

THE DENDROLOGY CHARITABLE COMPANY

UNAUDITED REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2013

**Registered Charity No. 1041395
Company Registered No. 02816525**

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THE DENDROLOGY CHARITABLE COMPANY
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013

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THE DENDROLOGY CHARITABLE COMPANY
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2013

Charity Name: The Dendrology Charitable Company

Governing Instrument: The charity is a company limited by guarantee and not having a share capital, governed by its Memorandum and Articles of Association dated 19 April 1993.

Registered Charity Number: 1041395

Company Registered Number: 02816525

Directors: Mrs H R Tupper (Chairman)
W L Banks
J G S Coode-Adams
R A E Herbert
Sir John Parsons
Vicomte P de Spoelberch
The Hon Sir Richard Storey Bt.

Registered Office: Hergest Estate Office
Kington
Herefordshire
HR5 3EG

Company Secretary: J A H Greenfield

Bankers: Barclays Bank plc
Herefordshire Group
1-3 Broad Street
Hereford
HR4 9BH

Independent Examiner: David Marshall
Damage Limited
Chartered Accountants
Barton House
Newton St Margarets
Herefordshire
HR2 0QN

THE DENDROLOGY CHARITABLE COMPANY

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

The directors (who are also the trustees) present the report and accounts for The Dendrology Charitable Company, which are unaudited, for the year ended 31 December 2013. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, applicable law and the requirements of the Statement of Recommended Practice *Accounting and Reporting by Charities* (SORP 2005) and the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Incorporation as a company limited by guarantee took place on 11 May 1993. The activities of the charity are governed by its Memorandum and Articles of Association dated 19 April 1993. Membership of the Company comprises the Council members of the International Dendrology Society, which includes the directors of the Company.

The charity is under the control of the directors who generally meet every six months. The minimum number of directors is three. The directors are responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors are recruited through recommendation, with a view to maintaining a balance of experience on the Board. Appointment generally takes place at the Annual General Meeting and directors offer themselves for re-election at each Annual General Meeting. There is no fixed term of appointment. The charity undertakes an induction process which includes meetings with other directors and the company secretary, and provides support for instruction on the responsibilities of directors in the management of the charity.

The directors delegate responsibilities to the company secretary to manage the operation of the charity on a day-to-day basis but decisions of a strategic nature are reserved for the Board.

Risk

The directors review the risks to the charity annually, and the risks have been reviewed during the last year. The major risk concerns the on-going funding of the charity, which relies upon donations from individuals and other organisations, including the International Dendrology Society (IDS), to support its charitable activities. The publication of books is an important way in which the charity meets its objectives; this can mean significant cost outlay before publication and makes the management of funds particularly important. A funding strategy is in place, and an objective of the directors is to ensure that funding is secured for at least twelve months ahead. The directors have a fully comprehensive insurance policy.

OBJECTIVES AND ACTIVITIES

The charity was formed for the advancement of the education of the public by increasing their knowledge and understanding of woody plants and conducting and promoting the cultivation of and preserving and protecting rare and endangered species and varieties of woody plants in all parts of the world. The directors consider that the production of books is an important means by which the charity can increase knowledge and understanding of woody plants. It produces a Yearbook and was responsible for the publication of the New Trees book. The charity makes donations to organisations around the world that are involved in the cultivation, preservation and protection of woody plants, and to individual dendrologists (often from developing countries) to enhance their professional development or to allow their participation in dendrological events worldwide.

The directors confirm that they have paid due regard to the guidance given by the Charity Commission on public benefit and reviewed the objectives of the charity this year in the context of this guidance. They continue to focus attention upon promotion of public understanding and protection of woody plants across the world through its publications, projects and educational bursaries.

THE DENDROLOGY CHARITABLE COMPANY

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

(continued)

ACHIEVEMENTS AND PERFORMANCE

The main objectives for the year were to produce the Yearbook and to provide bursaries.

Grants were made to one organisation and as a bursary in respect of three individuals. Full details are contained in note 7 to the accounts.

FINANCIAL REVIEW

For the period ended 31 December 2013, net incoming resources for the year excluding the gain on revaluation of investments amounted to £6,040 (2012: net incoming resources of £2,722). Further details of the financial position of the charity are set out in the accounts on pages 5 to 11.

The Statement of Financial Activities summarises the incoming resources and resources expended and these are analysed between unrestricted funds and restricted funds. Restricted funds are funds subject to specific usage and comprise donations in respect of specific bursaries. In addition, donations received in the past in respect of the IDS appeal and the revaluation fund, representing the amount by which investments exceed book value, are treated as designated funds within the unrestricted funds. Unrestricted funds are expendable at the discretion of the directors in furtherance of the objects of the charity.

All grants and donations received by the charity are applied according to its objects. The directors agree annually where to apply these funds as part of the budgeting process and monitor their application during the year, including the development of publication projects, by consideration of reports at directors' meetings.

The main expenditure during the year relates to work in respect of the production of the Yearbook, the provision of grants and bursaries, and the development of Bean on-line. No payments were made in respect of political donations during the year.

Reserves policy

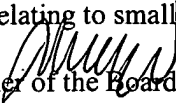
At the balance sheet date, 'free' reserves, being unrestricted funds other than fixed assets, amounted to £14,695. The directors aim to ensure that there is sufficient funding in place, or available, to ensure that commitments for the following twelve months can be met including the expected requirements for projects and office costs and review future plans in this context, including their investment policy. The assets of the charity are considered adequate to fulfil the obligations of the charity.

FUTURE PLANS

The charity intends to continue to advance the public understanding of woody plants and to promote the cultivation, preservation and protection of endangered species and varieties, through publications and support of international projects.

SMALL COMPANY EXEMPTION

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board

JAH Greenfield
Company Secretary

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
THE DENDROLOGY CHARITABLE COMPANY

I report on the accounts for the year ended 31 December 2013 as set out on pages 5 to 11.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

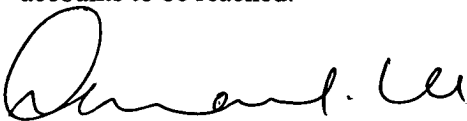
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



David Marshall CA

Damage Limited
Barton House, Newton St Margarets, Hereford, HR2 0QN

Date: 27/5/14

THE DENDROLOGY CHARITABLE COMPANY
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Incoming resources					
<i>Incoming resources from generated funds:</i>					
Voluntary income – Donations	2	31,360	-	31,360	32,000
Investment income	3	5,983	-	5,983	5,469
<i>Incoming resources from charitable activities :</i>					
New Trees book		693	-	693	698
Total incoming resources		38,036	-	38,036	38,167
Resources expended					
<i>Costs of generating funds : costs of generating voluntary income</i>	4	(940)	-	(940)	(980)
<i>Charitable activities</i>	4	(27,910)	-	(27,910)	(31,407)
<i>Governance costs</i>	4	(3,146)	-	(3,146)	(3,058)
Total resources expended		(31,996)	-	(31,996)	(35,445)
Net incoming resources / net income for the year before other recognised gains		6,040	-	6,040	2,722
Other recognised gains					
Gain/(loss) on revaluation of investments		11,712	-	11,712	10,196
Net movement in funds		17,752	-	17,752	12,918
Reconciliation of funds					
Total funds brought forward		162,034	8,900	170,934	158,016
Total funds carried forward		179,786	8,900	188,686	170,934

The notes on pages 7 to 11 form part of these accounts.

All recognised gains and losses are included in the above.

All income and expenditure derive from continuing operations.

THE DENDROLOGY CHARITABLE COMPANY

BALANCE SHEET

AT 31 DECEMBER 2013

	Note	2013	2012
		£	£
Fixed assets			
Investments	8	165,091	153,379
Current assets			
Cash at bank and in hand		15,850	22,809
Other debtors – amount due from International Dendrology Society		8,995	-
		<u>24,845</u>	<u>22,809</u>
Creditors: amounts falling due within one year	9	<u>(1,250)</u>	<u>(5,254)</u>
Net current assets		<u>23,595</u>	<u>17,555</u>
Net assets	11	<u><u>188,686</u></u>	<u><u>170,934</u></u>
Funds	10		
<i>Unrestricted:</i>			
General funds		41,158	35,118
Revaluation fund		52,280	40,568
Designated fund		86,348	86,348
		<u>179,786</u>	<u>162,034</u>
<i>Restricted</i>		<u>8,900</u>	<u>8,900</u>
Total charity funds		<u><u>188,686</u></u>	<u><u>170,934</u></u>

The notes on pages 7 to 11 form part of these accounts.

The directors are satisfied that the Company is entitled to exemption from the requirements of the Companies Act 2006 ('the Act') relating to the audit of the financial statements for the year by virtue of Section 477 of the Act, and that no member or members eligible to do so have deposited a notice requesting an audit within the specified time period in accordance with Section 476 of the Act.

The directors acknowledge their responsibilities for:

- (a) ensuring that the Company keeps accounting records that comply with Section 386 of the Act and disclose with reasonable accuracy at any time the financial position of the charity; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of its profit or loss for each financial period in accordance with the requirements of Section 396 and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the Company. In preparing the financial statements, the trustees should follow best practice and:
 - select suitable accounting policies and then apply them consistently
 - make judgements and estimates that are reasonable and prudent
 - prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

With regard to the Companies Act disclosure requirements only, these financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The accounts on pages 5 to 11 were approved by the directors on 11 May 2014 and were signed on its behalf by:

Sir John Parsons
Director



Company Registered Number: 02816525

THE DENDROLOGY CHARITABLE COMPANY

NOTES TO THE ACCOUNTS

31 DECEMBER 2013

1 Principal accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention with the exception of investments, which are shown in the accounts at market value. The directors have prepared the financial statements on the going concern basis and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the Statement of Recommended Practice *Accounting and Reporting by Charities* issued in 2005.

Taxation

The company is a registered charity and as such is not generally liable to taxation. For this reason there is no tax reconciliation note.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Support costs are apportioned across activities based upon estimated time spent.

Grants are made in accordance with the objectives of the charity and authorised by the directors.

Governance costs relate to the general running of the charity and costs associated with the statutory and constitutional requirements of the charity, including the costs of producing statutory accounts and their examination.

Investments

Investments are shown in the accounts at mid market value. Gains or losses on realisation or revaluation are added to or deducted from capital as appropriate and shown separately in the Statement of Financial Activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Donations received in respect of the IDS appeal and the revaluation fund, representing the amount by which investments exceed book value as required by the Companies Act 2006, are treated as designated funds within the unrestricted funds.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund, where appropriate. Restricted funds comprise donations in respect of the New Trees book and in respect of specific bursaries.

2 Donations

	2013	2012
	£	£
International Dendrology Society	30,000	30,000
Other	1,360	2,000
	<u>31,360</u>	<u>32,000</u>

THE DENDROLOGY CHARITABLE COMPANY

NOTES TO THE ACCOUNTS

31 DECEMBER 2013

(continued)

3 Investment income

	2013	2012
	£	£
Dividends	5,980	5,463
Interest	3	6
	5,983	5,469

4 Total resources expended

	Basis of apportionment	Generating voluntary income £	Charitable activities £	Governance Costs £	Total 2013 £	Total 2012 £
<i>Costs directly allocated to activities</i>						
Yearbook costs (Note 5)	<i>Direct</i>	-	18,226	-	18,226	19,231
New Trees book (Note 6)	<i>Direct</i>	-	-	-	-	247
Makins book project	<i>Direct</i>	-	-	-	-	93
Bean on-line project	<i>Direct</i>	-	980	-	980	1,833
Grants & bursaries (Note 7)	<i>Direct</i>	-	7,687	-	7,687	8,841
Accountancy fees	<i>Direct</i>	-	-	1,250	1,250	1,083
Bank charges	<i>Direct</i>	-	77	-	77	182
Annual return	<i>Direct</i>	-	-	13	13	14
<i>Support costs apportioned to activities</i>						
General office salaries	<i>Staff time</i>	829	829	1,659	3,317	3,436
Office costs & insurance	<i>Staff time</i>	111	111	224	446	485
		940	27,910	3,146	31,996	35,445

Accountancy fees comprise £500 in respect of independent examination (2012: £500) and £750 for accounts preparation and related costs (2012: £583). Support costs, including office salaries, are recharged from the International Dendrology Society.

No directors received remuneration or reimbursement of expenses. Directors' liability insurance is in place.

THE DENDROLOGY CHARITABLE COMPANY

NOTES TO THE ACCOUNTS

31 DECEMBER 2013

(continued)

5 Yearbook costs

	2013	2012
	£	£
Production costs	8,834	11,188
Editors' fees and related costs	9,392	8,043
	<u>18,226</u>	<u>19,231</u>

6 New Trees book costs

	2013	2012
	£	£
Production and review costs	-	247
	<u>-</u>	<u>247</u>

7 Grants and bursaries

	2013	2012
	£	£
Student bursary and related costs for Czech tour	2,787	-
Student bursary and related costs for Polish tour	-	2,841
Student bursary for Botanic Garden management course	2,900	-
University of British Columbia Botanical Garden for development of App for trees of British Columbia	2,000	-
Guthrie-Smith Arboretum, New Zealand	-	2,000
Institute of Botany, Ilia State University, Georgia for databasing the collection	-	4,000
	<u>7,687</u>	<u>8,841</u>

THE DENDROLOGY CHARITABLE COMPANY

NOTES TO THE ACCOUNTS

31 DECEMBER 2013

(continued)

8 Fixed asset investments

Quoted investments are held in the J P Morgan UK Equity Fund for Charities and J P Morgan Bond Fund for Charities.

	2013	2012
	£	£
Cost at beginning of the year	112,811	112,811
Net unrealised gains at beginning of the year	40,568	30,372
Market value at beginning of the year	153,379	143,183
Net gain/(loss) unrealised in the year	11,712	10,196
Market value at the end of the year	165,091	153,379
Cost at end of the year	112,811	112,811

9 Creditors

	2013	2012
	£	£
Accountancy fees	1,000	1,083
Amount due to International Dendrology Society	-	3,921
Accruals	250	250
	1,250	5,254

10 Movements in funds

	General Fund £	Designated & Revaluation fund £	Restricted Funds £	Total £
At beginning of the year	35,118	126,916	8,900	170,934
Incoming resources	38,036	-	-	38,036
Resources expended	(31,996)	-	-	(31,996)
Revaluation of investments	-	11,712	-	11,712
At end of the year	41,158	138,628	8,900	188,686

Restricted funds relate to donations for a bursary in respect of Argentina.

THE DENDROLOGY CHARITABLE COMPANY

NOTES TO THE ACCOUNTS

31 DECEMBER 2013

(continued)

11 Analysis of net assets

	General Fund £	Designated & Revaluation fund £	Restricted Funds £	Total £
Fixed asset investments	26,463	138,628	-	165,091
Current assets	15,945	-	8,900	24,845
Current liabilities	(1,250)	-	-	(1,250)
	<u>41,158</u>	<u>138,628</u>	<u>8,900</u>	<u>188,686</u>

12 Share capital

The Dendrology Charitable Company is a company limited by guarantee and does not have a share capital.

13 Guarantee

Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up during the time that he or she is a member or within one year afterwards for payment of the debts and liabilities of the company contracted before he or she ceases to be a member, and of the costs, charges and expense of winding up the same and for the adjustment of the rights of contributors amongst themselves, such amount as may be required not exceeding, in the case of any member, the sum of £1. Total guarantees at 31 December 2013 amounted to £50.

14 International Dendrology Society

The members of the company are also officials or members of the Council of the International Dendrology Society, an unincorporated organisation whose registered office is La Maison des Prés, St Peter, Jersey JE3 7EL. During the year, the company was awarded grants from the International Dendrology Society totalling £30,000 (2012: £30,000) of which £15,000 was paid during the year and £15,000 was committed before the year end but unpaid. Additionally, £3,763 (2012: £3,921) was charged to the company relating to the costs of shared services and a net £2,242 was recharged to the company being the net amount paid for services by the International Dendrology Society on behalf of the company. The net amount due from the International Dendrology Society at 31 December 2013 was £8,995 (2012: net amount due to the International Dendrology Society was £3,921).