

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

Consolidated Report and Financial Statements

Year Ended

31 December 2020

Company Number 01690871

Charity Number 286513

THURSDAY



AAQ8JJM

A14

12/08/2021

#263

COMPANIES HOUSE

The Chelsea Physic Garden Company

(a company limited by guarantee)

Report and financial statements for the year ended 31 December 2020

Contents

Page:

1	Directors' and Strategic report
13	Directors' responsibilities statement
14	Independent auditor's report
18	Consolidated statement of financial activities
19	Consolidated balance sheet
20	Charity balance sheet
21	Statement of consolidated cash flows
22	Notes forming part of the financial statements

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report for the year ended 31 December 2020

The trustees, who are also directors for the purpose of company law present their report together with the audited financial statements for the year ended 31 December 2020 which are also prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

Status and Constitution

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

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

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

The Chelsea Physic Garden is currently dormant and is consolidated within the accounts of The Chelsea Physic Garden Company.

Directors and members of the Board

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

Mrs Cathy Arnold	
Mr Colin Chisholm	(Hon. Treasurer, Finance & Operations Committee)
Mr Paul Martin Gray	(Finance & Operations Committee)
Mrs Sukie Hemming	
Dr Helen Charman	(appointed 4 February 2021)
Ms Anna Jobson	
Mr Tony Kirkham	(Chair of Advisory Committee)
Mrs Patricia Lankester	(Resigned 31 December 2020)
Lady Arabella Lennox-Boyd	
Mr Michael McGonigle	(Finance & Operations Committee)
Mr Quoc-Nghi Nguyen	
Mr Michael Prideaux	(Chairman of the Board, Finance & Operations Committee)
Mrs Sarah Speller	(Finance & Operations Committee)
Mrs Susan Medway	(Company Secretary)

Senior Management Team

Director	Mrs Susan Medway
Development Director	Mrs Joanna Wells
Commercial Director	Mrs Wendy Bowen
	Mr Tom Gilliford (from April 2020)
Deputy Director (Visitor Experience)	Ms Frances Sampayo
Head of Finance	Mr Paul Ryan
Head of Plant Collections	Ms Nell Jones
Head of Learning & Public Engagement	Ms Katy Parry
Executive Assistant	Ms Gill Mathias
Project Manager	Mrs Sue Saville

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report for the year ended 31 December 2020 (*continued*)

Professional advisors

Bank: National Westminster Bank plc
183b Kings Road
Chelsea
London
SW3 5EB

Solicitors: Farrer & Co
66 Lincolns' Inn Fields
London
WC2A 3LH

Wilsons LLP
Alexander House
St Johns Street
Salisbury
SP1 2SB

Auditor: BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

Fund Managers: Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Registered and principal office: 66 Royal Hospital Road
London
SW3 4HS

Organisation and Structure

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

Mrs Patricia Lankester retired at the end of 2020 following a one year extension to her appointment as a director of the company in order to continue to contribute to the development of the learning strategy and activity programme associated with the Glasshouse capital project.

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report for the year ended 31 December 2020 (*continued*)

Organisation and Structure (*continued*)

The principal departments and senior roles are:

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

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

The Development Director is responsible for supporting senior fundraising volunteers as well as direct fundraising for both specific capital projects and also to support the charity's education and learning programmes. Notable is the project to restore the Garden's glasshouses which has been supported by a development grant from the National Lottery Heritage Fund and for which a capital appeal is underway.

The Head of Finance is responsible for all finance activities for the company and the wholly owned trading subsidiary CPG Enterprises Limited.

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

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

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

Related parties and co-operation with other organisations

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

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

The charity has working relationships and maintains networks with a number of organisations at a local, national and international level. As a small independent charity these are important to raise and maintain its profile, to promote its diverse work and to share information and best practice.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report for the year ended 31 December 2020 (*continued*)

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

The charity maintains membership of the Botanic Gardens Education Network, Botanic Gardens Conservation International, the Association of Independent Museums, the National Council for the Conservation of Plants and Gardens, the Chartered Institute of Personnel & Development and The Heritage Alliance.

Close networks exist between a large number of international botanic gardens notably through the Index Seminum, the international seed exchange programme. The Garden also maintains good working relationships with staff at the Royal Botanic Gardens, Kew; Cambridge and Oxford Botanic Gardens; Edinburgh and Bristol Botanic Gardens. The Royal Horticultural Society and Kew support the Garden with technical advice, expertise and plant material. The Garden has reciprocated with similar exchanges of expertise and also hosted visits from horticultural trainees from many of these Gardens. There is a developing network through the charity's outreach programme including the small community garden in North Kensington and with organisations such as St Mungo's and The Passage.

At a local level the charity engages with what is going on within the borough of Kensington and Chelsea, and particularly within the environs of Chelsea and Kings Road. The Garden pays attention to activities relating to tourism, education and community initiatives that it can support and promote either actively or passively. Representatives from the charity attend meetings and networking events of the Kings Road Business Forum and The Chelsea Society and they work with the Royal Hospital, Chelsea and the National Army Museum. The Director sits on the Committee of London Gardens Network, whose aim is to support and develop the skills and opportunities for professional gardeners. She is a Trustee of The London Gardens Society, a charity whose purpose is to stimulate pride in London especially by cultivating flowers and home gardens. She is a Liveryman of the Worshipful Company of Gardeners.

All intra-group transactions have taken place in the normal course of business. There are no other related party transactions requiring disclosure.

Aims and Objectives

Purpose and principal activities

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

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

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report for the year ended 31 December 2020 (*continued*)

Ensuring our work delivers our aims for the public benefit

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

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

Public benefit statement

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

The directors ensure the charity delivers public benefit by:

- admitting the public to the Garden on payment of a modest admission charge;
- maintaining a Friends scheme;
- providing a range of learning and public programmes on and off-site;
- site and collections interpretation;
- publications and digital resources; and
- providing guided tours, visitor services and on-line access.

Our activities

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

Notwithstanding the impact of the COVID-19 global pandemic the impact of which is detailed later in this report, in normal times, the Garden is open to visitors 11 months of the year, six days a week; it maintains longer opening hours (11am- 6pm) between April and October and has evening openings on Tuesdays and Wednesdays in July and August staying open until 10pm. Saturdays are exclusively reserved for private hire.

Because of the effect of the COVID-19 pandemic, repeated restrictions on travel, a period of forced closure in 2020 the Garden welcomed 35,583 visitors, a decrease of 50% on 2019. The number of Friends at 31 December was 5,975, a decrease of 8.25% on 2019.

Income from commercial lettings should form a significant part of the charity's income. Information relating to private hire and to the Garden's programme of events and activities is posted on the website and is promoted via the monthly e-newsletter, and of this activity has been substantially affected by and curtailed by the restrictions in place throughout the year. Very little venue hire has been possible and any has been very small scale, the public programme has been delivered digitally.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report for the year ended 31 December 2020 (*continued*)

Our activities (*continued*)

The collaboration with Beefeater Gin through the London Garden Gin product and their charitable donation to the Garden continued in 2020. An agreement has been reached with Octopus Publishing for the production of a Garden Herbal and an initial charitable donation has been made by them.

The City Bridge Trust and the Band Trust have continued their support of the outreach programme which enabled this to continue. The Garden was able to welcome 722 learners to the Garden and a further 439 took part in some form of activity off-site either within their own space or at the community Garden. We are clear that this substantial decrease in physical engagement with learners was a consequence of education institutions having to adapt repeated closures and to restrictions on travel. We have used the funding to develop and launch various digital resources. In the year we had 2,346 digital downloads of our learning resources and 814 participants on our digital public programme. The committed funding has been in place to the end of 2020 and efforts are underway to secure new funding to continue the programmes.

Funding from private individuals and charitable trusts, including the continued generous support from the Eranda Rothschild Foundation, has ensured that the Garden continues to be able to offer a one year horticultural training programme specifically tailored to improving the skills of successful candidates in working in an historic botanical garden open to the public. In 2020 we were able to only secure funding for one trainee. The intern programme has been able to continue, with a student able to take up a placement during the summer undertaking periods of study.

Future vision

Progress on achieving the overall objective to update the Gardens horticultural and learning facilities and infrastructure; to improve and enhance the overall accessibility and experience for visitors, as part of its 350 anniversary celebrations in 2023 continue.

The first phase of this is restoration and reinterpretation of the Garden's Victorian Glasshouses. The National Lottery Heritage Fund (NLHF) approved a first round grant of £172,500 in December 2019 and work has been undertaken to prepare a detailed plan to fully repair the Glasshouses to better care for the plant collections, to improve the interpretation unlocking stories that help visitors understand the value of plants in their lives, together with important conservation and biodiversity and environmental issues.

Fundraising has been successfully undertaken to fully support the project including a delivery grant award from the NLHF.

COVID-19

In line with Government guidance, the charity closed the Garden to all but essential workers on 22 March 2020 in order to comply with guidance on supporting the requirement to stay at home and self-isolate, to try and contain the virus. In line with the guidance relating to open spaces the Garden reopened at the beginning of June 2020. Throughout the year the Garden has been able to continue to be open to Friends and members of the public for essential exercise and well-being visits.

The retail operation reopened in the Garden in June 2020 but it became apparent that it was not financially viable to keep this operating and it was therefore closed and mothballed at the end of September 2020 for the time being, until retail sentiment returned and it reopened in April 2021 on a limited basis. Two staff roles were disestablished consequently.

Venue hire activity has been substantially affected because of the restrictions imposed with the vast majority of bookings postponed. The majority have been able to be reorganised and will, it is hoped be able to be accommodated some time in 2021.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report for the year ended 31 December 2020 (continued)

COVID-19 (continued)

The Garden's catering partners have been very flexible in responding to the different changes in legislation relating to food and drink venues and alternatively offered takeaway and table service. Their trading performance and consequently the income received by the Garden has been affected.

A Board and senior management subcommittee meet monthly to review the performance and financial stability of the company and its trading subsidiary. They monitor and review all the key performance indicators, all major income and expenditure and monitor closely the cash flow to ensure that the company and trading subsidiary are able to meet their liabilities and can continue to trading on an ongoing concern basis.

Volunteers

The Garden's team of volunteers, 135 (2019: 127) in total, provides invaluable support across the charity and their numbers have risen slightly. Recruitment of volunteers throughout the year to support all areas of our activity continues, to improve our care of the Garden, our collections and the standard of service offered to visitors. Around 32 (2019: 46) volunteers support horticulture; 9 (2019: 10) in administration; 17 support the learning and public engagement programme; whilst the largest proportion of volunteers, 77 (2019: 63) in 2020, helped support the Garden. The annual programme of new Guide recruitment was undertaken and the training sessions completed prior to the first lockdown, but the new Guides had little opportunity to practice their newly acquired skills. Guided tours were undertaken in the summer for groups of no more than six until restrictions again made this not possible.

In line with the closing of the Garden due to COVID-19 volunteers have continued to support the Garden remotely, some carrying out research, as well as support with internal communications and they remain ready to return when restrictions allow.

Fundraising statement

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not currently undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes." We have an on-line donation page for the Glasshouse Appeal which was created during the year. At 31 December 2020 £11,440 had been received specifically for this Appeal via the website. Such amounts received are presented in our accounts as "voluntary income" and include legacies and grants.

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

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

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report for the year ended 31 December 2020 (*continued*)

Principal Funding Sources

Income is principally generated by the charity from charging visitors admission to enter the Garden, from annual subscriptions from Friends of the Garden and from the Adult education programme. In addition, the commercial activities of CPG Enterprises Limited make a significant contribution to the funding of the charity. The charity also holds long-term investments in the form of an Endowment Fund. This endowment fund was established between 1983-87 from a fundraising appeal which attracted donations from a number of sources. The Trustees have determined that the fund is expendable with both capital and income being available to use at the Trustee's discretion in support of the Charity's work. On 11 June 2020 the Trustees instructed the investment fund managers to liquidate sufficient long term investments to provide cash resources of £500,000 in order to ensure that the charity has sufficient liquidity in a period of substantial uncertainty. At 31 December 2020 the endowment fund value was £3,300,797.

Trust and Major Donors 2020

The Garden is fortunate to have the support of a number of Charitable Trusts and Foundations together with many individuals who make donations supporting capital works and the charity as a whole. In 2020 grants were received from the following generous donors:

General

Culture Recovery Fund
The David Laing Foundation
Garden House School
John and Diana Kemp-Welch Charitable Trust
Joyce Hogge Legacy
The Stonewall Park Charitable Trust

Horticultural Education, Horticultural Trainees and Garden Projects

Dianne Edwards
The Barbara Whatmore Charitable Trust
The Eranda Foundation
The Finnis Scott Foundation
The Stanley Smith (UK) Horticultural Trust

Education and Outreach Projects

City Bridge Trust
John Lyon's Charity
Mrs R U B White Charitable Trust

Glasshouse Restoration Project

National Lottery Heritage Fund
The Band Trust
John Balson Legacy
The Hobson Charity Ltd
The John Armitage Charitable Trust
The John Swire 1989 Charitable Trust
Lady Sandra Lean Legacy
The Peter Stormonth Darling Charitable Trust
The Pilgrim Trust

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report for the year ended 31 December 2020 (continued)

Trust and Major Donors 2020 (continued)

With special thanks to The John Browne Charitable Trust and Hothouse Challenge Donors, including:

Augusta Charitable Trust
Chelsea Physic Garden Florilegium Society
The Consuelo and Anthony Brooke Charitable Trust
David and Emma Verey Charitable Trust
Mr Stephen Edge
The Hon William & Mrs Gibson
The Golden Bottle Trust
The Hon Lady Arabella Lennox-Boyd
London Gardens Network
The Marchus Trust
Bryan Mayou FRCS
Mr Michael McGonigle
Daniel & Marcella Pinto
Mr Michael Prideaux
Mrs Sue Prideaux
The R H Charitable Trust
Libby and David Richwhite
Adrian Sassoon
Dr Martin Schoernig
Sir James & Lady Scott
Stevenson Family's Charitable Trust
The Worshipful Society of the Apothecaries of London

CPG350: Sowing the Seeds of Discover Project

Daniel & Marcella Pinto

And all our donors who wish to remain anonymous.

Investment Policy

The directors have considered the most appropriate policy for managing the charity's endowment funds and unrestricted reserves. They have delegated management of these funds to a specialist fund manager, Sarasin & Partners LLP. The investment mandate set for the fund manager is to provide a level of annual income to support the running of the charity, whilst also looking to achieve long term capital growth of the funds.

Reserves

Total funds at the year-end amount to £4,981,386 (2019: £4,856,770) of which £479,789 (2019: £278,449) can only be used for particular restricted purposes as stipulated by the donors. The assets and liabilities attributable to the various funds are shown in notes 18 and 19 to the financial statements which also describe the various funds of the charity.

Unrestricted funds amount to £1,200,800 (2019: £942,864), of which £950,800 (2019: £692,864) is freely available as the directors consider the Endowment funds of £3,300,797 (2019: £3,635,457) to be available only in exceptional circumstances. The charity relies on the income generated from these long term investments (and also from its own activities) for the day to day upkeep of the Garden and for capital growth to ensure continued income generation in future years.

The directors review annually the reserves policy and have set the target level of free reserves at the equivalent of operational expenditure over the next six months which equates to £907,700. The freely available reserves of £950,800 equate to a little over six months of expenditure reserve and are therefore broadly in line with this reserves policy.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report for the year ended 31 December 2020 (continued)

Financial review

The results for the year show net deficit of £40,724 compared with a net surplus of £251,474 in 2019 and a net surplus (after unrealised gains) of £124,616 compared with £742,837 in 2019. After a year of uncertainty because of the impact of COVID-19, the balance sheets shows a positive position, in all the circumstances.

The Garden's trading subsidiary, CPG Enterprises Limited, showed a pre-tax profit of £15,169 (2019: £82,536), before a donation under deed of covenant was made to the Garden.

Income from letting rooms and external events in the Garden was £64,745 (2019: £386,006) which was 4% (2019 - 17%) of total income. The income received from the Friends related to the renewal of annual subscriptions to the Friends' scheme and the making of new Friends of the Garden generated an income of £272,030 (2019: £295,700).

Total expenditure of £1,801,904 decreased by 9.5% (2019 - £1,991,775). The decreases were in wage, energy, water, printing, stationary and marketing costs.

Going concern

In assessing the impact of COVID-19 on The Chelsea Physic Garden Company group, the Directors have considered all the matters described in the Directors' Report, including the group's operations, the impact on subscriptions, donation, and other trading activities, as well as the impact on the group's investment portfolio. In particular, in order to support the Directors' assessment of the sustainability of the group's activities, management continues to prepare monthly cash-flow forecasts based on assumptions, through to the end of 2022 that reflect possible scenarios arising from the impact of COVID-19. The major revenue and expenditure budgets are tracked on a month by month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure through 2021 up to December 2022. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsidiary which undertakes certain commercial trading activities of the group, has been subjected to separate stress tests for a period which extends forward to the end of 2022. Whilst the closure of the Garden to visitors between 22 March and 8 June 2020 and the subsequent restrictions that remained in place throughout the year resulted in the cancellation of events, the curtailment of the café's operations and the closure of the shop within the Garden (reopening on 12 April 2021), together with the curtailment of other trading activities ordinarily undertaken by CPG Enterprises Ltd, the stress tests demonstrate that the trading company remains an independent going concern throughout.

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

Charity Governance Code

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

The charity is in the process of reviewing the Charity Corporate Governance Code and is considering whether to implement any changes in response.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' report for the year ended 31 December 2020 (*continued*)

Plans for Future Periods

In anticipation of the Garden's 350th anniversary in 2023 the charity continues work on the development of the project's aims to achieve improvements to and refurbishment of the visitor, horticultural and learning facilities and infrastructure and to improve and enhance the overall accessibility and experience for visitors.

The first phase of this project is the restoration and reinterpretation of the Glasshouses at an estimated cost of £2.8m. The National Lottery Heritage Fund awarded a Development Grant of £172,500 towards the overall development phase costs of £487,241. At 31 December 2020, £201,489 had been received. The directors have designated funds amounting to £250,000 in 2020 from the operating surplus and reserves to be spent as a contribution in order to support this project.

COVID-19

The impact of COVID-19 on future plans has to date had a negligible effect on the timetable to progress activities associated with the Glasshouse capital project as most of the work either has already been achieved or can continue remotely and it is anticipated that progress to completion to the end of RIBA Stage III has been achieved. A Second Round application has been submitted to the National Lottery Heritage Fund and received on 23 March 2021.

Fundraising progress to raise the balance of funds needed for the Glasshouse project to progress from RIBA Stage III to completion is ongoing and substantial progress has been achieved with a specific Challenge fundraising initiative in progress. Active communication with current funders and with the National Lottery Heritage Fund continues throughout.

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

Recruitment and Appointment of the Board

All members of the Board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 9 to the financial statements.

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

Trustee Induction and Training

New Trustees are invited and encouraged to attend at the Garden to familiarise themselves with the charity and the context within which it operates, including meeting with senior management and taking tours with the volunteer Guides. They are invited to attend the main Spring briefing and the subsequent quarterly staff and volunteer briefing sessions.

Pay policy of senior staff

A sub-committee of the Board, the Remuneration Committee, is responsible for annually reviewing the pay and conditions of staff and volunteer expense remuneration. Benchmarking is undertaken within the relevant sector of all vacant roles prior to re-advertising. A bi-annual benchmarking programme is undertaken for all roles within the horticultural sector to ensure that the Garden's pay and conditions are in line with comparable organisations.

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

Directors' report
for the year ended 31 December 2020 (continued)

Risk Management

The directors actively review the major risks which the charity might face, in particular those relating to governance, reputation, operations and finance. As part of the risk monitoring infrastructure the charity maintains an active risk register, business continuity and disaster plan. These are regularly reviewed to ensure relevance and in 2020 the new monitoring arrangements introduced in 2019 became established. The charity annually reviews its insurance provision including the type of cover and overall levels of cover.

The Board puts great emphasis on active monitoring of the financial risks for both the charity and its subsidiary including the liquid funds to settle debts as they fall due, the active management of trade debtors and creditor balances and ensuring sufficient working capital is available to the charity and its subsidiary company.

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

The risk associated with the impacts of COVID-19 pandemic are being monitored closely by management on a daily basis and reported regularly to Trustees, as a minimum weekly or more regularly if necessary, including the effect on the charity's ability to deliver its public benefit agenda and up to date information on the cash flow position.


Provision of information to auditors

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

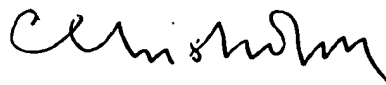
- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- that the director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with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

This report, including the strategic report, was approved by the Board on
signed on its behalf by:

28 July 2021 and



Michael Prideaux
Director



Colin Chisholm
Director

The Chelsea Physic Garden Company

(a company limited by guarantee)

Directors' responsibilities statement for the year ended 31 December 2020

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Independent auditor's report To the Directors of The Chelsea Physic Garden Company for the year ended 31 December 2020

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The Chelsea Physic Garden Company ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 December 2020 which comprise the consolidated statement of financial activities (including consolidated income and expenditure account), the consolidated and charity parent balance sheet, the statement of consolidated cash flows and notes forming part of the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Consolidated Report, other than the financial statements and our auditor's report thereon. The other information comprises: the Directors' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent

The Chelsea Physic Garden Company

(a company limited by guarantee)

Independent auditor's report (*continued*) for the year ended 31 December 2020

material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Directors' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or

The Chelsea Physic Garden Company

(a company limited by guarantee)

Independent auditor's report (*continued*) for the year ended 31 December 2020

error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the sector in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be relevant charities acts in the UK and Ireland. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. We considered the charitable company's own assessment of the risks that irregularities may occur either as a result of fraud or error. We also considered the risks of non-compliance with other requirements imposed by the Companies House and Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements.

In addition, the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, fundraising regulations, data protection and health and safety legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

We understood how the charitable company is complying with those legal and regulatory frameworks by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes and correspondences with HMRC and the various charity regulators.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries of the Board of Trustees and management, and a review of minutes of meetings of those charged with governance. We made enquiries regarding any matters identified as a Serious Incident as reportable to the Charity Commission of England and Wales. We also performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

We did not identify any matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls, including testing journals including those which potentially impact remuneration and other performance targets and evaluating whether there was evidence of bias by management or the Board that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.


The Chelsea Physic Garden Company

(a company limited by guarantee)

Independent auditor's report (*continued*) for the year ended 31 December 2020

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

7AF3AA992E64437...

Paul Clark (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor
London,
United Kingdom

Date: 06 August 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated statement of financial activities (including consolidated income and expenditure account) for the year ended 31 December 2020

	Note	Unrestricted funds £	Endowment funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income from:						
Donations and legacies	2	342,767	-	634,455	977,222	626,196
Other trading activities	3	200,685	-	-	200,685	859,894
Charitable activities	4	403,538	-	-	403,538	604,302
Other income		47,752	-	-	47,752	11,521
Investments	5	131,983	-	-	131,983	141,336
Total income		1,126,725	-	634,455	1,761,180	2,243,249
Expenditure on:						
Charitable activities	8	1,067,750	-	436,349	1,504,099	1,508,519
Raising funds	9	273,233	24,572	-	297,805	483,256
Total expenditure	7	1,340,983	24,572	436,349	1,801,904	1,991,775
Net income/(expenditure) before gains, losses and transfers	6	(214,258)	(24,572)	198,106	(40,724)	251,474
Net gain on investments	13	-	165,340	-	165,340	491,363
Net surplus/(deficit) before transfers		(214,258)	140,768	198,106	124,616	742,837
Transfers between funds	18	472,194	(475,428)	3,234	-	-
Net movement in funds		257,936	(334,660)	201,340	124,616	742,837
Reconciliation of funds						
Total funds brought forward at 1 January 2020	18	942,864	3,635,457	278,449	4,856,770	4,113,933
Total funds carried forward at 31 December 2020	18	1,200,800	3,300,797	479,789	4,981,386	4,856,770

All results are derived from continuing activities.

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

The notes on pages 22 to 44 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Consolidated balance sheet at 31 December 2020

Company number 1690871

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	12		249,605		278,590
Investments	13		3,300,797		3,635,457
			<u>3,550,402</u>		<u>3,914,047</u>
Current assets					
Stocks	14	22,575		44,111	
Debtors	15	52,041		121,775	
Cash at bank and in hand	23	1,831,333		1,136,426	
		<u>1,905,949</u>		<u>1,302,312</u>	
Creditors: amounts falling due within one year	16	(474,965)		(359,589)	
Net current assets			<u>1,430,984</u>		<u>942,723</u>
Net assets	19		<u>4,981,386</u>		<u>4,856,770</u>
Funds					
Unrestricted:					
General	18	950,800		692,864	
Designated	18	250,000		250,000	
Restricted funds	18	479,789		278,449	
Endowment funds	18	3,300,797		3,635,457	
Total funds	18		<u>4,981,386</u>		<u>4,856,770</u>

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

22 July 2021

M.P.

Colin Chisholm

Michael Prideaux
Director

Colin Chisholm
Director

The notes on pages 22 to 44 form part of these financial statements.

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

**Charity balance sheet
at 31 December 2020**

Company number 1690871

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	12		247,372		275,872
Investments	13		3,300,897		3,635,557
			<u>3,548,269</u>		<u>3,911,429</u>
Current assets					
Debtors	15	25,339		107,895	
Cash at bank and in hand	23	1,758,117		1,101,755	
		<u>1,783,456</u>		<u>1,209,650</u>	
Creditors: amounts falling due within one year	16	(355,017)		(268,987)	
Net current assets			<u>1,428,439</u>		<u>940,663</u>
Net assets	19		<u>4,976,708</u>		<u>4,852,092</u>
Funds					
Unrestricted:					
General	18	946,122		688,186	
Designated	18	250,000		250,000	
Restricted funds	18	479,789		278,449	
Endowment funds	18	3,300,797		3,635,457	
Total funds	18		<u>4,976,708</u>		<u>4,852,092</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 £124,616 (2019: £742,837).

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

22 July 2021

N.P.S.

Colin Chisholm

Michael Prideaux
Director

Colin Chisholm
Director

The notes on pages 22 to 44 form part of these financial statements.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Statement of consolidated cash flows at 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net movement in funds		124,616	742,837
Gain on investments		(165,340)	(491,363)
Investment income		(131,983)	(141,336)
Depreciation		28,985	37,999
Decrease/(increase) in debtors		69,734	(91,077)
Increase in creditors		115,376	29,429
Decrease/(increase) in stocks		21,536	(7,983)
		<u>62,924</u>	<u>78,506</u>
Cash flows from investing activities			
Investment income	5	131,983	141,336
Disposal of investments	13	500,000	-
Purchase of PPE	12	-	(15,276)
		<u>631,983</u>	<u>126,060</u>
Increase in cash for the year		694,907	204,566
Cash at beginning of year		<u>1,136,426</u>	<u>931,860</u>
Cash at end of year	21,22	<u>1,831,333</u>	<u>1,136,426</u>

The notes on pages 22 to 44 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 2020

1 Accounting policies

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

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

Basis of preparation

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

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

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

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

Exemptions for qualifying entities under FRS 102

The parent charitable company has taken the following disclosure exemptions:

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

Going concern

In assessing the impact of COVID-19 on The Chelsea Physic Garden Company group, the Directors have considered all the matters described in the Directors' Report, including the group's operations, the impact on subscriptions, donation, and other trading activities, as well as the impact on the group's investment portfolio. In particular, in order to support the Directors' assessment of the sustainability of the group's activities, management continues to prepare monthly cash-flow forecasts based on assumptions, through to the end of 2022 that reflect possible scenarios arising from the impact of COVID-19. The major revenue and expenditure budgets are tracked on a month by month basis to check actual against budget, which is used to adjust the forward assumptions for income and expenditure through 2021 up to December 2022. The analysis undertaken shows that the group remains cash positive throughout without need to liquidate any of the charity's investment portfolio.

CPG Enterprises Ltd, the wholly owned subsidiary which undertakes certain commercial trading activities of the group, has been subjected to separate stress tests for a period which extends forward to the end of 2022. Whilst the closure of the Garden to visitors between 22 March and 8 June 2020 and the subsequent restrictions that remained in place throughout the year have resulted in the cancellation of events, the curtailment of the café's operations and the closure of the shop within the Garden (reopening on 12 April 2021), together with the curtailment of other trading activities ordinarily undertaken by CPG Enterprises Ltd, the stress tests demonstrate that the trading company remains an independent going concern throughout.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (*continued*)

1 Accounting policies (*continued*)

Going concern (*continued*)

At the date of signing of these financial statements, the directors' forecasts indicate that the Group will be able to maintain liquidity for a period of at least one year following the date of signing of these financial statements and will therefore be able to continue to trade as a going concern.

The directors therefore consider that no material uncertainty exists in relation to going concern for the Group.

Consolidation

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

Income

Donations, grants and legacies

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

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

Payments received from the government for furloughed employees are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised in income in the period in which it becomes receivable and the related expense is incurred.

Commercial trading operations

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

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

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (*continued*)

1 Accounting policies (*continued*)

Gift Aid

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

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

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

Investment income

Dividends are included in the Statement of Financial Activities when they are declared at an amount, which includes the tax credit recoverable from the H M Revenue and Customs.

Interest is included when receivable by the group.

Income from charitable activities

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

Expenditure

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

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

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

Fund accounting

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

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

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

1 Accounting policies (continued)

Tangible fixed assets

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

The charity does not have a policy on revaluation. A nominal value of £1 is put on the main buildings and gardens which are leased in perpetuity for a rent of £5 a year.

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

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

Stock

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

Investments

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

Investments held in subsidiary companies are recognised at cost.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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

Financial instruments

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (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 the personal pension plans of employees.

Estimates and judgments

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements
for the year ended 31 December 2020 (continued)

2 Income from donations, grants and legacies

	Unrestricted funds £	Restricted funds £	2020 £	2019 £
Donations and legacies	128,667	634,455	763,122	626,196
Government grants	214,100	-	214,100	-
	<u>342,767</u>	<u>634,455</u>	<u>977,222</u>	<u>626,196</u>
Total 2019	<u>150,249</u>	<u>475,947</u>	<u>626,196</u>	

Government grants of £214,100 relate to grant income received under the Culture Recovery Fund scheme administered by the National Lottery Heritage Fund to support small scale capital expenditure and contribution to core costs including staff wages.

3 Income from other trading activities

	2020 £	2019 £
Commissions and letting of rooms	64,745	386,006
Shop income	84,049	235,343
Fundraising events	49,724	234,545
Royalties	2,167	4,000
	<u>200,685</u>	<u>859,894</u>
Commercial trading operations		

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

4 Income from charitable activities

	2020 £	2019 £
Admissions	131,407	308,602
Friends subscriptions	272,030	295,700
Art in the Garden	101	-
	<u>403,538</u>	<u>604,302</u>

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

**Notes forming part of the financial statements
for the year ended 31 December 2020 (continued)**

5 Investment income

	2020 £	2019 £
Income from fixed asset distribution unit funds	131,983	141,336
	<u>131,983</u>	<u>141,336</u>

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

6 Net income

	2020 £	2019 £
Net income for the year is stated after charging:		
Auditor's remuneration	24,500	19,950
Accountancy services	4,800	4,575
Depreciation of tangible fixed assets	28,985	37,999
	<u> </u>	<u> </u>

7 Total expenditure

	Staff costs £	Premises costs £	Depreciation £	Other costs £	Total 2020 £
Charitable activities (note 8)	802,563	142,786	26,534	532,216	1,504,099
Raising funds (note 9)	173,248	2,305	2,451	119,801	297,805
	<u>975,811</u>	<u>145,091</u>	<u>28,985</u>	<u>652,017</u>	<u>1,801,904</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Staff costs £	Premises costs £	Depreciation £	Other costs £	Total 2019 £
Charitable activities (note 8)	786,804	180,948	34,967	505,800	1,508,519
Raising funds (note 9)	178,073	12,176	3,032	289,975	483,256
	<u>964,877</u>	<u>193,124</u>	<u>37,999</u>	<u>795,775</u>	<u>1,991,775</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Total expenditure for the year was £1,801,904 (2019: £1,991,775) of which £436,349 was restricted (2019: £286,842), £1,340,983 was unrestricted (2019: £1,679,645) and £24,572 (2019: £25,288) related to endowment funds.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

8 Expenditure on charitable activities

	Direct £	Support £	Total 2020 £
Science and horticulture	453,119	-	453,119
Educational programmes	122,537	-	122,537
Other projects	687,354	241,089	928,443
	<u>1,263,010</u>	<u>241,089</u>	<u>1,504,099</u>
	Direct £	Support £	Total 2019 £
Science and horticulture	611,348	-	611,348
Educational programmes	108,548	-	108,548
Other projects	526,851	261,772	788,623
	<u>1,246,747</u>	<u>261,772</u>	<u>1,508,519</u>

Expenditure on charitable activities in the year was £1,504,519 (2019: £1,508,519) of which £436,349 was restricted (2019: £286,842), £1,067,750 was unrestricted (2019: £1,221,677) and £Nil was relating to endowment funds (2019: £Nil).

Analysis of direct costs

	Total 2020 £	Total 2019 £
Wages and Salaries	655,293	620,535
Depreciation	24,981	29,972
Materials	7,166	17,426
Equipment	1,949	9,549
Repairs, maintenance & cleaning	111,658	115,302
Security	6,066	7,956
Advertising and marketing	44,304	41,325
Education costs	23,954	48,055
Recruitment	16,330	17,295
Rent, rates, water, heat & light	23,240	33,339
Travel, subsistence & entertaining	5,093	27,362
Insurance	30,938	30,240
Printing, postage & stationary	39,293	49,595
Telephone and internet	4,614	5,286
Ticket commissions	8,247	3,040
Professional fees	195,546	93,216
Other costs	54,338	97,254
Total	<u><u>1,263,010</u></u>	<u><u>1,246,747</u></u>

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

8 Expenditure on charitable activities (continued)

Analysis of support costs

	Total 2020 £	Total 2019 £
Wages and Salaries	137,270	166,269
Depreciation	1,553	4,995
Repairs, maintenance & cleaning	-	17,469
Security	377	1,326
Advertising and marketing	2,754	6,808
Recruitment	1,015	2,883
Rent, rates, water, heat & light	1,445	5,557
Travel, subsistence & entertaining	201	2,904
Printing, postage & stationary	2,415	7,939
Telephone and internet	287	881
Professional fees	11,752	13,994
Other costs	2,938	6,614
Governance costs	79,082	24,133
Total	241,089	261,772

Support costs are allocated on an apportionment basis as follows:

	2020	2019
Total employees	29	30
Support staff	2	4
% for apportionment	6.9%	13.3%

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

The % of expenditure allocated to support costs has decreased due to the reduction in the number of support staff.

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

9 Expenditure on raising funds

	2020 £	2019 £
Wages and salaries	173,248	178,073
Expenditure of CPG Enterprises (including depreciation)	60,641	190,909
Fundraising costs of charity	31,309	35,685
Investment manager fees	24,572	25,288
Costs incurred on fundraising fair	8,035	53,301
	<u>297,805</u>	<u>483,256</u>

Expenditure on raising funds for the year was £297,805 (2019: £483,256) of which £24,572 (2019: £25,288) related to endowment funds and £273,233 (2019: £457,968) related to unrestricted funds.

Other than those costs that wholly relate to fundraising costs all other expenditure on raising funds is based on an apportionment basis as follows:

	2020	2019
Total employees	29	30
Fundraising staff	2	2
% for apportionment	6.9%	6.7%

10 Directors and employees

	Group 2020 £	Group 2019 £
Wages and salaries	860,152	857,279
Social security costs	66,572	73,989
Pension costs	47,467	33,609
Temporary staff	1,620	-
	<u>975,811</u>	<u>964,877</u>

The group does not operate its own pension scheme. Pension costs relate to payments made by the group to the personal pension plans of employees.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

10 Directors and employees (continued)

Average number of employees as a headcount:

	Group 2020 Number	Group 2019 Number
Charitable	25	24
Administration and support	2	4
Fundraising	2	2
	<hr/>	<hr/>
	29	30
	<hr/>	<hr/>

The group was helped by a substantial number of volunteers, approximately 135 (2019: 127) throughout the year.

The key management personnel of the group, include a number of senior managers across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total employment benefits paid to key management personnel of the group were £455,861 (2019: £446,711).

Salary range for employees earning £60,000 p.a. or more	2020	2019
£60,000 - £69,999	1	1
£70,000 - £79,999	-	-
£80,000 - £89,999	-	1
£90,000 - £99,999	1	-
	<hr/>	<hr/>

Redundancy, restructuring and termination costs relating to a number of employees were £8,415 (2019: £Nil).

Government grants relating to furloughed staff were received of £46,723 (2019: £Nil). The furlough claim is included within Other Income.

Directors' remuneration and expenses

None of the directors received any remuneration. During the year one director received £127 expense reimbursement (2019 – £223 expense reimbursed).

11 Taxation

The Chelsea Physic Garden Company is a registered charity and has no liability to taxation on its income for the year. Tax recovered from voluntary income received under gift aid is recognised when the related income is receivable and is allocated to the income category to which the income relates.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements
for the year ended 31 December 2020 (*continued*)

12 Tangible assets

Group	Buildings and improvements £	Office fixtures and equipment £	Horticultural equipment £	Computer equipment £	Total £
<i>Cost</i>					
At 1 January 2020	695,457	209,686	15,167	111,691	1,032,001
Additions	-	-	-	-	-
At 31 December 2020	695,457	209,686	15,167	111,691	1,032,001
<i>Depreciation</i>					
At 1 January 2020	459,287	176,857	15,048	102,219	753,411
Charge for the year	17,968	6,250	119	4,648	28,985
At 31 December 2020	477,255	183,107	15,167	106,867	782,396
<i>Net book value</i>					
At 31 December 2020	218,202	26,579	-	4,824	249,605
At 31 December 2019	236,170	32,829	119	9,472	278,590

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements
for the year ended 31 December 2020 (*continued*)

12 Tangible assets (*continued*)

Charity

	Buildings and improvements £	Office fixtures and equipment £	Horticultural equipment £	Computer equipment £	Total £
<i>Cost</i>					
At 1 January 2020	695,457	201,573	15,167	111,691	1,023,888
Additions	-	-	-	-	-
	<u>695,457</u>	<u>201,573</u>	<u>15,167</u>	<u>111,691</u>	<u>1,023,888</u>
At 31 December 2020	695,457	201,573	15,167	111,691	1,023,888
<i>Depreciation</i>					
At 1 January 2020	459,287	171,462	15,048	102,219	748,016
Charge for the year	17,968	5,765	119	4,648	28,500
	<u>477,255</u>	<u>177,227</u>	<u>15,167</u>	<u>106,867</u>	<u>776,516</u>
At 31 December 2020	477,255	177,227	15,167	106,867	776,516
<i>Net book value</i>					
At 31 December 2020	218,202	24,346	-	4,824	247,372
At 31 December 2019	<u>236,170</u>	<u>30,111</u>	<u>119</u>	<u>9,472</u>	<u>275,872</u>

13 Fixed asset investments

13a Listed investments

	2020 £	2019 £
Market value at 1 January 2020	3,635,457	3,144,094
Disposals	(500,000)	-
Gain in the year	165,340	491,363
	<u>3,300,797</u>	<u>3,635,457</u>
Market value at 31 December 2020	3,300,797	3,635,457

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

The historical cost of the listed investments at 31 December 2020 was £2,876,071 (2019 - £3,358,994).

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements
for the year ended 31 December 2020 (continued)

13b Investments in subsidiaries

			Charity 2020 £	Charity 2019 £
Shares in CPG Enterprises Limited at cost			100	100
	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Total fixed asset investments	3,300,797	3,300,897	3,635,457	3,635,557

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

At 31 December 2020 the income of CPG Enterprises was £151,007 (2019: £625,484) and expenditure was £135,838 (2019: £542,948). The net assets of CPG Enterprises Limited were £4,778 (2019: £4,778) and the retained profit to that date was £4,678 (2019: £4,678), after payment to Chelsea Physic Garden Company under Gift Aid of £15,169 (2019 - £82,536).

14 Stocks

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Goods for resale	22,575	-	44,111	-

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

15 Debtors

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Amounts falling due within one year:				
Trade debtors	29,458	2,756	47,232	14,508
Amounts owed by subsidiary	-	-	-	18,844
Prepayments and accrued income	16,735	16,735	70,196	70,196
Other debtors	5,848	5,848	4,347	4,347
	52,041	25,339	121,775	107,895

The loan to the subsidiary is unsecured, interest free and repayable on demand.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

16 Creditors: amounts falling due within one year

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Trade creditors	26,155	21,636	25,484	25,483
Amounts owed to subsidiary	-	15,422	-	-
Other taxation and social security	22,813	15,040	51,758	45,714
Accruals	46,027	39,027	42,070	34,486
Deferred income	379,970	263,892	240,277	163,304
	<u>474,965</u>	<u>355,017</u>	<u>359,589</u>	<u>268,987</u>

The loan from the subsidiary is unsecured, interest free and repayable on demand.

17 Deferred income reconciliation

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Balance as at 1 January 2020	240,277	163,304	203,534	168,744
Amount released to income earned from charitable activities	(240,277)	(163,304)	(203,534)	(168,744)
Amount deferred in the year	<u>379,970</u>	<u>263,892</u>	<u>240,277</u>	<u>163,304</u>
Balance at 31 December 2020	<u>379,970</u>	<u>263,892</u>	<u>240,277</u>	<u>163,304</u>

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

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements
for the year ended 31 December 2020 (continued)

18 Analysis of charitable funds

Group – current year

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Net gain on investments £	At 31 December 2020 £
Unrestricted funds						
General fund	692,864	1,126,725	(1,340,983)	472,194	-	950,800
Designated projects funds	250,000	-	-	-	-	250,000
Total unrestricted funds	942,864	1,126,725	(1,340,983)	472,194	-	1,200,800
Endowment fund	3,635,457	-	(24,572)	(475,428)	165,340	3,300,797
Restricted funds						
Horticultural Trainees	11,678	23,000	(16,571)	-	-	18,107
Historic Glasshouse	24,342	-	-	-	-	24,342
Florilegium Society Anniversary Project	2,214	-	(508)	-	-	1,706
Digitisation Project	9,554	-	-	-	-	9,554
John Lyon's Education Outreach	20,983	22,000	(18,805)	(4,565)	-	19,613
Acoustic Panels Project	5,088	-	-	-	-	5,088
Band Trust Education Outreach	5,819	-	(3,680)	-	-	2,139
Sowing The Seeds Of Discovery/Daniel Pinto	-	105,000	(108,234)	3,234	-	-
Turning Point Garden Group	66	-	-	-	-	66
Education Outreach	523	-	(188)	-	-	335
City Bridge Trust	21,885	50	(26,500)	4,565	-	-
Garden Fund Restricted Donations	1,666	1,000	-	-	-	2,666
Judith Bronkhurst Donation	141	-	-	-	-	141
R.U.B. White Charitable Trust	-	-	-	-	-	-
Community Outreach	5,546	5,000	(684)	-	-	9,862
Oak Foundation Education Outreach	3,515	-	(360)	-	-	3,155
Education and Outreach/Young Offenders	2,683	-	(1,666)	-	-	1,017
The Art & healing Power of Plants	4,861	-	(1,827)	-	-	3,034
Glasshouses Restorations HLF Funding	155,340	478,405	(256,726)	-	-	377,019
Friends Scheme Review	267	-	-	-	-	267
Medicinal Plants Research	600	-	(600)	-	-	-
Legacy Roger Melvin Monks	-	-	-	-	-	-
Horticulture Students Travel	418	-	-	-	-	418
John Lyon's family Activity days	1,260	-	-	-	-	1,260
Total restricted funds	278,449	634,455	(436,349)	3,234	-	479,789
Total funds	4,856,770	1,761,180	(1,801,904)	-	165,340	4,981,386

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

18 Analysis of charitable funds (continued)

Group – previous year

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	Net gains on investments £	At 31 December 2019 £
Unrestricted funds						
General fund	781,334	1,767,302	(1,679,645)	(176,127)	-	692,864
Designated projects funds	100,000	-	-	150,000	-	250,000
Total unrestricted funds	881,334	1,767,302	(1,679,645)	(26,127)	-	942,864
Endowment fund	3,144,094	-	(25,288)	25,288	491,363	3,635,457
Restricted funds						
Horticultural Trainees	-	52,251	(40,573)	-	-	11,678
Historic Glasshouse	24,342	-	-	-	-	24,342
Florilegium Society Anniversary Project	2,214	-	-	-	-	2,214
Digitisation Project	10,856	-	(1,302)	-	-	9,554
John Lyon's Education Outreach	3,506	22,000	(4,523)	-	-	20,983
Cool Fernery	958	-	(958)	-	-	-
Acoustic Panels Project	7,492	-	(2,404)	-	-	5,088
Band Trust Education Outreach	3,722	15,000	(12,903)	-	-	5,819
*Sowing The Seeds Of						
Discovery/Daniel Pinto	12,183	105,100	(118,122)	839	-	-
Turning Point Garden Group	216	-	(150)	-	-	66
Education Outreach	523	-	-	-	-	523
Miller Education Garden	1,588	-	(1,588)	-	-	-
City Bridge Trust	6,464	41,300	(25,879)	-	-	21,885
Garden Fund Restricted						
Donations	1,000	666	-	-	-	1,666
Judith Bronkhurst Donation	1,101	-	(960)	-	-	141
R.U.B. White Charitable Trust						
Community Outreach	5,000	5,000	(4,454)	-	-	5,546
Oak Foundation Education Outreach	4,657	-	(1,142)	-	-	3,515
Education and Outreach/Young Offenders	2,683	-	-	-	-	2,683
The Art & healing Power of Plants	-	25,000	(20,139)	-	-	4,861
Glasshouses Restorations HLF Funding	-	201,489	(46,149)	-	-	155,340
Friends Scheme Review	-	3,070	(2,803)	-	-	267
Medicinal Plants Research	-	2,600	(2,000)	-	-	600
Legacy Roger Melvin Monks						
Horticulture Students Travel	-	1,001	(583)	-	-	418
John Lyon's family Activity days	-	1,470	(210)	-	-	1,260
Total restricted funds	88,505	475,947	(286,842)	839	-	278,449
Total funds	4,113,933	2,243,249	(1,991,775)	-	491,363	4,856,770

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements
for the year ended 31 December 2020 (continued)

18 Analysis of charitable funds (continued)

Charity – current year

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Net gains on investments £	At 31 December 2020 £
Unrestricted funds						
General fund	688,186	993,936	(1,208,194)	472,194	-	946,122
Designated projects funds	250,000	-	-	-	-	250,000
Total unrestricted funds	938,186	993,936	(1,208,194)	472,194	-	1,196,122
Endowment fund	3,635,457	-	(24,572)	(475,428)	165,340	3,300,797
Restricted funds						
Horticultural Trainees	11,678	23,000	(16,571)	-	-	18,107
Historic Glasshouse	24,342	-	-	-	-	24,342
Florilegium Society Anniversary Project	2,214	-	(508)	-	-	1,706
Digitisation Project	9,554	-	-	-	-	9,554
John Lyon's Education Outreach	20,983	22,000	(18,805)	(4,565)	-	19,613
Acoustic Panels Project	5,088	-	-	-	-	5,088
Band Trust Education Outreach	5,819	-	(3,680)	-	-	2,139
Sowing The Seeds Of Discovery/Daniel Pinto	-	105,000	(108,234)	3,234	-	-
Turning Point Garden Group	66	-	-	-	-	66
Education Outreach	523	-	(188)	-	-	335
City Bridge Trust	21,885	50	(26,500)	4,565	-	-
Garden Fund Restricted Donations	1,666	1,000	-	-	-	2,666
Judith Bronkhurst Donation	141	-	-	-	-	141
R.U.B. White Charitable Trust	-	-	-	-	-	-
Community Outreach	5,546	5,000	(684)	-	-	9,862
Oak Foundation Education Outreach	3,515	-	(360)	-	-	3,155
Education and Outreach/Young Offenders	2,683	-	(1,666)	-	-	1,017
The Art & healing Power of Plants	4,861	-	(1,827)	-	-	3,034
Glasshouses Restorations HLF Funding	155,340	478,405	(256,726)	-	-	377,019
Friends Scheme Review	267	-	-	-	-	267
Medicinal Plants Research	600	-	(600)	-	-	-
Legacy Roger Melvin Monks	-	-	-	-	-	-
Horticulture Students Travel	418	-	-	-	-	418
John Lyon's family Activity days	1,260	-	-	-	-	1,260
Total restricted funds	278,449	634,455	(436,349)	3,234	-	479,789
Total funds	4,852,092	1,628,391	(1,669,115)	-	165,340	4,976,708

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

18 Analysis of charitable funds (continued)

Charity – previous year

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	Net gain/(loss) on investments £	At 31 December 2019 £
Unrestricted funds						
General fund	776,656	1,484,333	(1,396,676)	(176,127)	-	688,186
Designated projects funds	100,000	-	-	150,000	-	250,000
Total unrestricted funds	876,656	1,484,333	(1,396,676)	(26,127)	-	938,186
Endowment fund	3,144,094	-	(25,288)	25,288	491,363	3,635,457
Restricted funds						
Horticultural Trainees	-	52,251	(40,573)	-	-	11,678
Historic Glasshouse	24,342	-	-	-	-	24,342
Florilegium Society Anniversary Project	2,214	-	-	-	-	2,214
Digitisation Project	10,856	-	(1,302)	-	-	9,554
John Lyon's Education Outreach	3,506	22,000	(4,523)	-	-	20,983
Cool Fernery	958	-	(958)	-	-	-
Acoustic Panels Project	7,492	-	(2,404)	-	-	5,088
Band Trust Education Outreach	3,722	15,000	(12,903)	-	-	5,819
*Sowing The Seeds Of Discovery/Daniel Pinto	12,183	105,100	(118,122)	839	-	-
Turning Point Garden Group	216	-	(150)	-	-	66
Education Outreach	523	-	-	-	-	523
Miller Education Garden	1,588	-	(1,588)	-	-	-
City Bridge Trust	6,464	41,300	(25,879)	-	-	21,885
Garden Fund Restricted Donations	1,000	666	-	-	-	1,666
Judith Bronkhurst Donation	1,101	-	(960)	-	-	141
R.U.B. White Charitable Trust	-	-	-	-	-	-
Community Outreach	5,000	5,000	(4,454)	-	-	5,546
Oak Foundation Education Outreach	4,657	-	(1,142)	-	-	3,515
Education and Outreach/Young Offenders	2,683	-	-	-	-	2,683
The Art & healing Power of Plants	-	25,000	(20,139)	-	-	4,861
Glasshouses Restorations HLF Funding	-	201,489	(46,149)	-	-	155,340
Friends Scheme Review	-	3,070	(2,803)	-	-	267
Medicinal Plants Research	-	2,600	(2,000)	-	-	600
Legacy Roger Melvin Monks	-	-	-	-	-	-
Horticulture Students Travel	-	1,001	(583)	-	-	418
John Lyon's family Activity days	-	1,470	(210)	-	-	1,260
Total restricted funds	88,505	475,947	(286,842)	839	-	278,449
Total funds	4,109,255	1,960,280	(1,708,806)	-	491,363	4,852,092

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (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.
Historic Glasshouse	- The replacement of one of the range of Foster & Pearson clearspan glasshouses originally constructed between 1901-07. The structure will provide greater space for growing tender plants and an additional educational facility.
Education Outreach	- A donation to fund education outreach including employing an Outreach Officer to work with School and community projects in target London boroughs including Hammersmith & Fulham, Kensington & Chelsea, City of Westminster, City, Camden, Brent Ealing, Harrow and Barnet.
The Florilegium Society 20 th anniversary exhibition	- An exhibition of original artwork from members of the Florilegium Society at the Physic Garden during August 2015 with associated marketing and publicity.
Digitisation Project	- A project to start digitising the Physic Garden's archive of books, papers and the Florilegium's original artwork including purchase of a hi- resolution scanner and associated software.
Acoustic Panels Project	- A project to complete the introduction of acoustic panels along Embankment reducing the impact of traffic noise along this boundary. Generous donations were received from Grandiflora Patrons enabling the panels to be introduced and subsequently the planting in this area to is being augmented and improved.
Horticultural Education, Trainees and Interns	- Ongoing annual fundraising to support the horticultural trainee programme, the intern and the volunteer training and development programme. It includes travel and training, specific skills development and supports interns with modest travel and subsistence allowances.
Education and Outreach	- Funds raised to support the education programme including for specific initiatives including the Shelf Life project and the outreach programme with Waltham Forest Young offenders institute together with the ongoing programme of on-site and off-site and web-based teaching and interaction with schools, colleges and community groups.
City Bridge Trust	- A grant to fund an Education Outreach Officer to further the Gardens schools and community outreach.
Education and Outreach/Young Offenders	- A donation to enable the Garden to continue working with the Waltham Forest Young Offenders and education and outreach.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

18 Analysis of charitable funds (continued)

Band Trust Education Outreach	-	Donations to fund education and outreach activity for three years to August 2020.
Sowing the Seeds of Discovery/Daniel Pinto	-	Donations to fund the CPG350: Sowing the Seeds of Discovery project to achieve improvements to and refurbishment of the visitor, horticultural and learning facilities and infrastructure and to improve and enhance the overall accessibility and experience for visitors.
Turning Point Garden Group	-	A donation for the development of an education garden and the running of a gardening group for adults in recovery.
Garden Fund Restricted Donation	-	Donations, including in memoriam donations, received specifically for the Garden horticulture activities.
Judith Bronkhust Donation	-	A donation to fund the purchase of terracotta plant pots.
R.U.B White Charitable Trust Community Outreach	-	A donation to support the community outreach programme.
Oak Foundation Education Outreach	-	A donation to support educational outreach initiatives.
The Art & Healing Power of Plants	-	A collaboration between the charity and the NHS Royal Brompton Hospital to stage an exhibition of artwork at the Garden and hospital and undertake activities with patients undergoing long term treatment.
Glasshouses Restorations HLF Funding	-	Restoration and reinterpretation of the Garden's glasshouses together with supporting activity programmes, interpretation and plant collections review.
Friends Scheme Review	-	A paid intern undertook a review of the Friends scheme including questionnaires to Friends, benchmarking and proposals for improvements.
Medicinal Plants Research	-	A paid intern undertook research into the Garden's historic and current medicinal plant collections, their link to botanists and to the original drugs developed from them.
Legacy Roger Melvin Monks Horticulture Students Travel	-	A legacy from Roger M. Monks to assist needy overseas students to pursue study at the Garden by supporting travel costs.
John Lyons Charity Family Activity Days	-	A grant from the John Lyon's Charity to provide free places for low income families on Family Activity Days and free entry to the Garden for Sunday Fundays.

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

The directors have designated £250,000 of the general funds of the charity. This represents funds to be used to continue to develop plans for programmes of activities and to refurbish the buildings at the Garden, restoration of glasshouses, update the visitors, education and learning facilities and refurbish the catering and retail facilities.

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

A transfer of £475,000 was made out of endowment funds during the year. At the onset of the financial impact of the pandemic the directors authorised the sale of a proportion of the investment portfolio in order to raise cash to ensure that the company has sufficient working capital to continue to meet its liabilities. These are held as general funds for the use as needed.

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements
for the year ended 31 December 2020 (continued)

19 Analysis of net assets between funds

Group – current year

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General funds	249,605	-	1,176,160	(474,965)	950,800
Designated funds	-	-	250,000	-	250,000
Endowment funds	-	3,300,797	-	-	3,300,797
Restricted funds	-	-	479,789	-	479,789
	<u>249,605</u>	<u>3,300,797</u>	<u>1,905,949</u>	<u>(474,965)</u>	<u>4,981,386</u>

Group – previous year

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General funds	278,590	-	773,863	(359,589)	692,864
Designated funds	-	-	250,000	-	250,000
Endowment funds	-	3,635,457	-	-	3,635,457
Restricted funds	-	-	278,450	-	278,450
	<u>278,590</u>	<u>3,635,457</u>	<u>1,302,312</u>	<u>(359,589)</u>	<u>4,856,770</u>

Charity – current year

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General funds	247,372	100	1,053,667	(355,017)	946,122
Designated funds	-	-	250,000	-	250,000
Endowment funds	-	3,300,797	-	-	3,300,797
Restricted funds	-	-	479,789	-	479,789
	<u>247,372</u>	<u>3,300,897</u>	<u>1,783,456</u>	<u>(355,017)</u>	<u>4,976,708</u>

Charity – previous year

	Tangible fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General funds	275,872	100	681,201	(268,987)	688,186
Designated funds	-	-	250,000	-	250,000
Endowment funds	-	3,635,457	-	-	3,635,457
Restricted funds	-	-	278,449	-	278,449
	<u>275,872</u>	<u>3,635,557</u>	<u>1,209,650</u>	<u>(268,987)</u>	<u>4,852,092</u>

The Chelsea Physic Garden Company

(a company limited by guarantee)

Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

20 Liability to the members

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

21 Analysis of cash and cash equivalents

	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Cash at bank and in hand	<u>1,831,333</u>	<u>1,758,117</u>	<u>1,136,426</u>	<u>1,101,755</u>

22 Analysis of net debt

At 31 December 2020 the group and charity had no loans classified as debt.

23 Commitments under operating leases

At 31 December 2020 the group and charity had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
No later than 1 year	1,279	4,470
Later than 1 year and no later than 5 years	-	1,279
	<u>1,279</u>	<u>5,749</u>