

The Chelsea Physic Garden Company
(a company limited by guarantee)

Report and Consolidated Financial Statements

Year Ended

31 December 2023

Company Number 01690871

Charity Number 286513

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and financial statements for the year ended 31 December 2023

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The Chelsea Physic Garden Company

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Trustees' report for the year ended 31 December 2023

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

Status and Constitution

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

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

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

Directors and members of the Board

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

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

Senior Leadership Team

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

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Trustees' report for the year ended 31 December 2023 (continued)

Professional advisors

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

Organisation and Structure

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

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

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

Recruitment and Appointment of the Board

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

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

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Trustees' report for the year ended 31 December 2023 (continued)

Trustee Induction and Training

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

The principal departments and senior roles are:

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

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

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

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

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

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

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

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

Related parties and co-operation with other organisations

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

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

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Trustees' report for the year ended 31 December 2023 (continued)

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

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

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

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

Aims and Objectives

Purpose and principal activities

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

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

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

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

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

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

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Trustees' report for the year ended 31 December 2023 (*continued*)

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

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

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

Public benefit statement

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

The trustees ensure the charity delivers public benefit by:

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

Activities

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

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

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

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

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

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

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Trustees' report for the year ended 31 December 2023 (continued)

Activities (continued)

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

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

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

Volunteers

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

Fundraising statement

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

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

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

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

Principal Funding Sources

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

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

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Trustees' report for the year ended 31 December 2023 (*continued*)

Trusts and Major Donors 2023

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

General

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

Horticulture, Horticultural Trainees and Garden Projects

Mrs Catherine Armitage
The Barbara Whatmore Charitable Trust
The Ironmongers' Trust Company
Mr Michael McGonigle
New to Nature Programme
Rick Mather David Scrase Foundation

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

Collections

The John Armitage Charitable Trust

Learning and Engagement Projects

RUB White Charitable Trust
Joseph Rochfords Gardens Ltd
John Swire 1989 Charitable Trust

Glasshouse Restoration Project

National Lottery Heritage Fund

And all our donors who wish to remain anonymous.

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Trustees' report for the year ended 31 December 2023 (continued)

Investment Policy

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

Financial review

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

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

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

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

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

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

Reserves

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

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

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

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

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Trustees' report for the year ended 31 December 2023 (continued)

Reserves (continued)

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

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

Going concern

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

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

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

Charity Governance Code

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

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

Plans for Future Periods

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

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

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

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Trustees' report for the year ended 31 December 2023 *(continued)*

Plans for Future Periods *(continued)*

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

Carbon Footprint

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

Pay policy of senior staff

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

Risk Management

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

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

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

- **Cyber attack**
This might result in loss of access to vital IT systems, compromise of the personal data of Friends, visitors and others or financial loss as a result of virus or ransomware attack. Our response is to review our IT security continuously, to ensure safeguards and staff training are up to date. To the extent that cyber risks can be insured against we have that cover.
- **Unauthorised access to the Garden and buildings by intruders for the purposes of theft or vandalism**
Our response to this includes physical and monitored security systems, electronic access controls and CCTV. We are insured against the potential financial loss that could result from such an event.
- **An unforeseen disastrous event**
This might take the form of a natural disaster or an act of terrorism, for example. The Garden has a Business Continuity Plan which would enable key personnel to continue to work offsite with access to backed up systems. Full records of the living collections are maintained in the event that they needed to be recreated to the extent possible.
- **Impact of climate change on the living collection**
This is largely outside our control but actions can be taken and we have commissioned a report on sustainability to identify how we can achieve "carbon neutrality" by 2030. We review our plant collections to ensure we can maintain a collection in line with our mission as an organisation but that is more resilient to a changing climate.

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Trustees' report for the year ended 31 December 2023 (*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 will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

Small company exemption

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

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



Andrew Woodward
Trustee



Colin Chisholm
Trustee

The Chelsea Physic Garden Company

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

Opinion

We have audited the financial statements of the Chelsea Physic Garden Company (the 'parent charitable company') for the year ended 31 December 2023 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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 2023

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 2023

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 2023

Our approach was as follows:

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

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

Date: 15 May 2024

6th Floor
9 Appold Street
London
EC2A 2AP

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

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

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

All results are derived from continuing activities.

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

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated balance sheet at 31 December 2023

Company number 01690871

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	12		2,207,654		1,283,025
Investments	13		3,759,879		3,557,502
			<u>5,967,533</u>		<u>4,840,527</u>
Current assets					
Stocks	14	26,690		32,987	
Debtors	15	139,534		50,941	
Cash at bank and in hand	21	2,260,755		3,070,293	
		<u>2,426,979</u>		<u>3,154,221</u>	
Creditors: amounts falling due within one year	16a	(539,981)		(340,115)	
Net current assets			<u>1,886,998</u>		<u>2,814,106</u>
Total assets less current liabilities			<u>7,854,531</u>		<u>7,654,633</u>
Creditors: amounts falling due after more than one year	16b		(539,981)		(42,288)
Net assets	19		<u><u>7,854,531</u></u>		<u><u>7,612,345</u></u>
Funds					
Unrestricted					
General	18	608,271		827,770	
Designated	18	803,858		793,466	
Endowment funds	18	3,759,879		3,557,502	
Restricted funds	18	2,682,523		2,433,607	
Total funds	18		<u><u>7,854,531</u></u>		<u><u>7,612,345</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 14 May 2024



Andrew Woodward
Trustee



Colin Chisholm
Trustee

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Charity balance sheet at 31 December 2023

Company number 01690871

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

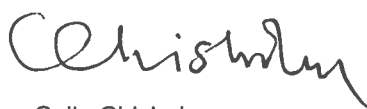
As permitted by section 408 of the Companies Act 2006, the Parent Charitable Company's profit and loss account has not been included in these financial statements. The surplus for the year was £242,186 (2022: £513,257).

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

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



Andrew Woodward
Trustee



Colin Chisholm
Trustee

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Statement of consolidated cash flows at 31 December 2023

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

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2023

1 Accounting policies

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

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

Basis of preparation

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP, 2nd Edition (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

Exemptions for qualifying entities under FRS 102

The parent charitable company has taken the following disclosure exemptions:

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

Going concern

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

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

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2023 (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 2023 (*continued*)

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 2023 (*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%-20% of cost
Office fixtures and equipment	-	20% of cost
Horticultural equipment	-	20% of cost
Computer equipment	-	20% of cost

Stock

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

Investments

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

Investments held in subsidiary companies are recognised at cost.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2023 (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 funds £	Restricted funds £	2023 £
Donations and legacies	382,498	592,690	975,188
	<u>382,498</u>	<u>592,690</u>	<u>975,188</u>
	Unrestricted funds £	Restricted funds £	2022 £
Donations and legacies	402,957	954,636	1,357,593
	<u>402,957</u>	<u>954,636</u>	<u>1,357,593</u>

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

3 Income from other trading activities

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

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

4 Income from charitable activities

	2023 £	2022 £
Admissions	280,858	243,943
Friends' subscriptions	318,322	307,280
	<u>599,180</u>	<u>551,223</u>

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

5 Investment income

	2023 £	2022 £
Income from fixed asset distribution unit funds	138,053	108,497
	<u>138,053</u>	<u>108,497</u>

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

6 Net Income

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements
for the year ended 31 December 2023 (continued)

7 Total expenditure

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

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

8 Expenditure on charitable activities

	Direct £	Support £	Total 2023 £
Science and horticulture	690,278	-	690,278
Educational programmes	121,686	-	121,686
Other projects	1,088,922	223,583	1,312,505
	<u>1,900,885</u>	<u>223,583</u>	<u>2,124,468</u>
	Direct £	Support £	Total 2022 £
Science and horticulture	565,143	-	565,143
Educational programmes	133,948	-	133,948
Other projects	844,331	164,616	1,008,947
	<u>1,543,422</u>	<u>164,616</u>	<u>1,708,038</u>

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

8 Expenditure on charitable activities (continued)

Analysis of direct costs	Total 2023 £	Total 2022 £
Wages and salaries	1,003,312	889,466
Depreciation	48,899	22,761
Materials	41,894	13,680
Equipment	8,940	8,015
Repairs, maintenance & cleaning	169,028	139,924
Security	11,839	6,395
Advertising and marketing	36,948	34,671
Education costs	8,034	7,550
Recruitment	14,850	25,754
Rent, rates, water, heat & light	23,727	37,405
Travel, subsistence & entertaining	34,542	19,731
Insurance	35,434	38,724
Printing, postage & stationary	35,224	27,794
Telephone and internet	6,342	5,213
Ticket commissions	14,842	13,900
Professional fees	197,279	65,705
Other costs	209,751	186,734
	<u>1,900,885</u>	<u>1,543,422</u>
Analysis of support costs	Total 2023 £	Total 2022 £
Wages and salaries	122,765	92,859
Depreciation	1,521	1,387
Security	914	390
Advertising and marketing	2,852	2,114
Recruitment	1,146	1,571
Rent, rates, water, heat & light	1,832	2,282
Travel, subsistence & entertaining	2,531	1,061
Printing, postage & stationery	2,597	787
Telephone and internet	489	318
Professional fees	12,698	3,154
Other costs	15,002	9,209
Governance costs	59,236	49,484
	<u>223,583</u>	<u>164,616</u>

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.

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Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

9 Expenditure on raising funds

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

10 Trustees and employees

	Group 2023 £	Group 2022 £
Wages and salaries	1,149,501	1,013,712
Social security costs	103,304	87,073
Pension costs	98,627	80,674
Temporary staff	1,232	-
	<u>1,352,664</u>	<u>1,181,459</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 2023	Group 2022
Charitable	36	36
Administration	3	2
Fundraising	3	2
	<u>42</u>	<u>40</u>

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

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

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

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

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

The Chelsea Physic Garden Company

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Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

10 Trustees and employees (continued)

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

Trustees' remuneration and expenses

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

11 Taxation

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

No tax charges arose in the period.

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

12 Tangible assets

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

The Chelsea Physic Garden Company

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Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

12 Tangible assets (continued)

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

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

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

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

The Chelsea Physic Garden Company

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Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

13 Fixed Asset investments (continued)

13b Investments in subsidiaries

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

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Total Fixed Asset Investments	<u>3,759,879</u>	<u>3,759,979</u>	<u>3,557,502</u>	<u>3,557,602</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 2023 the income of CPG Enterprises was £599,024 (2022: £781,866) and expenditure was £278,956 (2022: £562,544). The net assets of CPG Enterprises Limited were £4,778 (2022: £4,778) and the retained profit to that date was £4,678 (2022: £4,678), after payment to Chelsea Physic Garden Company under qualifying charitable donation of £320,068 (2022 - £219,322).

14 Stocks

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Goods for resale	<u>26,690</u>	<u>-</u>	<u>32,987</u>	<u>-</u>

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

15 Debtors

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

The Chelsea Physic Garden Company

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Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

16a Creditors : Amounts falling due within one year

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

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

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

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Other creditors	-	-	42,288	42,288
	<u>-</u>	<u>-</u>	<u>42,288</u>	<u>42,288</u>

17 Deferred income reconciliation

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

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Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

18 Analysis of charitable funds Group – current year

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

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Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

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

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

The Chelsea Physic Garden Company

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Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

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

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

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Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

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

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

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Notes forming part of the financial statements for the year ended 31 December 2023 (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.
Acoustic Panels Project	- A project to introduce acoustic panels along Embankment, reducing traffic noise. Generous donations were received from Grandiflora Patrons enabling the panels to be introduced and subsequently the planting in this area is being augmented and improved. Funds remaining have been transferred to a fund designated for maintenance projects.
Education and Outreach Project	- Funds raised to support the education programme including for specific initiatives including the Shelf-Life project and the outreach programme with Waltham Forest Young offenders institute.
Garden Restricted Donations	- Funds raised to support special horticultural projects in the environs of the Garden.
Judith Bronkhurst Donation	- A donation to fund the purchase of terracotta plant pots.
R.U.B White Charitable Trust	- A donation to support the community outreach programme.
Community Outreach	
Glasshouses Restoration Fund	- Restoration of the Garden's glasshouses together with supporting activity programmes, re-interpretation and plant collections review. Funded activities continue into 2024 and the fund will remain open as the glasshouses depreciate in value.
Friends' Scheme Review	- A review of the Friends scheme including questionnaires to Friends, benchmarking and proposals for improvements.
Legacy Roger Melvin Monks Horticulture Students Travel	- A legacy from Roger M. Monks to assist needy overseas students to pursue study at the Garden by supporting travel costs.
John Swire 1989 Charitable Trust	- A grant to support our learning and engagement programme.
Interpretation Roll-Out	- A fund to support the research, development, and installation of new interpretation across the Garden.
James & Shirley Sherwood Fund	- A fund to support and development of our non-living collections, specifically botanical art.
Learning and Engagement Coordinator	- A fund to support the costs of a part-time Coordinator to help administer and deliver our Learning and Engagement Programmes.
Composting facilities	- A fund to support the repair of our composting facilities.

The Chelsea Physic Garden Company

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Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

18 Analysis of charitable funds (continued)

Restricted funds which were closed in the prior year :

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

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

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

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

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Notes forming part of the financial statements
for the year ended 31 December 2023 (continued)

19 Analysis of net assets between funds

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

20 Liability to the members

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

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Notes forming part of the financial statements for the year ended 31 December 2023 (continued)

21 Analysis of cash and cash equivalents

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

22 Analysis of net debt

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

23 Financial commitments

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

24 Commitments under operating leases

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

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