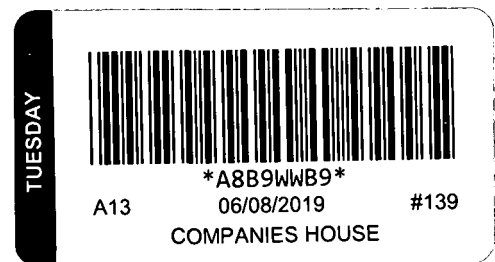


REGISTERED COMPANY NUMBER: 2331440 (England and Wales)  
REGISTERED CHARITY NUMBER: 801349

**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 OCTOBER 2018 FOR**  
**EXBURY GARDENS LIMITED**



Martin and Company Audit Limited  
Chartered Accountants  
and Statutory Auditors  
25 St Thomas Street  
Winchester  
Hampshire  
SO23 9HJ

**EXBURY GARDENS LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2018**

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## **EXBURY GARDENS LIMITED**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31 OCTOBER 2018**

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The directors who are also trustees of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 October 2018. The directors have adopted the provisions of 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 2015).

#### **OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The objectives of EGL, as set, are

1. To maintain, improve, develop and preserve for the public benefit and to open to the public, Exbury Gardens in Hampshire.
2. To advance horticultural science, knowledge and learning for the public benefit.
3. To promote such other objects or purposes which are exclusively charitable according to the laws of England for the time being in force.

For the year the main objectives were to carry out the above with continued focus on maintaining the visitor experience and horticultural excellence within the gardens. The directors have had regard to the Charity Commission's guidance on public benefit.

#### **ACHIEVEMENTS, PERFORMANCE AND PLANS FOR FUTURE PERIODS**

The Gardens were open to the public from Sunday 11<sup>th</sup> March to Sunday 4<sup>th</sup> November 2018 and received 82,448 visitors. This puts the season as the second highest number of visitors the past five years and continues the positive upward trend. Analysis of the entrance figures show the railway attracted similar numbers to 2016, demonstrating that the investment in the railway extension resulted in a boost in visitor interest.

Exbury as an open air attraction is very weather dependent. The 2018 season was no exception with an extreme weather pattern at the beginning of the opening season, aptly named the "Beast from the East", which brought snow in the second week of opening and the meteorological office reported 110% of average rainfall for the month of April. However, when the weather finally broke it resulted in the most spectacular flowering month of May, enticing just under 30,000 visitors to the Garden.

The late spring also resulted in the highest number of visitors in June, with 10,508 visitors (2017: 9,065). This was followed by one of the hottest summers on record. Consequently the business focused on improving irrigation and refurbished the key borehole to maintain the continuity of water supply to the horticultural collection. At the end of the season the autumnal colour was particularly vibrant and Halloween was very popular with the public, consisting of a new spooky display in the Rock Garden and the return of Batty and Bones on the steam train.

The directors and staff were delighted when Kenny Cox and Anthony Bessant received their RHS Long Service Medals in recognition of 40 years of working continually in horticulture. The gardening team welcomed Alex Dann and Emma Bouchard, who are just starting out on their careers in gardening. We hope to see them complete 40 years too. Alex worked at Exbury during his college apprenticeship programme (supported by a personal donation from Mr & Mrs Agius), while Emma made the transition from the Visitor Services to the Gardens Department and also enrolled on an RHS training programme.

At the start of 2018 Searcy's were appointed as catering contractor and under the terms of their contract they injected funds to remodel the seating area and provide new point-of-sale equipment such as a central cake table, display cabinets and a fresh coffee service counter. Exbury welcomed, Tim Flageul of Searcy's as General Manager of Catering. Tim brings 10 years of experience as a catering manager with Baxter Storey and Portsmouth Historic Dockyards.

## **EXBURY GARDENS LIMITED**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31 OCTOBER 2018**

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In July, after six years, Lionel de Rothschild stepped down as chairman of EGL. He continues as a Director of EGL and as chairman of Exbury Gardens Trust. In succession, Marcus Agius, son-in-law of the late Edmund de Rothschild, was appointed chairman. Marcus Agius joined with other members of the Board to pay tribute to the contribution that Lionel had made to the continuing development of the Gardens and specifically to his working with successive head gardeners to ensure horticultural excellence was maintained.

During the year further changes were made at Board level with Hugh Johnson and Sir Ghilleen Prance stepping down from the Board at the end of the financial year after a combined total of twenty-three years of service. The Board expressed their grateful thanks for their perspective on the wider horticultural world and for their and for their support and assistance as directors.

In filling these vacancies the Board made two new non-executive appointments. First was the announcement that Richard Deverell, Director of the Royal Botanic Gardens Kew, had accepted a position as a director. At Kew, Richard is responsible for the botanic gardens and collections in London and Wakehurst, Sussex and a large number of UK and international plant conservation and research projects. He has overseen several new developments aimed at broadening the public appeal of the Garden in London, increasing the number of visitors and deepening their understanding of horticulture and botany. Exbury Gardens are privileged to have the benefit of Richard's time and wealth of knowledge.

In addition Charles Bubear was also appointed to the Board in October. Charles has lived in the New Forest and close to Exbury for many years and in his professional capacity is a director of Savills (UK) Ltd's Residential Division in London thus bringing both a local perspective and a very strong marketing and PR background that is increasingly important to a visitor attraction.

Turning to next year, 2019 sees the one hundredth year of the creation of the Gardens by Lionel de Rothschild who purchased the estate in 1919. EGL are marking the occasion of this Centenary and important milestone in the history of Exbury by hosting a number of very special events in the spring season. The programme includes welcoming the Garden Media Guild, Rothschild Pensioners, the Garden Society and the Worshipful Company of Gardeners together with many other events that will be announced nearer the time, concluding with the formal opening in July of the Centenary Garden created by Marie-Louise Agius. To help promote this special year, a new marketing executive, Celise Galloway, is due to take up a position shortly and will work alongside Emma Mason, a very experienced Garden PR executive, in order to provide additional marketing and public relations support for the Centenary celebrations, which it is hoped will leave a strong legacy for successive years. As a tribute to the 100 years, Exbury will display at the Chelsea Flower Show in May 2019 in partnership with the renowned Rhododendron grower, David Millais of Farnham.

#### **FINANCIAL REVIEW**

The directors confirm that the accounts comply with the requirements of the Memorandum and Articles of Association.

At the end of the year unrestricted funds carried forward were £1,283,229 (2017: £1,421,824) and the restricted funds carried forward for the year were £nil (2017: £nil). Further to the strategic review and further discussions on deficit support, the Chairman agreed Terms of Business between EGL and EGT in which provided for the principle that EGT would donate £200,000 per annum, subject to review after three years. The donation will assist with working capital and capital projects.

The budgets, as in prior years, have been set on an enterprise and event basis to enable accurate analysis of each element of the business to assist with future management.

#### **General reserves policy**

The general unrestricted fund is held to support administration and overhead costs. The intention is that this should be grown and maintained in surplus. Such unrestricted income is available to be spent at the discretion of directors in the furtherance of the objects of the charity and may be used to finance both working capital and capital investment. Other funds are restricted to specific projects. The directors acknowledge that further unrestricted income is desirable in order to maintain general reserves at the level required to support the general administration and overheads of the charity.

## **EXBURY GARDENS LIMITED**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31 OCTOBER 2018**

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The results of the company for the year are set out on page 9. The net income for the year of the company was £111,405 (2017: net expenditure of £147,304) and have been transferred to reserves.

The directors are satisfied that the charity's funds are available and adequate to fulfil its obligations.

#### **Going concern**

The directors have satisfied themselves that the company is a going concern and has adequate resources to continue in operational existence for the foreseeable future. In forming this view the directors made appropriate enquiries into the financial position of and resources available to the company including those provided by related parties.

In reviewing the company's financial position the directors have noted the current year's trading performance. The reported income from the management accounts was £1,052,553 for the financial year, including rents received.

The directors have resolved the requirement for working capital in the business having agreed terms of ongoing support from Exbury Gardens Trust as set out above. From discussions with the directors of this charity the directors believe that adequate funds will continue to be made available to support the company during the next twelve months. A formal undertaking by Exbury Gardens Trust has been received to this effect to 31st October 2018. In addition, the company has previously secured a loan of £650,000 against the Trust's endowment with an option of obtaining a further £100,000 if and when required.

For 2018 year the directors are grateful for unrestricted donations to be given during the year to the sum of £200,000 from Exbury Gardens Trust. These and the above formal undertaking give the directors confidence in the ongoing support to the company by this charity.

The directors have reviewed the challenges facing the business for the next twelve months and in the longer term. The most immediate of these are the impact of the weather on visitor numbers and the changing trends in the popularity of places to visit, weekend shopping being the most popular activity. Generally, there is increasing competition in the visitor attraction market and requirements for ever higher standards in this industry.

As the company is a not for profit organisation and is run for public benefit the directors have added further ways to increase public involvement. In particular, they continue to develop the volunteer programme in the gardens to allow members of the public more hands-on involvement in the horticultural activities.

The directors continue to monitor closely all aspects of the business through regular meetings with the senior management of the company and carry out regular internal reviews of the structure and governance of the company.

Therefore the directors continue to adopt the going concern basis in preparing the financial statements. The financial statements do not include any adjustment that would result from the withdrawal of support from Exbury Gardens Trust. Further details regarding the adoption of the going concern basis can be found in Note 1 to the financial statements.

#### **Connected Charities**

The charity is connected to:

The Exbury Gardens Trust of The Estate Office, Exbury, Southampton, Hampshire, SO45 1AZ was founded by the late Mr Leopold de Rothschild to support that company at the discretion of its directors which has in recent years been in the form of assisting the company in its borrowing requirements, providing working capital / deficit support and funding capital projects.

During the year the Trust donated £200,000 (2017:£300,000). Details of transactions with connected charities and other related parties are given in note 22 to the accounts.

## **EXBURY GARDENS LIMITED**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31 OCTOBER 2018**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Exbury Gardens Limited (EGL) is constituted and governed by the Memorandum and Articles of Association incorporated on 29 December 1988 as amended, by special resolution on 22 March 1989 to be run as a limited company.

Directors are appointed on the basis of consideration of the skills required by the Charity. Potential candidates are generally identified through associations with present directors and appointments made for the candidate's experience, expertise and commitment that they are able to bring to the Charity. While adopted directors are not formally trained or inducted, or the effectiveness of the Board reviewed in a formal way, we, the directors, review the achievements of the Charity and any individual matters are addressed.

The directors of Exbury Gardens Limited manage the business by way of formal quarterly meetings to discuss matters including the setting of policies and strategic objectives. The implementation of these policies is delegated to a management committee that meets on a monthly basis, and at present two directors sit on this committee on a core basis. Day-to-day management of non-strategic matters is delegated to the Managing Agent and Head Gardener, supported by the Marketing Manager and Visitor Services Manager. In addition, the company has introduced a Strategy Day, to coincide with one of Exbury Gardens Trust's two meetings a year, for directors of the gardens and directors of the trust to meet and discuss overall strategy.

The directors manage their risks through the above structure and regularly review these, whether financial, health and safety, employment or other risks to which the company may be exposed. The systems of management are reviewed and procedures established to manage those risks.

#### **Directors**

The membership of the board is set out on page 5.

The method of appointment of the board is as follows:

- A director proposes a member to sit on the board and this proposal must be approved by the co-directors. The proposal is made at board meetings and recorded in the minutes.

No directors had, during the year, any material interest in a contract which was significant in relation to the company's business.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
2331440 (England and Wales)

**Registered Charity number**  
801349

**Registered office**  
Estate Office  
Exbury  
Southampton  
Hampshire  
SO45 1AZ

**EXBURY GARDENS LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 OCTOBER 2018**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Directors**

D L de Rothschild	- chairman to 23.7.18
M A P Agius	- chairman from 23.7.18
Miss C H de Rothschild	
Miss M-L E Agius	
Sir Ghillian Prance	- resigned 19.11.18
H Johnson	- resigned 19.11.18
N D de Rothschild	
Mrs K J Agius	
R G Deverell	- appointed 1.10.18
C E J Bubear	- appointed 1.10.18

**Company Secretary**

G J Ker

**Auditors**

Martin and Company Audit Limited  
Chartered Accountants  
and Statutory Auditors  
25 St Thomas Street  
Winchester  
Hampshire  
SO23 9HJ

**Bankers**

HSBC Bank Plc  
17 The Marsh  
Hythe  
Southampton  
SO45 6ZB

**Solicitors**

Irwin Mitchell  
Belmont House  
Station Way  
Crawley  
RH10 1JA

The company is registered as a charity, number 801349, and is limited by guarantee, number 2331440. The governing body of the charity is the Board of Directors and its governing documents are the memorandum and articles of association. There are no restrictions upon the way the charity can operate or upon the investment powers of the directors.

**EXBURY GARDENS LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 OCTOBER 2018**

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**STATEMENT OF DIRECTORS RESPONSIBILITIES**

The directors (who are also the directors of Exbury Gardens Limited for the purposes of company law) are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the directors are required to

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

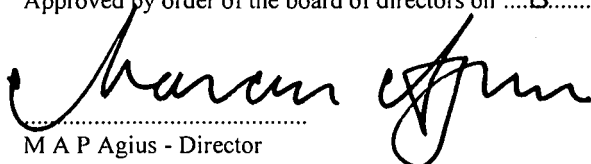
In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Martin and Company Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of directors on 8<sup>th</sup> July 2019 and signed on its behalf by:

  
.....  
M A P Agius - Director



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**EXBURY GARDENS LIMITED**

---

**Opinion**

We have audited the financial statements of Exbury Gardens Limited (the 'charitable company') for the year ended 31 October 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**EXBURY GARDENS LIMITED**

---

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**Responsibilities of directors**

As explained more fully in the Statement of Directors Responsibilities, the directors (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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

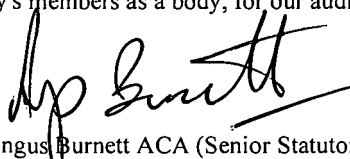
**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**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 auditors' 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.

  
James Angus Burnett ACA (Senior Statutory Auditor)  
for and on behalf of Martin and Company Audit Limited  
Chartered Accountants  
and Statutory Auditors  
25 St Thomas Street  
Winchester  
Hampshire  
SO23 9HJ

Date: .....

18 July 2019

**EXBURY GARDENS LIMITED****STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 OCTOBER 2018**

		Unrestricted fund	Restricted fund	31.10.18 Total funds	31.10.17 Total funds
	Note	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	281,890	-	281,890	338,613
<b>Charitable activities</b>	4				
Charitable Activities		562,880	-	562,880	556,934
Generated funds		180,597	-	180,597	183,334
Investment income	3	27,186	-	27,186	48,363
<b>Total</b>		<b>1,052,553</b>	<b>-</b>	<b>1,052,553</b>	<b>1,127,244</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	5				
Charitable Activities		1,130,546	-	1,130,546	1,249,746
Governance costs		22,847	-	22,847	17,892
Bank Charges and interest		37,755	-	37,755	36,910
<b>Total</b>		<b>1,191,148</b>	<b>-</b>	<b>1,191,148</b>	<b>1,304,548</b>
<b>NET EXPENDITURE BEFORE REVALUATIONS</b>		<b>(138,595)</b>	<b>-</b>	<b>(138,595)</b>	<b>(177,304)</b>
Revaluation of fixed assets		250,000	-	250,000	30,000
<b>NET INCOME/(EXPENDITURE)</b>		<b>111,405</b>	<b>-</b>	<b>111,405</b>	<b>(147,304)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>1,421,824</b>	<b>-</b>	<b>1,421,824</b>	<b>1,569,128</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,533,229</b>	<b>-</b>	<b>1,533,229</b>	<b>1,421,824</b>

The notes form part of these financial statements

**EXBURY GARDENS LIMITED****BALANCE SHEET**  
**AT 31 OCTOBER 2018**

	Note	31.10.18 £	31.10.17 £
<b>FIXED ASSETS</b>			
Tangible assets	11	1,366,658	1,456,451
Investment property	13	<u>1,065,000</u>	<u>815,000</u>
		2,431,658	2,271,451
<b>CURRENT ASSETS</b>			
Debtors	14	57,453	70,087
Cash at bank		<u>(114,532)</u>	<u>(88,491)</u>
		(57,079)	(18,404)
<b>CREDITORS</b>			
Amounts falling due within one year	15	<u>(810,168)</u>	<u>(780,708)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>(867,247)</u>	<u>(799,112)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,564,411	1,472,339
<b>CREDITORS</b>			
Amounts falling due after more than one year	16	<u>(31,182)</u>	<u>(50,515)</u>
<b>NET ASSETS</b>		<u>1,533,229</u>	<u>1,421,824</u>
<b>FUNDS</b>	21		
Unrestricted funds		<u>1,533,229</u>	<u>1,421,824</u>
<b>TOTAL FUNDS</b>		<u>1,533,229</u>	<u>1,421,824</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Directors on 8<sup>th</sup> July 2019 and were signed on its behalf by:

  
M A P Agius - Director

The notes form part of these financial statements

**EXBURY GARDENS LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 OCTOBER 2018**

	Notes	31.10.18 £	31.10.17 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	125,165	74,594
Interest paid		<u>(37,755)</u>	<u>(36,910)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>87,410</u>	<u>37,684</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		<u>(94,118)</u>	<u>(326,518)</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(94,118)</u>	<u>(326,518)</u>
<b>Cash flows from financing activities:</b>			
New loans in year		-	150,000
Loan repayments in year		<u>(19,333)</u>	<u>(19,144)</u>
<b>Net cash provided by (used in) financing activities</b>		<u>(19,333)</u>	<u>130,856</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(26,041)</u>	<u>(157,978)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>(88,491)</u>	<u>69,487</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>(114,532)</u>	<u>(88,491)</u>

The notes form part of these financial statements

**EXBURY GARDENS LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 OCTOBER 2018**

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**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>31.10.18</b>	<b>31.10.17</b>
	<b>£</b>	<b>£</b>
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>111,405</b>	<b>(147,304)</b>
<b>Adjustments for:</b>		
Depreciation charges	183,911	217,801
Interest paid	37,755	36,910
Revaluation of investment property	(250,000)	(30,000)
Decrease in debtors	12,634	17,301
Increase/(decrease) in creditors	<u>29,460</u>	<u>(20,114)</u>
<b>Net cash provided by (used in) operating activities</b>	<b><u>125,165</u></b>	<b><u>74,594</u></b>

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The financial statements have been prepared on a going concern basis. The company is dependent on continued support from Exbury Gardens Trust. From discussions with the directors of this charity the directors believe that adequate funds will continue to be made available to support the company during the next twelve months. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustment that would result from a withdrawal of support from Exbury Gardens Trust. Further discussion can be found in the directors' report.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Charitable activities**

Direct charitable expenditure is considered to be expenditure which enables the company to further its objectives. Overhead expenditure is apportioned between direct charitable expenditure and other expenditure on the best estimate of management.

Research costs in connection with plant cataloguing are considered to relate to the furtherance of the objectives of the company and are therefore included in direct charitable expenditure.

**Governance costs**

Comprises the costs of governance arrangements, which relate to the general running of the Charity

**Allocation and apportionment of costs**

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

**EXBURY GARDENS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 OCTOBER 2018**

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**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold buildings and improvements - 4-20% per annum straight line

Plant and machinery - 20% per annum reducing balance

Fixtures and fittings - 20-33% per annum straight line

Motor vehicles - 10-25% per annum reducing balance

Railway - 5-20% per annum straight line

Railway rolling stock - 5% per annum straight line

Tangible fixed assets are stated at cost.

**Investment property**

Investment property is shown at the most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in unrestricted funds through the Statement of Financial Activities.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the directors.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Investments**

Investments in subsidiary undertakings are stated at cost less provision for permanent impairment.

**2. DONATIONS AND LEGACIES**

	31.10.18	31.10.17
	£	£
Exbury Gardens Trust	200,000	300,000
Other donations received	53,458	7,367
Gift aid	<u>28,432</u>	<u>31,246</u>
	<u>281,890</u>	<u>338,613</u>



**EXBURY GARDENS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 OCTOBER 2018****3. INVESTMENT INCOME**

	31.10.18	31.10.17
	£	£
Rents received	<u>27,186</u>	<u>48,363</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	31.10.18	31.10.17
		£	£
Garden entrance fees	Charitable Activities	496,055	490,269
Friends of Exbury	Charitable Activities	66,825	66,665
Railway and buggy income	Generated funds	155,427	164,058
Special Events	Generated funds	21,297	15,392
Sundry income	Generated funds	<u>3,873</u>	<u>3,884</u>
		<u>743,477</u>	<u>740,268</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs (See note 6)	Totals
	£	£	£
Charitable Activities	1,130,546	-	1,130,546
Governance costs	-	22,847	22,847
Bank Charges and interest	-	<u>37,755</u>	<u>37,755</u>
	<u>1,130,546</u>	<u>60,602</u>	<u>1,191,148</u>

**6. SUPPORT COSTS**

	Management	Governance costs	Totals
	£	£	£
Governance costs	-	22,847	22,847
Bank Charges and interest	<u>37,755</u>	-	<u>37,755</u>
	<u>37,755</u>	<u>22,847</u>	<u>60,602</u>

**7. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.10.18	31.10.17
	£	£
Depreciation - owned assets	183,911	217,801
Other operating leases	56,059	65,253
Auditor's remuneration - for the audit of the company's annual accounts	9,800	9,800
Operating lease costs: Land and buildings	<u>42,438</u>	<u>52,089</u>

**EXBURY GARDENS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 OCTOBER 2018****8. DIRECTORS' REMUNERATION AND BENEFITS**

There were no directors' remuneration or other benefits for the year ended 31 October 2018 nor for the year ended 31 October 2017.

**Directors' expenses**

There were no directors' expenses paid for the year ended 31 October 2018 nor for the year ended 31 October 2017.

**9. STAFF COSTS**

	31.10.18	31.10.17
	£	£
Wages and salaries	509,215	503,340
Social security costs	32,545	36,944
Other pension costs	7,502	4,228
	<u>549,262</u>	<u>544,512</u>

The average monthly number of employees during the year was as follows:

	31.10.18	31.10.17
Sales and marketing	7	14
Operations and maintenance	29	22
Administration	5	5
	<u>41</u>	<u>41</u>

No employees received emoluments in excess of £60,000 for 2018 or 2017.

A number of the staff employed during the year are under part time contracts. The full time equivalent positions during the year ended 31st October 2018 were as follows: Sales and marketing 7.2, operations and maintenance 13 and administration 2.

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund	Restricted fund	Total funds
	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	338,613	-	338,613
<b>Charitable activities</b>			
Charitable Activities	556,934	-	556,934
Generated funds	183,334	-	183,334
Investment income	<u>48,363</u>	<u>-</u>	<u>48,363</u>
<b>Total</b>	<b>1,127,244</b>	<b>-</b>	<b>1,127,244</b>

**EXBURY GARDENS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 OCTOBER 2018****10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted fund £	Restricted fund £	Total funds £
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Charitable Activities	1,219,746	-	1,219,746
Governance costs	17,892	-	17,892
Bank Charges and interest	<u>36,910</u>	<u>-</u>	<u>36,910</u>
<b>Total</b>	<u>1,274,548</u>	<u>-</u>	<u>1,274,548</u>
<b>NET INCOME/(EXPENDITURE)</b>	<b>(147,304)</b>	<b>-</b>	<b>(147,304)</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<u>1,569,128</u>	<u>-</u>	<u>1,569,128</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>1,421,824</u></u>	<u><u>-</u></u>	<u><u>1,421,824</u></u>

**EXBURY GARDENS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 OCTOBER 2018****11. TANGIBLE FIXED ASSETS**

	Freehold property £	Leasehold buildings and improvements £	Plant, machinery, fixtures, fittings and motor vehicles £
<b>COST</b>			
At 1 November 2017	575,686	2,016,968	297,341
Additions	-	94,118	-
Reclassification	(6,311)	-	-
At 31 October 2018	<u>569,375</u>	<u>2,111,086</u>	<u>297,341</u>
<b>DEPRECIATION</b>			
At 1 November 2017	6,311	1,564,703	201,639
Charge for year	-	138,386	18,001
Reclassification	(6,311)	-	-
At 31 October 2018	<u>-</u>	<u>1,703,089</u>	<u>219,640</u>
<b>NET BOOK VALUE</b>			
At 31 October 2018	<u>569,375</u>	<u>407,997</u>	<u>77,701</u>
At 31 October 2017	<u>569,375</u>	<u>452,265</u>	<u>95,702</u>

	Fixtures and fittings £	Railway rolling stock £	Totals £
<b>COST</b>			
At 1 November 2017	2,183,718	513,515	5,587,228
Additions	-	-	94,118
Reclassification	-	-	(6,311)
At 31 October 2018	<u>2,183,718</u>	<u>513,515</u>	<u>5,675,035</u>
<b>DEPRECIATION</b>			
At 1 November 2017	2,086,781	271,343	4,130,777
Charge for year	6,734	20,790	183,911
Reclassification	-	-	(6,311)
At 31 October 2018	<u>2,093,515</u>	<u>292,133</u>	<u>4,308,37</u>
<b>NET BOOK VALUE</b>			
At 31 October 2018	<u>90,203</u>	<u>221,382</u>	<u>1,336,658</u>
At 31 October 2017	<u>96,937</u>	<u>242,172</u>	<u>1,456,451</u>

**EXBURY GARDENS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 OCTOBER 2018****12. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 November 2017 and 31 October 2018	<u>110,000</u>
<b>PROVISIONS</b>	
At 1 November 2017 and 31 October 2018	<u>110,000</u>
<b>NET BOOK VALUE</b>	
At 31 October 2018	<u>-</u>
At 31 October 2017	<u>-</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

**Exbury Gardens Retail Limited**

Nature of business: Dormant

Class of share:	%
Ordinary	holding 100

Exbury Gardens Retail Limited has been excluded from consolidation on the grounds of immateriality as it is a dormant company.

**13. INVESTMENT PROPERTY**

	£
<b>MARKET VALUE</b>	
At 1 November 2017	815,000
Reclassification and revaluation	<u>250,000</u>
At 31 October 2018	<u>1,065,000</u>
<b>NET BOOK VALUE</b>	
At 31 October 2018	<u>1,065,000</u>
At 31 October 2017	<u>815,000</u>

**EXBURY GARDENS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 OCTOBER 2018****14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.10.18	31.10.17
	£	£
Trade debtors	20,861	8,673
Amounts due from related parties	10,810	5,335
Other debtors	8,001	29,704
Prepayments and accrued income	<u>17,781</u>	<u>26,375</u>
	<u>57,453</u>	<u>70,087</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.10.18	31.10.17
	£	£
Bank loans and overdrafts (see note 17)	650,000	650,000
Trade creditors	9,716	13,877
Social security and other taxes	26,062	26,795
Amounts owed to related parties	49,662	12,994
Accruals and deferred income	<u>74,728</u>	<u>77,042</u>
	<u>810,168</u>	<u>780,708</u>

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.10.18	31.10.17
	£	£
Bank loans (see note 17)	<u>31,182</u>	<u>50,515</u>

The company has a loan from HSBC plc for the purposes of funding part of the costs of the tearooms refurbishment project. The loan is repayable over 15 years at a rate of 1.3% over LIBOR and is secured against freehold property known as Gatewood Farmhouse, a property owned personally by Mr D L de Rothschild, a Trustee/Director of the Company.

**17. LOANS**

An analysis of the maturity of loans is given below:

	31.10.18	31.10.17
	£	£
Amounts falling due within one year on demand:		
Working capital loan - Rothschild Bank	<u>650,000</u>	<u>650,000</u>
Amounts falling between one and two years:		
Tea Rooms Loan	<u>31,182</u>	<u>50,515</u>

**EXBURY GARDENS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 OCTOBER 2018****18. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.10.18	31.10.17
	£	£
Within one year	-	11,949
Between one and five years	-	20,800
	-	32,749

**19. SECURED DEBTS**

The following secured debts are included within creditors:

	31.10.18	31.10.17
	£	£
Bank loans	681,182	700,515

The overdraft is secured by a mortgage over freehold property known as 4, 5, 6 & 7 The Crescent Cottages. The property is believed to have a present value well in excess of the amount borrowed.

The company has a loan from Rothschild Bank for the provision of working capital. It is secured against investments held by Exbury Gardens Trust, a connected charity see page 4.

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted fund	Restricted fund	31.10.18 Total funds	31.10.17 Total funds
	£	£	£	£
Fixed assets	1,366,658	-	1,366,658	1,456,451
Investments	1,065,000	-	1,065,000	815,000
Current assets	(57,079)	-	(57,079)	(18,404)
Current liabilities	(810,168)	-	(810,168)	(780,708)
Long term liabilities	(31,182)	-	(31,182)	(50,515)
	1,533,229	-	1,533,229	1,421,824

**21. MOVEMENT IN FUNDS**

	At 1.11.17	Net movement in funds	At 31.10.18
	£	£	£
Unrestricted funds			
General fund	1,421,824	111,405	1,533,229
<b>TOTAL FUNDS</b>	<b>1,421,824</b>	<b>111,405</b>	<b>1,533,229</b>

**EXBURY GARDENS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 OCTOBER 2018****21. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,052,553	(941,148)	111,405
<b>TOTAL FUNDS</b>	<u>1,052,553</u>	<u>(941,148)</u>	<u>111,405</u>

**Comparatives for movement in funds**

	At 1.11.16 £	Net movement in funds £	At 31.10.17 £
<b>Unrestricted Funds</b>			
General fund	1,569,128	(147,304)	1,421,824
<b>TOTAL FUNDS</b>	<u>1,569,128</u>	<u>(147,304)</u>	<u>1,421,824</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,127,244	(1,274,548)	(147,304)
<b>TOTAL FUNDS</b>	<u>1,127,244</u>	<u>(1,274,548)</u>	<u>(147,304)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.11.16 £	Net movement in funds £	At 31.10.18 £
<b>Unrestricted funds</b>			
General fund	1,569,128	(35,899)	1,533,229
<b>TOTAL FUNDS</b>	<u>1,569,128</u>	<u>(35,899)</u>	<u>1,533,229</u>



**EXBURY GARDENS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 OCTOBER 2018**

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**21. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>			
General fund	<u>2,179,797</u>	<u>(2,215,696)</u>	<u>(35,899)</u>
<b>TOTAL FUNDS</b>	<u><u>2,179,797</u></u>	<u><u>(2,215,969)</u></u>	<u><u>(35,899)</u></u>

**EXBURY GARDENS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 OCTOBER 2018****22. RELATED PARTY DISCLOSURES**

During the year the company received unrestricted donations from the directors, their close family or organisations connected to them as follows:

	<b>Unrestricted 2018 £</b>	<b>Unrestricted 2017 £</b>
Exbury Gardens Trust	<b>200,000</b>	300,000
D L de Rothschild (Director)	<b>1,000</b>	1,500
Miss C H de Rothschild (Director)	-	500
Kate and Marcus Agius Charitable Foundation	<b>52,000</b>	5,000

In addition income was received by the company for staff and office services supplied to the directors, their close family or organisations connected with them as follows:

	<b>2018 £</b>	<b>2017 £</b>
Exbury House Estate	<b>7,327</b>	10,893
D L de Rothschild (Director)	<b>1,494</b>	6,598
N D de Rothschild (Director)	<b>3,163</b>	3,212
Exbury Estate (N D and D L de Rothschild - Directors)	<b>26,917</b>	27,183
Miss C H de Rothschild (Director)	<b>1,192</b>	1,102
Mrs C J L de Rothschild (Director)	<b>5</b>	5
Exbury Gardens Trust	<b>9</b>	843
Mrs K Agius (Director)	<b>1,125</b>	1,408

During the year, expenditure was made by the Company on invoices received from directors, their close family or organisations connected with them as follows:

	<b>2018 £</b>	<b>2017 £</b>
Executors of E L de Rothschild (deceased)	-	49
Exbury Estate (N D and D L de Rothschild - Directors)	<b>61,444</b>	80,550

The company is liable to pay £1 per annum to Exbury Gardens Trust for rent of the Gardens.

Included within the above are service occupancy lease costs from Exbury Estate for the following properties:

	<b>2018 £</b>	<b>2017 £</b>
1 The Bothy	<b>11,500</b>	11,500
2 The Bothy	<b>8,300</b>	8,300
2 The Crescent	<b>9,500</b>	9,500
Ramblers	-	1,438
Blacklands Farm House	<b>12,480</b>	12,480
Ivy Cottage	-	5,600

**EXBURY GARDENS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 OCTOBER 2018**

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**22. RELATED PARTY DISCLOSURES**

Year end balances arising from these transactions:

	2018 £	2017 £
In debtors (note 14)		
Exbury House Trust	1,286	1,252
Exbury Estate (N D and D L de Rothschild)	3,373	2,432
D L de Rothschild	1,943	449
M A P Agius	(142)	(142)
N D de Rothschild	3,759	744
Exbury Garden Trust	8	-
Mrs K Agius	277	290
Miss C H de Rothschild	296	199
Caroline de Rothschild Soaps	10	5
In creditors: due within one year (note 15)		
Exbury Estate	49,662	12,994

**23. LEGAL STATUS**

The company is limited by guarantee and does not have any share capital. The guarantors are present directors of the company. Each trustee is liable up to a maximum of £1. The company was registered as a charity, number 801349, on 24 April 1989.