Total<br>£       |
|--------------------------------|-------------------------------|------------------|---------------------|------------------|------------------|
| <b>Group – Current Year</b>    |                               |                  |                     |                  |                  |
| 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        |
| <b>Total</b>                   | <b>1,283,025</b>              | <b>3,557,502</b> | <b>3,154,221</b>    | <b>(382,403)</b> | <b>7,612,345</b> |
| <b>Group – Previous Year</b>   |                               |                  |                     |                  |                  |
| 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        |
| <b>Total</b>                   | <b>304,430</b>                | <b>4,049,456</b> | <b>3,175,109</b>    | <b>(429,907)</b> | <b>7,099,088</b> |
| <b>Charity – Current Year</b>  |                               |                  |                     |                  |                  |
| 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        |
| <b>Total</b>                   | <b>1,283,025</b>              | <b>3,557,602</b> | <b>3,073,314</b>    | <b>(306,274)</b> | <b>7,607,667</b> |
| <b>Charity – Previous Year</b> |                               |                  |                     |                  |                  |
| 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        |
| <b>Total</b>                   | <b>302,644</b>                | <b>4,049,556</b> | <b>2,985,356</b>    | <b>(243,146)</b> | <b>7,094,410</b> |

## 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.

# The Chelsea Physic Garden Company

(a company limited by guarantee)

## Notes forming part of the financial statements for the year ended 31 December 2022 (continued)

### 21 Analysis of cash and cash equivalents

|                          | Group<br>2022<br>£ | Charity<br>2022<br>£ | Group<br>2021<br>£ | Charity<br>2021<br>£ |
|--------------------------|--------------------|----------------------|--------------------|----------------------|
| Cash at bank and in hand | <u>3,070,293</u>   | <u>2,960,795</u>     | <u>3,068,775</u>   | <u>2,902,755</u>     |

### 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<br>£    | 2021<br>£     |
|---|--------------|---------------|
| No later than 1 year                        | 3,236        | 3,236         |
| Later than 1 year and no later than 5 years | 6,473        | 9,709         |
|   | <u>9,709</u> | <u>12,945</u> |