

TUESDAY



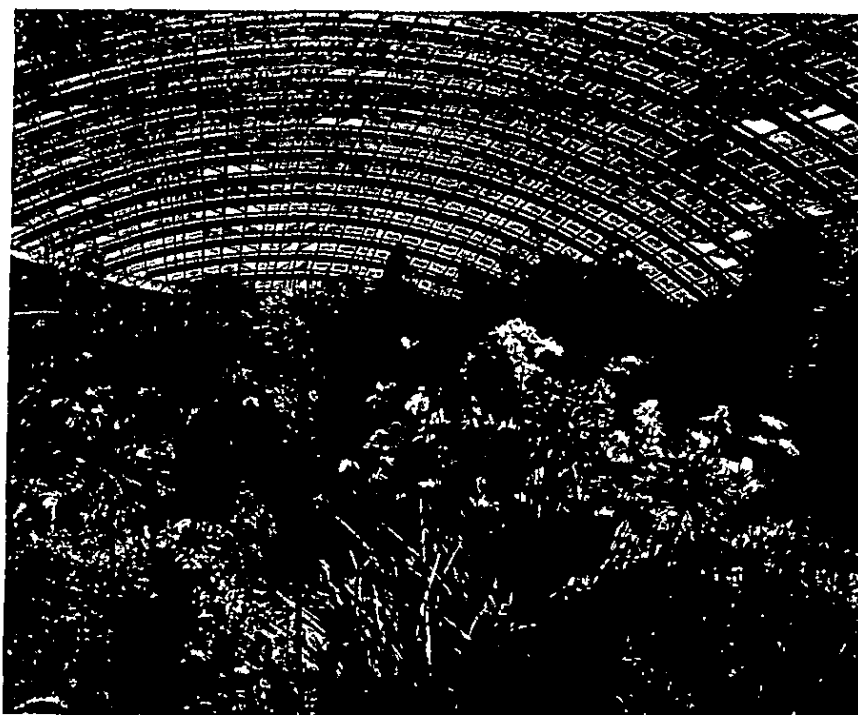
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National Botanic  
Garden of Wales  
Gardd Fotaneg  
Genedlaethol Cymru

# **The National Botanic Garden of Wales**

**(A company limited by guarantee)**



**Trustees' report and consolidated financial  
statements**

**31 March 2012**

**Registered company number 2909098**

**Registered charity number 1036354**

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## **Trustees' Report**

The Trustees, who act as Directors for the purposes of company law, have pleasure in submitting their annual report and the audited financial statements of the group and the charitable company, The National Botanic Garden of Wales ("The Garden"), for the year ended 31 March 2012. This report contains all the information required in accordance with the Statement of Recommended Practice 2005, Accounting and Reporting by Charities.

### **Reference and Administration**

#### **Board of Trustees**

	Number of board meetings attended in year	Audit Committee	Nominations Committee	Remuneration Committee
Robert H Jolliffe (Chairman)	3		X	X
John G Ellis (Vice Chairman)	4	X		
Susyn Andrews	2		X	
Cerian Black	4			X
Councillor WJ Wyn Evans (resigned 14 September 2012)	3	X	X	
Sir Roger Jones, OBE	1	X		
Mark Kerr (appointed 28 September 2011)	2			X
Professor David Mabberley (resigned 5 August 2011)	0			X
Professor Wayne Powell (appointed 13 January 2012)	1	X		
Dr Hew Prendergast	5		X	
Richard D Pryce	4			X
Heather Stevens	3	X		
Camilla Swift	4		X	
Professor Mike Wilkinson (resigned 20 May 2011)	0	X		

The Trustees held 5 board meetings during the year. The audit committee met once during the year and this meeting was attended by Mr John Ellis and Mrs Heather Stevens.

**Company Secretary**  
G Orchard

## **Trustees' Report** (continued)

### **Reference and administration**

#### **Executive Management Team**

Dr R Plummer	-	Director of the Garden
S Goodenough	-	Curator (appointed 1 July 2011)
G Orchard	-	Head of Finance/Secretary to the Board
Dr N De Vere	-	Head of Conservation and Research
C Edwards	-	Head of Facilities
D Hardy	-	Head of Marketing and Communications
J Richmond	-	Head of Education
T Bevan	-	Estate Manager
I Stokes	-	Interim Curator (resigned 1 July 2011)

#### **Registered office**

Middleton Hall  
Llanarthne  
Carmarthenshire  
SA32 8HG

#### **Auditors**

Clay Shaw Butler  
24 Lammas Street  
Carmarthen  
Carmarthenshire  
SA31 3AL

#### **Bankers**

NatWest  
59 King Street  
Carmarthen  
SA31 1BB

#### **Solicitors**

Edwards Geldard  
Dumfries House  
Dumfries Place  
Cardiff  
CF10 3ZF

#### **Enquiries**

Enquiries should be addressed to the company secretary at the Company's registered office.

Telephone (01558) 668768

Facsimile (01558) 668933

## Trustees' Report (continued)

### Structure, Governance and Management

The National Botanic Garden of Wales (the Garden) is a company Limited by Guarantee, registered in Wales (no 2909098) and a registered charity (no 1036354) (the Charity). Its governing instrument is the Memorandum and Articles of Association as amended and adopted by special resolution passed on 22 February 1994. The charitable company has one wholly owned subsidiary, Middleton Garden Limited. The principal activity of Middleton Garden Limited is to undertake any non-charitable operations of the Garden which include corporate events, retail and catering outlets at the Garden.

The Board of Trustees (the Board) is the governing body and oversees the implementation of the Garden's policies, plans and the structure of the organisation considering recommendations from the management team. The Board reviews the strategy and performance and agrees the operating plans and budgets. The Board has overall responsibility for ensuring that the Charity has appropriate systems of controls, financial or otherwise. It is also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the Charity is operating efficiently and effectively,
- its assets are safeguarded against unauthorised use or disposition,
- proper records are maintained and financial information used within the Garden or for publication is reliable,
- the Charity complies with relevant laws and regulations,
- the Charity pays its creditors in accordance with agreed terms

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include;

- a strategic plan, annual business plan and budget approved by the Board,
- regular consideration by the Board of financial results, variance from budgets, non-financial performance indicators and benchmarking reviews,
- delegation of authority and segregation of duties,
- identification and management of risks

The Board includes those with appropriate professional, business and commercial experience and knowledge of the botanical science and horticulture.

The members of the Garden appoint the Board in accordance with the Garden's constitution at the annual general meeting. Trustees retire by rotation at the Annual General Meeting and may be re-elected.

During the year Professor David Mabberley and Professor Mike Wilkinson resigned to take up appointments in Australia. The Board would like to extend their sincere thanks to both of these trustees for their contributions during their time of office and wish them well in their new appointments. The Garden was pleased to welcome two new trustees during the year, Mr Mark Kerr and Professor Wayne Powell. The number of trustees at the year end was 12.

The Garden recognises the importance of effective corporate governance and has an established audit committee, remuneration committee and nomination committee each with appropriate terms of reference. Membership of these committees is shown on page 1.

## Trustees' Report (continued)

The Board's nomination committee meets to encourage and approve the appointment of new trustees. The Board's remuneration committee meets to review remuneration, terms and conditions and organisational staffing matters. All new trustees undertake a period of induction with senior managers and Board members. An induction pack is provided, including all key information, copies of the strategies, objectives and policies of the Garden and guidance notes on the roles and responsibilities of Trustees. The Board is currently undergoing a review of its training needs using external advisors in order that it may seek to increase its knowledge of best practice for corporate governance and other areas for development.

The Board's audit committee meets to review and update the internal financial controls of the Garden and reviews a bi monthly finance report in advance of each full trustee meeting. There is no internal audit function in view of the small size of the organisation and the limited resources available.

The Garden works in partnership with over 70 partner organisations throughout Wales and the wider international community. The areas of partnership include those from horticulture, education, sustainability, conservation, science and research as well as arts and Welsh culture. The Garden is particularly grateful for the support of the Welsh Government, Countryside Council for Wales and Carmarthenshire County Council whose financial contributions and wider input are much valued.

The Company is regarded as a charity by HM Revenue and Customs and therefore is able to benefit from the tax exemptions afforded to charities.

The Board confirm that they have referred to guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

### Objectives and Activities

The Garden's vision is

**Conservation, Education, Inspiration – playing for Wales on the world stage**

The Garden's mission is

**The Garden is dedicated to the research and conservation of biodiversity, to sustainability, lifelong learning and the enjoyment of the visitor.**

-----The objectives for which the Charity has been established are to:

- create and develop a botanic garden of international importance for Wales;
- promote the conservation of plant species and especially those of Wales, the United Kingdom and the Western European seaboard;
- become a leading international centre for research and education in the science of plants

The Charity's aims are consistent with the delivery of its objectives meeting an internationally recognised need for the conservation of plants. The Charity seeks to make an important contribution to the global effort to conserve our biodiversity for the benefit of the general public.

-----The main objectives for the year as agreed by the Board were to:

- extend partnership working with other organisations in relevant fields;
- further improve the financial position of the Charity,
- enhance and develop the horticultural aspects of the Garden

## Trustees' Report (continued)

The Board sought to realise its objectives through specific key targets and policies as follows

- producing a botanic garden with the content and facilities to inspire everyone associated with the Garden and all its visitors,
- applying appropriate design principles and adopting best quality practices in all aspects of the Garden's development and operation,
- maintaining visitor and membership numbers whilst acknowledging a difficult economic climate,
- maintaining contributions from merchandising and catering functions,
- develop the corporate activities including wedding functions,
- completion of the DNA barcode Wales project thus raising the profile of science at the Garden,
- continuing development of sustainable energy initiatives to reduce cost and carbon emissions,
- maintaining a flexible and multi skilled workforce dedicated to the success of the Garden

### Review of achievements and performance

As a relatively junior player in the botanic garden world, the National Botanic Garden of Wales punches well above its weight in gravitas and impact. Now entering its 13<sup>th</sup> year and having just welcomed its 2 millionth visitor to its stunning site in Carmarthenshire, the Garden represents an iconic Welsh landmark.

The Garden delivers on many levels;

- Exemplar and progressive horticultural initiatives with the planting of new orchards, reinvigorating existing displays, touring fungi exhibition "From Another Kingdom" and having been designated as a site for a Diamond Jubilee woodland
- Providing an outdoor learning space and outreach resource for over 30,000 learners last year
- World-wide recognition for its ground breaking science making Wales the first nation in the world to have DNA bar coded its native flowering plants and now moving on to wider related projects
- Continued critical conservation work on some of Wales' most threatened plant species
- A key asset for tourism in South and West Wales with over 120,000 leisure visitors this year
- A cultural and art focus with its Welsh core, varied arts and craft shows throughout the year and the designated future site of "Ghost Forest" the inspirational environmental art installation comprising 10 rainforest tree stumps
- Recognised corporate entertaining venue for weddings, conferences and summits
- Continued progress in reducing our carbon footprint with renewable energy initiatives such as a new 500 kW biomass boiler and 50 kW photovoltaic solar array whilst at the same time reducing our energy costs

Whilst the year ending March 2012 saw a milder winter which was kinder to the plants and visitors, the economic climate remained difficult. Reflecting these difficult times, our "free entry January" was hugely popular with a number of varied and enticing event weekends from antiques to food fairs to start the new calendar year. Valuable additional income was earned by the Garden in this otherwise quiet month.

## **Trustees' Report** (continued)

This year has seen the development of a number of areas that are aimed at enhancing the sustainable approach to the Garden's horticultural processes. The following are highlights of this approach

- 1 The successful Glastir Woodland Creation Bid has now been elevated to Diamond Woodland status for the celebrations of her Majesty's Diamond Jubilee year. This will raise the profile of the scheme to one of only 60 Woodlands being created throughout the UK. Working in conjunction with the Woodland Trust a series of high profile public engagement events are to be organized from this October at the inauguration planting. This will also give NBGW the opportunity to engage with local schools and community groups. The woodland produced will be a long-term sustainable and worked woodland that is manifestly a statement of our sustainability credentials.
- 2 On site composting of green waste has reduced skip removal by nearly 200 journeys. The production of garden produced woodchip has yielded approximately 100 cubic metres of usable mulch (for 2012/2013). With selective thinning of shelterbelts, Spring Woods, other tree removal and general woodland thinning and pruning, this should be at least an annual quantity of production for the foreseeable future with consequent financial benefits.
3. In house plant production for the sales department has produced 5,000 plants during the first season of production with significant profit potential. The aim of the commercial production being to provide up to 35% of all plants sold at the Garden by 2014 and for the nursery unit to be running at neutral cost by that time.

The science team in 2011/12 consists of staff and volunteers working within the research, library, archives and herbarium. During the summer months a range of work experience students joined the team to gain valuable experience in plant sciences research.

A major achievement for the science team was DNA barcoding all the native flowering plants of Wales, making Wales the first nation in the world to have completed this task. The creation of this research platform is allowing the development of a broad range of applications ranging from understanding the threats facing pollinators to DNA barcoding honey for medical applications. It has also allowed the Garden to secure funding both for the honey research and work on the development of bioinformatic tools.

Conservation genetic research also continues on some of the most threatened plant species of Wales providing the scientific underpinning for conservation action. All of the Garden's research is conducted within a framework of broad public engagement and has generated considerable media interest over the last year.

Major progress continues to be made in uncovering the pre-Paxton history of the estate and this is adding significantly to the compelling narrative that we are able to tell visitors. The Garden is now able to link the development of the estate to a prominent Welsh family of the late medieval period (the Middletons) and the family's rise to the international trade in plants for health conveys botanical links that date back more than 400 years. The archaeological work that has accompanied these researches has proved to be a focal point for visitors and has served to add to the many and different reasons for visiting and revisiting the Garden. The work is set to continue in future seasons and will underpin the Garden's commitment to its cultural heritage.



## Trustees' Report (continued)

The National Nature Reserve continues to engage with partner organizations such as Countryside Council for Wales to enhance its infrastructure such as footpath access to the waterfalls at Pont Felin Gat and working closely with staff and students from Coleg Sir Gar to provide valuable work experience to increase their awareness of environmental care as well as high animal welfare. A project funded by WREN is well underway to improve the management of our marshy grassland areas by allowing us to cattle graze more effectively.

The Garden's native Welsh Blacks herd is doing well with increasing numbers to help with habitat grazing and provide a source of organic quality meat.

During the year, the Garden's education department has facilitated just over 30,000 learners both at the Garden and in the community as outreach at national events such as the Urdd and the Royal Welsh Show. Participants are from a wide range of ages and backgrounds and include formal learning with pupils aged 3-19 years, undergraduate students, lifelong learners and teaching staff receiving continuing professional development. Over 45 different curriculum linked programmes for schools and colleges have been delivered with a specialist focus on Education for Sustainable Development and Global Citizenship (ESDGC), the Outdoor Classroom, Plant Sciences and STEM disciplines. In January 2012 the Garden was awarded significant European funding for the next 2 ½ years to develop and pilot a range of classes in horticulture and rural skills with a focus on food production. Additional staff have been recruited to deliver this exciting new project.

The renewable projects of a new 500 kW Biomass boiler and 50 kW solar array have been successfully installed and are already making savings in our fossil fuel consumption. Further initiatives are being investigated such as air source heat pumps to replace gas boilers in the Tropical House.

The Garden is also focussing on its infrastructure across approximately 20 buildings and extensive plant and machinery and addressing the investment levels needed now that the Garden is 12 years old.

The Garden has been notified of a significant legacy donation which it hopes to hold as a contingency to increase the financial security of the Garden. The first distribution on this sum was received in January 2012 and the Garden is enormously grateful to this donor for providing the increased financial security the full legacy will provide.

The Garden's membership base is increasing as it now enjoys the support of over 5,300 members, many of whom have been loyal supporters since the Garden's inception. Membership benefits include all year round access to the Garden, discount in its shop, restaurants and plant sales, reciprocal entry to many gardens across the UK and a membership magazine three times a year outlining forthcoming events and developments at the Garden.

Feedback from visitors is sought both formally and informally. A significant majority of the feedback is extremely positive on the Garden and its facilities whilst suggestions and identified shortcomings are welcomed as a basis for improvement.

The Garden strives to work closely with the local community and values and seeks to embed its Welsh cultural roots.

## **Trustees' Report** (continued)

### **Financial review**

In the year, total resources of £2.9m (2011 £2.4m) were received comprising £2.5m (2011: £2.2m) of unrestricted funds and £0.4m (2011 £0.2m) of restricted income

Total expended resources in the year amounted to £3.2m (2011: £3.2m) £2.4m (2011: £2.5m) was expended from unrestricted funds leaving an unrestricted fund balance carried forward of £3.6m (2011 £3.5m) £0.7m (2011: £0.7m) was expended from restricted income funds leaving a restricted income fund balance carried forward of £0.7m (2011: £21.1m). Total fund balances at 31 March 2012 were £25.8m (2011 £26.1m) including restricted capital funds of £1.5m (2011: £1.5m)

Tangible fixed assets at cost or valuation reduced to £27.4m (2011: £27.7m) representing £26.4m (2011: £26.7m) of land, buildings, plant and machinery and £1m (2011 £1m) in estate vehicles, fixtures and fittings and plant and planting

The Board recognises the need to secure viability beyond the immediate future and to provide a sustainable operation over the longer term. A free reserve of around £2m is considered ideal to meet the needs of the Charity. The Garden's reserves policy is informed by:

- forecasts for levels of income in future years;
- forecasts for expenditure in future years on planned activity;
- analysis and assessment of future needs, opportunities, contingencies and risks.

Unrestricted reserves increased by £0.1m to £3.6m. These are funds which are expendable at the Board's discretion in furtherance of the objects or administration of the Charity. Currently all the reserves are invested in the infrastructure of the Garden and there are no freely available reserves.

Whilst the Garden broadly raises 55% of its income, it also receives financial support from a number of partner organisations, including the Welsh Government and Carmarthenshire County Council. The Garden has agreed a combined funding package to March 2014 with these partners which provides for funding for revenue support of £760,000 – 2012/13, £760,000 – 2013/14 in addition to a funding for capital projects of £0.1m per annum across each of these years. This funding package will enable it to continue its activities and move towards building its reserves.

## Trustees' Report (continued)

### Future plans

The Garden has prepared its budget and business plan for the year commencing 1 April 2012. Key objectives for the year are

- To work within its budget monitoring the commercial contribution carefully in the current challenging economic climate, reducing overheads by energy saving initiatives and addressing the challenges which now arise with a 12 year old infrastructure
- Strengthen the staff structure by investment in staff training and structure commensurate with a mature organisation.
- The recruitment of additional trustees with particular scope for the involvement of someone with a tourism specialism
- Develop the Garden's fundraising function with a fully funded 3 year placement to develop this area of the Garden's activity
- Strengthen and deepen alliances with partner organisations focusing on education, sustainability, plant sciences, Welsh language and culture,
- Review and plan the maintenance, replacement and refurbishment of the Garden's infrastructure,
- Seek funding for major science projects to strengthen and expand the science function at the Garden

### Volunteers, employees and remuneration

The Garden is extremely grateful for the tremendous efforts of the volunteers who are involved in so many ways in the charity's activities including operational duties (horticultural, library, talks, buggy driving, commercial support and many more), administration and marketing support. The Garden has almost 150 active volunteers and many come to assist the Garden on a weekly basis. This includes valued assistance from Mencap and input from our volunteer archaeological team. This results in a total of over 18,000 hours of voluntary input per year, the equivalent of over 9 full time staff.

Employees have been consulted on issues of concern to them by means of regular staff meetings and have been kept informed on specific matters by management. A Union Recognition Agreement with the GMB is in force.

The Garden has implemented a number of detailed policies in relation to aspects of personnel matters and include:

- Equal Opportunities Policy which includes the establishment of fair employment practices in the recruitment, selection, retention and training of disabled staff
- Health and Safety Policy

Details of these policies are available from the Garden's offices.

The Board and members of the sub committees receive no remuneration. Where claimed, expenses are reimbursed.

The salaries of the senior management team are determined by the Board upon their employment and by periodic review. This remuneration does not include any share option or long-term incentive schemes. A group pension scheme for all permanent staff is in place, to which the Garden makes a contribution.

**The National Botanic Garden of Wales (Limited by Guarantee)**  
**Trustees' report and consolidated financial statements**  
**31 March 2012**



**Auditors**

The Trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee to make him or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

A resolution for the re-appointment of Messrs Clay Shaw Butler, Carmarthen as auditors of the Company is to be proposed at the Annual General Meeting

By order of the Board

**RH JOLLIFFE**

*Chairman of Trustees*

Middleton Hall  
Llanarthne  
Carmarthenshire  
SA32 8HG

26 September 2012

## **Statement of responsibilities of the Trustees of the National Botanic Garden of Wales Limited in respect of the Trustee's annual report and financial statements**

The Trustees are responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the Group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and charitable company and of the Group's shortfall of income over expenditure for that period

In preparing each of the Group and charitable company financial statements, the Trustees are required to

- Select suitable accounting policies and then apply them consistently,
- Make judgements and 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 Group and the charitable company will continue its activities

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE NATIONAL BOTANIC GARDEN OF WALES

We have audited the financial statements of the National Botanic Garden of Wales for the year ended 31 March 2012 on pages 12 to 32. 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).

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.

### Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2012 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE NATIONAL BOTANIC GARDEN OF WALES**

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements

### **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 trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees

### **Emphasis of matter – Going concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the group's and the charitable company's ability to achieve its operating budget and continue as a going concern. The financial statements do not include the adjustments that would result if the group and the charitable company were unable to continue as a going concern.



David George Butler FCA (Senior Statutory Auditor) –  
for and on behalf of Clay Shaw Butler Limited  
Statutory Auditors and Chartered Accountants  
24 Lammas Street  
Carmarthen  
Carmarthenshire  
SA31 3AL

Date

27/9/12

The National Botanic Garden of Wales (Limited by Guarantee)  
 Trustees' report and consolidated financial statements  
 31 March 2012



**Consolidated Statement of Financial Activities, including income and expenditure account for the year ended 31 March 2012**

	Note	Unrestricted funds 2012 £000	Restricted Income funds 2012 £000	Restricted capital funds 2012 £000	Total funds 2012 £000	Total funds 2011 £000
<b>Incoming resources</b>						
<b>Incoming resource from generated funds:</b>						
Voluntary income						
Donations and gifts	2	218	-	-	218	98
Grants receivable	2	34	139	-	173	115
Activities for generating funds						
Fundraising events	2	132	-	-	132	120
Merchandising income	2	971	-	-	971	964
Investment income	2	-	-	-	-	30
<b>Incoming resources from charitable activities</b>						
Grants receivable		760	225	-	985	493
Admission fees	3	408	-	-	408	400
Other incoming resources	3	43	-	-	43	51
<b>Other incoming resources</b>	4	-	-	-	-	112
<b>Total incoming resources</b>		<b>2,566</b>	<b>364</b>	<b>-</b>	<b>2,930</b>	<b>2,383</b>
<b>Resources expended</b>						
<b>Costs of generating funds:</b>						
Merchandising costs	5	747	-	-	747	694
Fundraising costs	5	210	-	-	210	199
<b>Charitable activities</b>	5	<b>1,471</b>	<b>743</b>	<b>-</b>	<b>2,214</b>	<b>2,197</b>
<b>Governance costs</b>	5	<b>9</b>	<b>-</b>	<b>-</b>	<b>9</b>	<b>62</b>
<b>Total resources expended</b>	5	<b>2,437</b>	<b>743</b>	<b>-</b>	<b>3,180</b>	<b>3,152</b>
<b>Net incoming/(outgoing) resources for the year</b>	7	<b>129</b>	<b>(379)</b>	<b>-</b>	<b>(250)</b>	<b>(769)</b>
Unrealised profit/(loss) on investment assets		-	-	-	-	-
<b>Net movement in funds before tax</b>		<b>129</b>	<b>(379)</b>	<b>-</b>	<b>(250)</b>	<b>(769)</b>
Taxation	8	-	-	-	-	-
<b>Net movement in funds after tax</b>		<b>129</b>	<b>(379)</b>	<b>-</b>	<b>(250)</b>	<b>(769)</b>
<b>Reconciliation of funds</b>						
Fund balance brought forward		3,481	21,091	1,525	26,097	26,866
Fund balance carried forward		3,610	20,712	1,525	25,847	26,097

The incoming resources and resulting net movement in funds arise from continuing operations. The charitable company has no recognised gains or losses other than the net movement in funds for the year. The gross income of the parent charity is £2,077,000 and the net movement of funds of the parent charity is £250,000.



**The National Botanic Garden of Wales (Limited by Guarantee)**  
**Trustees' report and consolidated financial statements**  
**31 March 2012**



**Consolidated balance sheet as at 31 March 2012**

	Note	31 March 2012		31 March 2011	
		£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible assets	10		27,388		27,684
Investments	11		-		-
			<u>27,388</u>		<u>27,684</u>
<b>Current assets</b>					
Stock	12	83		62	
Debtors	13	181		363	
Cash at bank		742		268	
		<u>1,006</u>		<u>693</u>	
<b>Creditors:</b>					
Amounts falling due within one year	14	(1,011)		(930)	
<b>Net current liabilities</b>			<u>(5)</u>		<u>(237)</u>
<b>Total assets less current liabilities</b>			<u>27,383</u>		<u>27,447</u>
<b>Creditors:</b>					
Amounts falling due after more than one year	15		(1,536)		(1,350)
<b>Net assets</b>			<u>25,847</u>		<u>26,097</u>
<b>Fund balances</b>					
Restricted capital funds	16		1,525		1,525
Restricted income funds	17		20,712		21,091
Unrestricted funds	18		3,610		3,481
<b>Total funds</b>	19		<u>25,847</u>		<u>26,097</u>

These financial statements were approved by the Board of Trustees on 26 September 2012 and were signed on its behalf by

**RH JOLLIFFE**  
Chairman

**The National Botanic Garden of Wales (Limited by Guarantee)**  
**Trustees' report and consolidated financial statements**  
**31 March 2012**



**Company balance sheet as at 31 March 2012**

	Note	31 March 2012		31 March 2011	
		£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible assets	10		27,388		27,684
Investments	11		-		-
			<b>27,388</b>		<b>27,684</b>
<b>Current assets</b>					
Stock		13		12	-
Debtors	12	196		372	-
Cash at bank	13	742		268	
		<b>951</b>		<b>652</b>	
<b>Creditors:</b>					
Amounts falling due within one year	14	(956)		(889)	
<b>Net current assets liabilities</b>			<b>(5)</b>		<b>(237)</b>
<b>Total assets less current liabilities</b>			<b>27,383</b>		<b>27,447</b>
<b>Creditors:</b>					
Amounts falling due after more than one year	15		(1,536)		(1,350)
<b>Net assets</b>			<b>25,847</b>		<b>26,097</b>
<b>Fund balances</b>					
Restricted capital funds	16		1,525		1,525
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<b>Total funds</b>	19		<b>25,847</b>		<b>26,097</b>

These financial statements were approved by the Board of Trustees on 26 September 2012 and were signed on its behalf by

**RH JOLIFFE**  
Chairman

## Consolidated cash flow statement for the year ended 31 March 2012

	Note	2012		2011	
		£000	£000	£000	£000
Net cash inflow from operating activities	20		827		147
<b>Returns on investments and servicing of Finance</b>					
Interest paid			<u>-</u>		<u>-</u>
			827		147
<b>Capital expenditure</b>					
Payments to acquire tangible fixed assets			(539)		(78)
			<u></u>		<u></u>
<b>Net cash flow before use of liquid resources and financing</b>			288		69
<b>Financing</b>					
Long term loans		186		-	
Sale of investment		<u>-</u>	186	<u>14</u>	
					14
Increase/(decrease) in cash	21		<u>474</u>		<u>83</u>

## Notes (forming part of the financial statements)

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's financial statements

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, modified to include the revaluation of certain investments. The financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (revised 2005) ("SORP 2005"), applicable UK Accounting Standards, the Charities Act 1993 and the Companies Act 2006. In recognition of the Company's charitable status, the results for the year have been shown in a Statement of Financial Activities rather than the format prescribed by the Companies Act 2006.

#### *Going concern*

The financial statements are prepared on a going concern basis, notwithstanding net current liabilities of £5,000 which the Trustees believe to be appropriate for the following reasons,

- The Group has an overdraft facility with the Royal Bank of Scotland ("RBS") of £250,000 repayable on demand.
- The Garden has prepared projected cash flow information for the period ending twelve months from the date of the approval of these financial statements. On the basis of this cash flow information, the Trustees consider that the Group will continue to operate within its overdraft facility and foresee no reason why existing facilities should not be sufficient.
- The Trustees are also aware of the liability of £1,350,000 owed to Carmarthenshire County Council ("CCC") which is effectively secured on certain properties. Repayment of this loan has been extended to 31 March 2014.

#### *Fund accounting*

The various types of funds for which the Charity is responsible, and which require separate disclosure are as follows:

#### *Unrestricted funds*

Unrestricted funds are funds that are expendable at the discretion of the Trustees in furtherance of the objects or administration of the Charity.

#### *Restricted funds*

##### *Restricted income funds*

Restricted income funds can arise by way of donations, gifts (of assets and services), grants and legacies and are earmarked by the donor for specific purposes. Such purposes are within the overall aims of the organisation. For restricted income funds, the donation and income deriving there from may be utilised by the organisation. These funds include all grants receivable for specific purposes related to the relevant project.

## Notes (continued)

### 1 Accounting policies (continued)

#### *Restricted capital funds*

Restricted capital funds represent gifts of land and investments to be held as capital by the Charity. In the case of restricted capital funds, only the income arising from the fund may be utilised for the restricted purposes and the capital must be retained.

Any income arising from restricted capital funds is included in restricted income.

#### *Basis of consolidation*

The statement of financial activities and balance sheet consolidate the financial statements of the Garden and its subsidiary undertaking, Middleton Garden Limited. The results of the subsidiary are consolidated on a line by line basis.

No separate statement of financial activities and income and expenditure account has been presented for the Charity alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the Statement of Recommended Practice: Accounting and Reporting by Charities.

#### *Tangible fixed asset and depreciation*

Tangible fixed assets are stated at cost less accumulated depreciation. In the case of assets and services gifted to the Charity a valuation is established by means of an external professional valuation or a certificate of value from the donor as appropriate.

Depreciation is provided on a straight line basis to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows,

Long leasehold buildings	-	2% per annum
Long leasehold land	-	Not depreciated
Plant and machinery	-	4% per annum
Fixtures and fittings	-	20% to 33% per annum
Vehicles	-	25% per annum
Capitalised finance costs	-	term of the finance agreement

No depreciation is provided on plants as, in the view of the Trustees, these assets are unlikely to suffer from economic or technological obsolescence.

Assets purchased are capitalised over a de minimis level of £1,000.

#### *Investments*

Fixed and current asset investments (other than investments in subsidiaries) are stated at their market value, as recorded on a recognised stock exchange, or as valued by the investment manager. Movements in market value are taken to the Statement of Financial Activities as unrealised gains or losses on investment assets. Income derived from such assets is recorded as investment income in the year of receipt. Investments in subsidiaries are stated at cost.

## **Notes (continued)**

### **1 Accounting policies (continued)**

#### ***Expenditure***

All expenditure is accounted for on an accruals basis. Expenditure categories included salaries, depreciation and other costs.

Merchandising costs comprise of the costs of staff employed in the restaurant, shop and plant sales areas of the Garden together with the cost of goods sold, operation costs of these areas and the cost of the events undertaken.

Fundraising and publicity costs are incurred in relation to staff members who are engaged directly in fundraising, the costs of consultants retained to work in this area, and also the cost of specific publicity campaigns for raising donations.

The costs of charitable activities comprise the costs of activities in furtherance of the Charity's objects including a proportion of salary costs of certain members of the executive management team and support costs which include management and administration costs relating to the management functions inherent in service delivery and project work.

Governance costs comprise the costs involved in the governance of the Charity, its compliance with constitutional and statutory requirements and its accountability to the public.

Costs are apportioned between the above categories in a manner which reflects the allocation of resources to these areas.

#### ***Income***

Incoming resources represent the total income receivable during the year comprising admissions, membership subscriptions, income from educational activities, fundraising income, merchandising income, legacies, donations and other sundry income.

Donations and membership subscriptions (including life memberships) are recognised in the accounts when the funds are received. All other sources of income are recognised as services are provided. No income has been reported net of expenditure.

#### ***Grants***

Grants receivable are accounted for in the period to which the grants relate. Where the conditions for the recognition of grants receivable have not been met, the amounts are transferred to a deferred credit account and released to the Statement of Financial Activities when such conditions have been fulfilled.

Grants of a general nature are included within voluntary income, other grants relating to services provided as part of the charitable activities or as services to beneficiaries are included as incoming resources from charitable activities.

#### ***Stocks***

Stocks are stated at the lower of cost and net realisable value.

## Notes (continued)

### Taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

### Gifts in kind

Gifts in kind include non cash donations of services and assets. They have been included in donations and gifts, and in the relevant category of expenditure and fixed assets, and have been recorded at values based on market rate

### Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Where financing arrangements involve leases from which benefits accrue, these are accrued within deferred income from the time that their realisation becomes certain and released to income on a straight line basis over the remaining life of the lease

### Pension costs

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The amount charged to the Statement of Financial Activities represents the contributions payable to the scheme in respect of the accounting period

## 2 Analysis of incoming resources from generated funds

	2012 £000	2011 £000
<b>Donations</b>		
Donations and gifts	132	45
Legacies	86	53
	<u>218</u>	<u>98</u>
<b>Grants receivable</b>		
Welsh Government	164	87
Environment Wales with funding from the Welsh Government	-	8
Other	9	20
	<u>173</u>	<u>115</u>
<b>Fundraising events</b>		
Membership	106	99
Events	26	21
	<u>132</u>	<u>120</u>
<b>Merchandising income</b>		
Sale of goods	<u>971</u>	<u>964</u>
<b>Investment income</b>		
Bank deposit interest	<u>-</u>	<u>30</u>

## Notes (continued)

### 3 Analysis of incoming resources from charitable activities

	2012 £000	2011 £000
<b>Grants receivable</b>		
Welsh Government	813	378
Carmarthenshire County Council	84	31
Countryside Council for Wales	28	54
Others	60	30
	<b>985</b>	<b>493</b>
<b>Admissions</b>	<b>408</b>	<b>400</b>
<b>Other incoming resources</b>		
Education events	42	51
Other	1	-
	<b>43</b>	<b>51</b>

### 4 Analysis of incoming resources

Release of deferred income	-	112
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### 5 Analysis of total resources expended

	Staff Costs £000	Other £000	Depreciation £000	Total 2012 £000	Total 2011 £000
Merchandising costs	339	408	-	747	694
Fundraising and publicity	99	111	-	210	199
<b>Charitable Activities</b>					
Costs of activities in furtherance of the Charity's objects	490	397	-	887	1,128
Support costs	335	157	835	1,327	1,069
	825	554	835	2,214	2,197
Governance costs	-	9	-	9	62
	<b>1,263</b>	<b>1,082</b>	<b>835</b>	<b>3,180</b>	<b>3,152</b>

	2012 £000	2011 £000
<b>Other merchandising costs comprise:</b>		
Shop, catering and plant costs	378	379
Events	30	47
	<b>408</b>	<b>426</b>
<b>Other fundraising and publicity costs comprise:</b>		
Marketing	111	111



## Notes (continued)

### 5 Analysis of total resources expended (continued)

	2012 £000	2011 £000
<b>Other costs in furtherance of the Charity's objects comprise</b>		
Horticulture	36	35
Operations	309	341
Science & Education	52	79
	<b>397</b>	<b>455</b>
<b>Other support costs comprise</b>		
Insurance and administration	149	126
Establishment	8	5
Loan interest	-	(13)
	<b>157</b>	<b>118</b>
<b>Other governance costs comprise</b>		
Legal and professional	(3)	50
Auditors fees	12	12
	<b>9</b>	<b>62</b>

### 6 Staff numbers and costs

The average number of persons (full time equivalent) employed during the year, analysed by category, was as follows

#### (i) Staff

	Number of employees (full time equivalent)	
	2012	2011
<b>Permanent</b>		
Technical	30	30
Administration	14	15
Retail and operations	22	21
	<b>66</b>	<b>66</b>
	<b>2012</b>	<b>2011</b>
	<b>£000</b>	<b>£000</b>
<b>The aggregate payroll costs of these persons were as follows</b>		
Wages and salaries	1,132	1,099
Social security costs	84	81
Pension costs	11	10
	<b>1,227</b>	<b>1,190</b>
	<b>2012</b>	<b>2011</b>
	<b>No.</b>	<b>No.</b>
<b>Number of employees whose emoluments exceeded £60,000 were</b>		
£70,001 to £80,000	1	1
<b>Contribution to private pensions</b>	<b>£0</b>	<b>£0</b>

## **Notes (continued)**

### **6 Staff numbers and costs (continued)**

#### **(ii) Trustees**

The average number of Trustees during the year was 11 (2011 12) The Trustees received no remuneration but received expenses in the year of £290 (2011 £779)

### **7 Net (incoming)/outgoing resources**

	<b>2012</b>	<b>2011</b>
	<b>£000</b>	<b>£000</b>
Auditors' remuneration	<b>12</b>	<b>12</b>
Professional fees	<b>(3)</b>	<b>50</b>
Depreciation		
Owned assets	<b>85</b>	<b>60</b>
Leased assets	<b>750</b>	<b>730</b>

### **8 Tax**

The National Botanic Garden of Wales is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes

### **9 Subsidiary Company**

The Charity owns the whole of the issued share capital of Middleton Garden Limited, a company registered in England and Wales The subsidiary is used for the non-charitable, trading activities, namely the operation of shops, catering and a farm business in the botanic garden A summary of the results of the subsidiary is shown below

	<b>2012</b>	<b>2011</b>
	<b>£000</b>	<b>£000</b>
Turnover	<b>847</b>	<b>825</b>
Cost of sales	<b>(534)</b>	<b>(496)</b>
Gross profit	<b>313</b>	<b>329</b>
Administrative expenses	<b>(277)</b>	<b>(247)</b>
Charitable donation to parent organisation	<b>(36)</b>	<b>(82)</b>
Profit on ordinary activities before tax	<b>-</b>	<b>-</b>
Taxation	<b>-</b>	<b>-</b>
Profit for the year	<b>-</b>	<b>-</b>

## Notes (continued)

### 9 Subsidiary company (continued)

	2012 £000	2011 £000
Current assets	108	68
Current liabilities	(108)	(68)
<b>Net Assets</b>	<b>-</b>	<b>-</b>
Called up share capital	-	-
Profit and loss account	-	-
<b>Shareholders' funds - equity</b>	<b>-</b>	<b>-</b>

### 10 Tangible fixed assets – Group and Company

	Freehold land £000	Long leasehold buildings £000	Long leasehold land £000	Plant and machinery £000	Fixtures, fittings and vehicles £000	Plants and planting £000	Total £000
<b>Cost or valuation</b>							
At 1 April 2011	463	22,929	1,140	8,005	1,054	947	34,538
Additions	-	127	6	364	42	-	539
Disposals	-	-	-	-	(24)	-	(24)
At 31 March 2012	463	23,056	1,146	8,369	1,072	947	35,053
<b>Depreciation</b>							
At 1 April 2011	-	5,080	-	773	1,001	-	6,854
Charge for the year	-	461	-	343	31	-	835
Disposals	-	-	-	-	(24)	-	(24)
At 31 March 2012	-	5,541	-	1,116	1,008	-	7,665
<b>Net book value</b>							
At 31 March 2012	463	17,515	1,146	7,253	64	947	27,388
At 31 March 2011	463	17,848	1,140	7,232	54	947	27,684

All tangible fixed assets are used for charitable purposes

An assessment of the net realisable value of the freehold land and buildings and long leasehold land and buildings at historic cost has been undertaken by the Trustees. As the assets are maintained and such repair costs are charged to the statement of Financial Activities, it is the view of the Trustees that materially the net realisable value remains at historic cost.

## Notes (continued)

### 10 Tangible fixed assets – Group and Company (continued)

Depreciation is charged on the leasehold buildings (excluding land) on the cost less estimated residual value of 50 years. No depreciation is provided on freehold land and long leasehold land.

An impairment review is carried out on an annual basis on plant and machinery, fixtures and fittings and plants and planting. The Trustees consider that the market value of the freehold land and buildings and long leasehold land and buildings is at least as much as the carrying value in the accounts.

Included in the total net book value of plant and machinery is £6,234,680 (2011: £6,523,721) in respect of assets held under finance leases. Depreciation for the year on these assets was £289,040 (2011: £244,240).

The net book value of plant and machinery includes £605,440 (2011: £632,960) of capitalised finance costs.

### 11 Fixed asset investments

The Company has an investment in a subsidiary undertaking at a cost of £1, the details of which are as follows:

Subsidiary	Country of Registration	Proportion of issued Ordinary £1 shares held
Middleton Garden Limited	England and Wales	100%

The activity of this company is to act as the non-charitable operation of the Garden.

### 12 Stock

	Group 2012 £000	Group 2011 £000	Company 2012 £000	Company 2011 £000
Goods for resale	<u>83</u>	<u>62</u>	<u>13</u>	<u>12</u>

### 13 Debtors

	Group 2012 £000	Group 2011 £000	Company 2012 £000	Company 2011 £000
Trade debtors	69	59	31	42
Amounts owed by subsidiary undertakings	-	-	53	26
Grants receivable	4	68	4	68
Other debtors	22	42	22	42
Prepayments	<u>86</u>	<u>194</u>	<u>86</u>	<u>194</u>
	<u>181</u>	<u>363</u>	<u>196</u>	<u>372</u>

## Notes (continued)

### 14 Creditors: amounts falling due within one year

	Group 2012 £000	Group 2011 £000	Company 2012 £000	Company 2011 £000
Trade creditors	461	554	441	519
Accruals	526	354	491	348
Other tax and social security	24	22	24	22
	<b>1,011</b>	<b>930</b>	<b>956</b>	<b>889</b>

A legal mortgage is in place on the Company's freehold land and leasehold buildings in favour of the Royal Bank of Scotland. The same assets are subject to a second charge in favour of the Millennium Commission to secure all monies and liabilities advanced by the Commission to the Company. This mortgage restricts the use of the assets to that of a botanical garden. The Welsh Government also has a legal charge over part of the freehold land of the Company.

### 15 Creditors: amounts falling due after more than one year – Group and Company

	2012 £000	2011 £000
Secured loan	1,350	1,350
Unsecured loans	186	-
	<b>1,536</b>	<b>1,350</b>

The loan of £1,350,000 from Carmarthenshire County Council is secured on certain properties. Repayment of this loan is deferred until March 2014. The interest on this loan has been waived.

Unsecured loans are interest free and repayable by 2016.

In May 2000, the Charity entered into a lease and leaseback agreement in respect of certain land, buildings and plant with Lombard Property Facilities Limited. In June 2010 this lease was repaid and an option lease for 75 years was entered into with Lombard over the same assets. Rental under this lease arrangement is approximately £5,000 per annum. The obligations under this finance lease are secured by a mortgage debenture providing a fixed and floating charge over the Company's land and buildings together with a fixed charge over book debts.

### 16 Restricted capital funds

	Land £000	Total £000
Balance at 1 April 2011	1,525	1,525
Movement during the year	-	-
Balance at 31 March 2012	<b>1,525</b>	<b>1,525</b>

## Notes (continued)

### 17 Restricted income funds

	Balance at 1 April 2011 £000	Incoming resources £000	Resources expended £000	Balance at 31 March 2012 £000
Millennium Commission	14,809	-	(326)	14,483
European Regional Development fund	3,588	-	(173)	3,415
Welsh Government	2,142	243	(133)	2,252
Other sources	552	121	(111)	562
	<u>21,091</u>	<u>364</u>	<u>(743)</u>	<u>20,712</u>

The Millennium Commission has supported the project approving grants for £22.2m. These funds were provided to establish a botanical garden in Wales and to maintain current operations.

### 18 Unrestricted funds - Group and Company

	2012 £000	2011 £000
Balance at 1 April 2011	3,481	3,782
Net incoming / (outgoing) resources	129	(301)
Balance at 31 March 2012	<u>3,610</u>	<u>3,481</u>

### 19 Analysis of net assets between funds

	Unrestricted funds £000	Restricted Income funds £000	Restricted capital funds £000	Total 2012 £000	Total 2011 £000
Fixed assets	5,151	20,712	1,525	27,388	27,684
Net current liabilities	(5)	-	-	(5)	(237)
Creditors, amounts due after more than one year	(1,536)	-	-	(1,536)	(1,350)
	<u>3,610</u>	<u>20,712</u>	<u>1,525</u>	<u>25,847</u>	<u>26,097</u>

In the opinion of the Trustees, sufficient resources are held in appropriate form for each fund to be applied in accordance with any restrictions imposed.

## Notes (continued)

### 20 Reconciliation of net incoming resources to net cash inflow from operating activities

	2012 £000	2011 £000
Net (outgoing)/incoming resources for the year before other recognised gains and losses	(250)	(769)
Interest receivable	-	13
Interest payable	-	(28)
Income arising on financing arrangement	-	(112)
Operating surplus/ (deficit)	(250)	(896)
Depreciation	835	790
Profit on disposal of fixed assets	-	-
Movement in stock	(21)	(2)
Movement in debtors	182	(117)
Movement in creditors	81	372
Net cash inflow from operating activities	<u>827</u>	<u>147</u>

### 21 Reconciliation of net cash flow to movement in net debt

	Note	2012 £000	2011 £000
Increase / (decrease) in cash in the year		474	83
Change in net debt from cash flow		<u>474</u>	<u>83</u>
Other movements			
- Surplus on acquisition of option lease		-	15
- Loan finance		(186)	-
Movement in net in year		<u>288</u>	<u>98</u>
Net debt brought forward	22	(1,082)	(1,180)
Net debt carried forward	22	<u>(794)</u>	<u>(1,082)</u>

## **Notes (continued)**

### **22 Analysis of changes in net debt**

	<b>Cash at bank £000</b>	<b>Other loans £000</b>	<b>Total £000</b>
As at 1 April 2011	268	(1,350)	(1,082)
Cash flow	474	-	474
Other movements	-	(186)	(186)
- loan finance	-	(186)	(186)
As at 31 March 2012	<u>742</u>	<u>(1,536)</u>	<u>(794)</u>

### **23 Capital**

The Company is limited by guarantee and therefore has no share capital. The extent of the guarantee is £1 per member. The maximum number of members permitted is 250 and the actual number of members at 31 March 2012 was 35 (2011: 33).

### **24 Capital commitments**

The charity has not entered into capital commitments as at 31 March 2012 (2011: £212,000 for energy projects).

### **25 Indemnity insurance**

The Charity has insurance policies in place which indemnify the Charity against losses arising from negligence or default of the Trustees and Officers. The cost of these policies amounted to £2,671 (2011: £2,646).

### **26 Pension contributions**

The Charity operates a defined contribution pension scheme. The amount charged to the Statement of Financial Activities during the year was £10,674 (2011: £10,115). Pension contributions representing one month's deductions of £1,828 (2011: £1,809) were outstanding at the end of the year and paid shortly after the year end.

### **27 Related parties**

The Charity is exempt under Financial Reporting Standard 8 from the requirement to disclose transactions with its subsidiary undertaking Middleton Garden Limited.

### **28 Subsequent events**

There were no significant events to report that occurred after the 31 March 2012.