

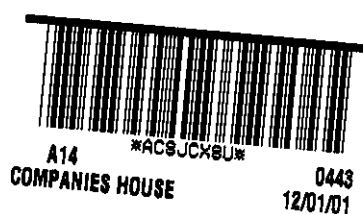
**The National Botanic Garden of Wales (limited by
guarantee)**

**Trustees' report and financial
statements**

Registered company number 2909098

Registered charity number 1036354

31 March 2000



Contents

Officers and professional advisors	1
Trustees' report	3
Statement of trustees' responsibilities	7
Report of the auditors to the members of The National Botanic Garden of Wales (limited by guarantee)	8
Consolidated statement of financial activities	9
Consolidated summary income and expenditure account	10
Consolidated and company balance sheet	11
Consolidated cashflow statement	12
Notes	13

Officers and professional advisors

Board of trustees

	Audit Committee	Nominations Committee	Remuneration Committee
D Clayton-Jones (Chairman)			
The Right Honourable the Earl Lloyd-George of Dwyfor			
Lady J Asscher			
The Honourable AJL Bruce			x
BH Charles, OBE		x (Chairman)	
Professor D Edwards, CBE		x	x
JW Evans, CBE			x (Chairman)
Councillor WJW Evans			
Sir J Gray, KBE, CMG			
Ms BCL Harden, MBE			
DG Hawkins	x (Chairman)		
A Hayward	x		
RAE Herbert, CBE			
Ms CB James			
Councillor R Jones			
RJ Thurman	x	x	x
E Tudno Jones			
G Wardell			

Officers and professional advisors (*continued*)

Registered office

Middleton Hall
Llanarthne
Carmarthenshire
SA32 8HW

Auditors

KPMG
Marlborough House
Fitzalan Court
Fitzalan Road
Cardiff
CF24 0TE

Bankers

Bank of Wales plc
Kingsway
Cardiff
CF10 3YB

Solicitors

Edwards Geldard
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Enquiries

Enquiries should be addressed to Brian Bassett at the company's registered office:

Telephone: (01558) 668768
Facsimile: (01558) 668933

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 company for the year ended 31 March 2000.

Objectives

The objectives for which the company is established are:

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

Policies

The Board seeks to realise its objectives through:

- producing a botanic garden with the content and facilities to inspire everyone associated with the Garden and all visitors to the Garden;
- applying appropriate design and principles and adopting best quality practices in all aspects of the Garden's development and operation;
- applying an innovative and flexible approach;
- establishing and developing strong relations with scientific and educational bodies to agree common goals and appropriate science and education policies for the Garden;
- recruiting a flexible and multi skilled workforce dedicated to the success of the Garden;
- committing to a substantial and preferred future in the choices and decisions for the Garden.

Review of activities

The year under review saw further significant progress in the development of The National Botanic Garden of Wales towards the opening to the general public in May 2000. Key buildings in Phase Two, including the Lifelong Learning Centre and the Stable Block and landscaping to the core area of the site were on schedule for completion for the opening. Progress continued on the securing of match funding for the remainder of the project including landscaping, additional visitor facilities and the science and research facilities

Financial position

In the year, the Garden received total resources of £4.1m (1999: £9.8m), comprising £0.1m (1999: £0.7m) of unrestricted funds, £4.0m (1999: £9.0m) of restricted funds but no (1999: £0.08m) capital funds. £2.7m (1999: £5.9m) was received from the Millennium Commission under formal deed of grant and the balance represented matched funding from public and private sources including some particularly large sums.

Trustees' report *(continued)*

Financial position *(continued)*

The Garden expended resources of £1.8m (1999: £1.0m). £0.6m (1999: £0.5m) was expended from unrestricted funds leaving an unrestricted fund balance carried forward of £1.2m (1999: £1.6m). £1.2m (1999: £0.5m) was expended from restricted funds leaving a restricted fund balance carried forward of £20.3m (1999: £17.6m). Total fund balances at 31 March 2000 were £23.1m (1999: £20.7m) including capital funds of £1.6m (1999: £1.5m).

Tangible fixed assets at cost or valuation increased to £24.6m (1999: £20.5m) representing £23.8m (1999: £20.4m) of project costs in the form of land, buildings and assets in the course of construction and £0.8m (1999: £0.1m) in estate vehicles, fixtures and fittings, and plants and planting. The completion of fundraising for Phase One has enabled the programme to move forward with certainty and for the necessary construction contracts to be entered into in accordance with the programme. At the end of the year, the value of the land, buildings, fixtures and fittings and assets in the course of construction had decreased to £3.4 m (1999: £20.4m) following a reclassification of assets. Financial commitments entered into by the Garden are closely monitored to ensure that total commitments do not exceed secured funding.

The National Botanic Garden of Wales is a company limited by guarantee and a registered 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 two wholly owned subsidiary undertakings, Middleton Garden Limited and Cambrian Ventures Limited. The principal activity of Middleton Garden Limited is to act as the non-charitable operation of the Garden. Cambrian Ventures Limited is formed to develop incubator units, as part of the science centre.

The Board of Directors is the governing body and oversees the implementation of the Garden's policies, considering recommendations from the Advisory Council and from the Director of the Garden and his management team. The company recognises the importance of effective corporate governance and has established audit, remuneration and nominations committees. Membership of these committees is shown on page 1.

The company is regarded as a Charity by the Inland Revenue and therefore is able to benefit from the tax exemptions afforded to charities.

Board of Trustees

Members of the Board of Trustees are detailed under administrative details on page 1 and their annual report contains all the information required in a Trustees' annual report in accordance with the Statement of Recommended Practice: Accounting by Charities.

DG Hawkins was a non executive director of Hyder plc from which he resigned on 15 September 2000. A consultancy agreement with Hyder Consulting Limited is in place and an agreement was entered into with Dŵr Cymru Cyfyngedig in exchange for the provision of benefits.

RJ Thurman is the senior partner of Edwards Geldard, who are the solicitors to The National Botanic Garden of Wales on a basis consistent with other public bodies.

J W Evans is the chairman of the Bank of Wales plc, which is the bank of The National Botanic Garden of Wales on normal commercial terms.

Trustees' report *(continued)*

Organisation

The Board's membership includes those with appropriate professional, business and commercial experience and knowledge of botany and horticulture. The Board is responsible for approving overall policies, plans and organisation.

The Director of the Garden is responsible for the implementation of the Board's policies and the management of the company with the senior management team.

In addition to the committees established for effective corporate governance, the following committees are set up:

Advisory Council	to provide advice to the Board of Trustees on the development of the Garden;
Arts Committee	to make recommendations to the Board of Trustees on all matters related to the Arts in the Garden;
Business Development Committee	to make recommendations to the Board of Trustees on issues of strategic regulatory and operational nature.
Landscape Development Committee	to make recommendations to the Board of Trustees on strategic regulatory and operational aspects relating to horticulture and landscape management
Science Development Committee	to oversee the science programme of the Garden and the funding and establishment of the science infrastructure;
Education Advisory Committee	to advise the management team on the education programme of the Garden;
Estate Management and Advisory Committee	to advise the management team on the estate management programme of the Garden;

Internal control

The Board is ultimately responsible for ensuring that the organisation has in place an appropriate system of controls, financial and otherwise, to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use;
- proper records are maintained and financial information used within the charity, or for publication, is reliable;
- the charity complies with relevant laws and regulations.

In assessing what constitutes reasonable assurance, the Board has regard to the materiality of any financial risks incurred, the likelihood of such risks crystallising and the cost of and benefits from particular aspects of the internal control system. The effectiveness of the system of control is reviewed regularly by the Audit Committee.

The company has complied with the Combined Code on Corporate Governance, published in 1999, to the extent that it is appropriate for a company of its size and nature.

Trustees' report (*continued*)

Remuneration

The Board of Trustees and members of the committees receive no remuneration. Where claimed, expenses are reimbursed. During the year, no trustees received any reimbursement of expenses (1999: £Nil).

The salaries of the Director of the Garden and his senior management team are determined by the Board upon their appointment and by periodic review. The Board is advised by the Remuneration Committee. Their remuneration does not include any share option or long-term incentive schemes. The period of notice for termination of the contract of employment is six months for the Director of the Garden. There are no pension provisions for the Director of the Garden and senior management other than contributions to personal pension schemes.

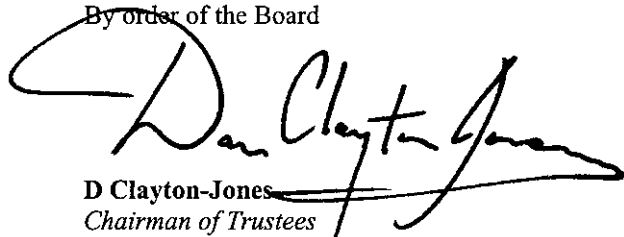
Post Balance Sheet Event

On 31 May 2000 The National Botanic Garden of Wales entered into a finance lease facility with Lombard Property Facilities Limited to refinance assets at a premium of £11.1m.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



D Clayton-Jones
Chairman of Trustees

Middleton Hall
Llanarthne
Carmarthenshire
SA32 8HW

14 November 2000

Statement of trustees' responsibilities

Law applicable to incorporated charities in England and Wales requires the trustees, who are also the directors of the company, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the group at the end of the year and of its financial activities during the year then ended. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity and the group will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. They have agreed 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.



Marlborough House
Fitzalan Court
Fitzalan Road
Cardiff
CF24 0TE
United Kingdom

Report of the auditors to the members of The National Botanic Garden of Wales (limited by guarantee)

We have audited the financial statements on pages 11 to 25.

Respective responsibilities of trustees and auditors

As described on page 9, the trustees, who are the directors of The National Botanic Garden of Wales (limited by guarantee) for the purposes of company law, are responsible for preparing the trustees' report and, as described on page 9, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the group is not disclosed.

We read the other information accompanying the financial statements and consider whether it is consistent with those statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Standards Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company and the group as at 31 March 2000 and of the group's incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature of the KPMG firm, written in dark ink.

*Chartered Accountants
Registered Auditors*

14 November 2000

Consolidated statement of financial activities
for the year ended 31 March 2000

	<i>Note</i>	Unrestricted funds 2000 £'000	Restricted funds 2000 £'000	Capital funds 2000 £'000	Total funds 2000 £'000	Total funds 1999 £'000
Incoming resources						
Donations and gifts	2	158	603	-	761	849
Grants receivable	2	-	3,365	-	3,365	8,912
Investment income	4	-	7	-	7	73
Total incoming resources		<u>158</u>	<u>3,975</u>	<u>-</u>	<u>4,133</u>	<u>9,834</u>
Resources expended						
Direct charitable expenditure	3	-	675	-	675	220
Other expenditure:						
Fund raising and publicity	3	472	125	-	597	487
Management and administration	3	65	404	-	469	309
Interest payable	3,6	11	-	-	11	8
Total resources expended	3	<u>548</u>	<u>1,204</u>	<u>-</u>	<u>1,752</u>	<u>1,024</u>
Net incoming resources	7	(390)	2,771	-	2,381	8,810
Loss on disposal of fixed asset		-	-	-	-	(1)
Unrealised gain on investment assets		-	-	7	7	-
Net movement in fund		<u>(390)</u>	<u>2,771</u>	<u>7</u>	<u>2,388</u>	<u>8,809</u>
Fund balance brought forward at 1 April 1999		<u>1,626</u>	<u>17,556</u>	<u>1,538</u>	<u>20,720</u>	<u>11,911</u>
Fund balance carried forward at 31 March 2000		<u>1,236</u>	<u>20,327</u>	<u>1,545</u>	<u>23,108</u>	<u>20,720</u>

Restricted funds are income funds.

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.

Consolidated summary income and expenditure account
for the year ended 31 March 2000

	2000 £'000	1999 £'000
Gross income of continuing operations	1,038	1,397
Net incoming resources of non-charitable subsidiary	-	-
Total income of continuing operations	1,038	1,397
Total expenditure of continuing operations	(1,701)	(1,015)
Net (expenditure)/income for the year	(663)	382

Total income comprises £0.1m (1999: £0.7m) for unrestricted funds and £0.9m (1999: £0.7m) for restricted funds and excludes items of a capital nature and gifts which have been given a value in the Statement of Financial Activities in accordance with the Statement of Recommended Practice. It also excludes capital grant income received in the year. A detailed analysis of incoming resources by source is provided in the Statement of Financial Activities.

Total expenditure comprises £0.5m (1999: £0.5m) for unrestricted funds and £1.2m (1999: £0.5m) for restricted funds and excludes gifts of services which have been given a value in the Statement of Financial Activities in accordance with the Statement of Recommended Practice. Detailed analyses of expenditure are provided in the Statement of Financial activities and Note 3.

The summary income and expenditure account is derived from the Statement of Financial Activities on page 11 which, together with the notes to the financial statements on pages 15 to 25 and the reconciliation shown provides full information on the movements during the year on all the funds of the group.

The company has not presented its own Summary Income and Expenditure account, as permitted by Section 230 (1) (b) Companies Act 1985. The net expenditure of the company for the year was £0.7m (1999: income - £0.4m).

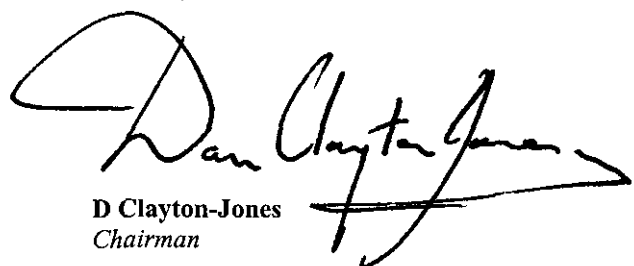
The total income and expenditure have been calculated as follows:

	2000 £'000	1999 £'000
Total incoming resources	4,133	9,834
Less: Gifts of services and assets	(333)	(57)
Gift of land	-	(80)
	3,800	9,697
Less: Capital grants not recognised	(2,762)	(8,300)
Total income of continuing operations	1,038	1,397
Total resources expended	1,752	1,024
Less: Gifts of services not capitalised	(51)	(9)
Total expenditure of continuing operations	1,701	1,015

Consolidated and company balance sheet
at 31 March 2000

	Note	£'000	2000 £'000	£'000	1999 £'000
Fixed assets					
Tangible assets	10		24,476		20,394
Investments	11		20		13
			<hr/>		<hr/>
			24,496		20,407
Current assets					
Debtors	12	1,791		1,449	
Cash at bank		(961)		236	
		<hr/>		<hr/>	
		830		1,685	
Creditors: amounts falling due within one year	13	(2,218)		(1,372)	
		<hr/>		<hr/>	
Net current (liabilities)/assets			(1,388)		313
			<hr/>		<hr/>
Net assets			23,108		20,720
			<hr/>		<hr/>
Fund balances					
Capital funds	15		1,545		1,538
Restricted funds	16		20,327		17,556
Unrestricted funds	17		1,236		1,626
			<hr/>		<hr/>
Total funds	17		23,108		20,720
			<hr/>		<hr/>

These financial statements were approved by the board of trustees on 14 November 2000 and were signed on its behalf by:


D Clayton-Jones
 Chairman

Consolidated cashflow statement
for the year ended 31 March 2000

	<i>Note</i>	2000	1999
		£'000	£'000
Net cash inflow from operating activities	<i>18</i>	2,687	8,778
Returns on investments and servicing of finance			
Interest received		7	73
Interest paid		(11)	(8)
		<hr/>	<hr/>
		(4)	65
Capital expenditure			
Payments to acquire tangible fixed assets		(3,880)	(9,787)
Proceeds on sale of fixed assets		-	2
		<hr/>	<hr/>
Net cashflow before use of liquid resources and financing		(1,197)	(942)
Management of liquid resources			
Net cash inflow from term deposits		-	1,400
		<hr/>	<hr/>
(Decrease)/increase in cash	<i>19</i>	(1,197)	458
		<hr/>	<hr/>

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 by Charities (issued in 1995). 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 1985.

Fund accounting

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

Restricted funds

Restricted funds can take two forms: income and capital. The 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 therefrom may be utilised. These funds include all grants receivable specifically for the furtherance of the project. 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.

Unrestricted funds

Unrestricted funds are funds which are expendable at the discretion of the trustees in furtherance of the objects or administration of the Charity.

Capital funds

Capital funds represent gifts of land and investments to be held as capital by the Charity.

Basis of consolidation

The financial statements of the dormant, wholly owned subsidiary companies have not been consolidated for the financial year ended 31 March on the grounds of materiality.

Notes (continued)

1 Accounting policies (continued)

Tangible fixed assets

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

The following depreciation policies have been adopted in the preparation of these financial statements:

Freehold buildings	-	2% per annum on a straight line basis
Long leasehold land	-	Not depreciated
Fixtures and fittings	-	20% to 33% per annum on a straight line basis
Estate vehicles	-	25% per annum on a straight line basis

Assets in the course of construction comprise costs associated with the design and building of the botanic garden. Such costs are accumulated over the course of the project and are not depreciated until they come into use.

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

Investments

Fixed asset investments 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.

Expenditure

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

Direct charitable expenditure comprises those costs which have been incurred in the furtherance of the project including a proportion of salary costs of certain members of the executive management team.

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 the raising of donations.

Management and administration costs relate to the management of the charity's assets, the organisation and administration of the charity, and compliance with constitutional and statutory requirements.

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.

Donations

Cash donations are included in the Statement of Financial Activities when received.

Notes (continued)

1 Accounting policies (continued)

Gifts in kind

Gifts in kind include non cash donations of services and assets. In accordance with the Statement of Recommended Practice: Accounting by Charities, (issued in 1995) they have been included in donations and gifts, and in the relevant category of expenditure and fixed assets, and have been recorded at values provided by the donors.

Operating leases

Rental costs under operating leases are charged on a straight line basis over the term of the lease.

Pension costs

The company does not operate a pension scheme. Contributions are made to employees' personal pension schemes, which are defined contribution schemes, as part of their remuneration package and are charged in the period in which incurred.

2 Analysis of incoming resources

	2000 £'000	1999 £'000
<i>Donations and gifts</i>		
Donations	428	712
Gift of land from Carmarthenshire County Council	-	80
Gift of services, assets and investments	333	57
	<hr/> 761	<hr/> 849
<i>Grants receivable</i>		
The Millennium Commission	2,749	5,927
The European Regional Development Fund	504	2,071
The Welsh Development Agency	19	358
Wales Tourist Board	-	168
Others	93	388
	<hr/> 3,365	<hr/> 8,912

Notes (continued)

3 Analysis of total resources expended

	Staff costs £'000	Other £'000	Depreciation £'000	2000 Total £'000	1999 Total £'000
Direct charitable expenditure	297	361	17	675	220
Other expenditure:					
Fund raising and publicity	235	362	-	597	487
Management and administration of the charity	246	167	56	469	309
Interest payable	-	11	-	11	8
	<u>778</u>	<u>901</u>	<u>73</u>	<u>1,752</u>	<u>1,024</u>

Other fund raising and publicity costs comprise:

	£'000
Marketing	120
Fund raising	200
Travel	36
Other	6
	<u>362</u>

Other management and administration costs comprise:

	£'000
Legal and professional	67
Insurance and administration	13
Travel and vehicle costs	20
Establishment costs	67
	<u>167</u>

4 Investment income

	2000 £'000	1999 £'000
Bank deposit interest	<u>7</u>	<u>73</u>

Notes (continued)

5 Staff numbers and costs

The average number of persons employed during the year, analysed by category, was as follows:

	Number of employees	
	2000	1999
Permanent		
Technical	26	19
Administration	7	6
	<hr/>	<hr/>
	33	25
Trustees	18	16
	<hr/>	<hr/>
	51	41
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	2000	1999
	£'000	£'000
Wages and salaries	646	417
Social security costs	60	39
Other pension and life assurance costs	18	16
	<hr/>	<hr/>
	724	472
	<hr/>	<hr/>

The trustees received no remuneration or expenses in the year (1999: £Nil).

The number of employees whose emoluments including pension contributions and bonuses for the year were greater than £40,000 can be classified as follows:

	2000	1999
£40,000 - £49,999	1	-
£60,000 - £69,999	-	1
£70,000 - £79,999	1	-
£80,000 - £89,999	1	1

Notes (continued)

6 Interest payable

	2000 £'000	1999 £'000
Bank loan interest	11	8

7 Net incoming resources

	2000 £'000	1999 £'000
<i>Net incoming resources is stated after charging the following:</i>		
Rentals under operating leases:		
Motor vehicles	20	16
Other assets	10	5
Auditors' remuneration		
Audit fees	9	7
Other fees	13	9
Depreciation on owned assets	73	46

8 Tax

The National Botanic Garden is a registered charity and there is no charge to corporation tax (1999: £Nil).

9 Operating lease commitments

At 31 March 2000 the group was committed to making the following payments during the next year in respect of operating leases.

	2000		1999	
	Estate vehicles £000	Other assets £000	Estate vehicles £000	Other assets £000
Leases which expire:				
Within two to five years	8	12	13	2

Notes (continued)

10 Tangible fixed assets - group and company

	Estate vehicles	Freehold buildings	Long leasehold land	Fixtures and fixtures	Plants and planting	Assets in the course of construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 April 1999	34	668	1,597	99	-	18,079	20,477
Additions	33	-	-	112	-	4,010	4,155
Reclassification	-	18,101	-	-	548	(18,649)	-
At 31 March 2000	67	18,769	1,597	211	548	3,440	24,632
Depreciation							
At 1 April 1999	6	34	-	43	-	-	83
Charge for the year	17	13	-	43	-	-	73
At 31 March 2000	23	47	-	86	-	-	156
Net book value							
At 31 March 2000	44	18,722	1,597	125	548	3,440	24,476
At 31 March 1999	28	634	1,597	56	-	18,079	20,394

Substantially all tangible fixed assets are used for direct charitable purposes. The remainder are used for administration and fundraising purposes.

11 Investments

	2000 £'000	1999 £'000
Group and company		
Five Arrows Global Investment Fund	20	13

Notes (continued)

11 Investments (continued)

The Five Arrows Global Investment Fund represents 20,699 units in a UK quoted investment fund, being the "Five Arrows Global Investment Fund UK Smaller 'A' shares". The investment has been recorded at its quoted market value on the London Stock Exchange at the year end date. The investment fund was gifted to the Charity during 1999, at the time of the gift its value was £10,390.

The company has investments in subsidiary undertakings, 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 the company is to act as the non-charitable operation of the Garden.

Cambrian Ventures Limited	England and Wales	100%
---------------------------	-------------------	------

The activity of the company is the development of incubator units, as part of the Science Centre.

12 Debtors

Group and company	2000 £'000	1999 £'000
Grants receivable	1,484	1,315
Other debtors	264	104
Prepayments	43	30
	<hr/>	<hr/>
	1,791	1,449
	<hr/>	<hr/>

13 Creditors: amounts falling due within one year

Group and company	2000 £'000	1999 £'000
Trade creditors	2,156	1,312
Other loans	21	21
Accruals	41	39
	<hr/>	<hr/>
	2,218	1,372
	<hr/>	<hr/>

A legal mortgage is in place on the company's freehold land and buildings in favour of Bank of Wales plc. The same assets are secured by 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 Development Agency also has a legal charge over part of the freehold land of the company.

Notes (continued)

14 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 2000 was 28 (1999: 26).

15 Capital funds

	Land £'000	Investments £'000	Total £'000
Balance at 1 April 1999	1,525	13	1,538
Net incoming resources	-	7	7
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2000	1,525	20	1,545
	<hr/>	<hr/>	<hr/>

Both funds are permanent in nature.

16 Restricted funds

	Movement in funds		
	Balance at 1 April 1999 £'000	Incoming resources £'000	Revenue expenditure £'000
Millennium Commission	11,021	2,748	(602)
European Regional Development Fund	3,509	504	-
Welsh Development Agency	1,330	19	-
Wales Tourist Board	300	-	-
Other sources	1,396	704	(602)
	<hr/>	<hr/>	<hr/>
	17,556	3,975	(1,204)
	<hr/>	<hr/>	<hr/>
			20,327
			<hr/>

The Millennium Commission is supporting the project and, subject to £ for £ matched funding being obtained from other sources, has approved grants for the project totalling £21.6 million.

17 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Capital funds £'000	Total £'000
Fixed assets	-	22,951	1,525	24,476
Investments	-	-	20	20
Net current assets/(liabilities)	1,236	(2,624)	-	(1,388)
	<hr/>	<hr/>	<hr/>	<hr/>
	1,236	20,327	1,545	23,108
	<hr/>	<hr/>	<hr/>	<hr/>

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)

18 Reconciliation of changes in resources to net cash inflow from operating activities

	<i>Note</i>	2000 £'000	1999 £'000
Net movement in the fund for the year		2,388	8,809
Non-cash gifts of assets and services of a capital nature		(282)	(57)
Net cash incoming resources		2,106	8,752
Interest receivable		(7)	(73)
Interest payable		11	8
Operating surplus		2,110	8,687
Depreciation		73	46
Movement in debtors		(173)	196
Movement in grant receivable		(169)	1,038
Movement in creditors		846	(1,190)
Loss on sale of fixed assets		-	1
Net cash inflow from operating activities		2,687	8,778

19 Reconciliation of net cash flow to movement in net (debt)/funds

		2000 £'000	1999 £'000
(Decrease)/increase in cash in the year		(1,197)	458
Cash flow from increase/(decrease) in liquid resources		-	(1,400)
Change in net funds		(1,197)	(942)
Net funds brought forward	<i>20</i>	215	1,157
Net (debt)/funds carried forward	<i>20</i>	(982)	215

Notes (continued)

20 Analysis of changes in net funds/(debt)

	Cash at bank £'000	Liquid resources £'000	Loans £'000	Total £'000
At 31 March 1998	(222)	1,400	(21)	1,157
Cash flow	458	(1,400)	-	(942)
At 31 March 1999	236	-	(21)	215
Cash flow	(1,197)	-	-	(1,197)
At 31 March 2000	(961)	-	(21)	(982)

21 Non cash transactions

During the year, £333,000 (1999: £137,000) of services and assets were gifted to the charity.

22 Contingencies

There were no material contingent liabilities at 31 March 2000 (1999: £Nil).

23 Capital commitments

	2000 £'000	1999 £'000
Authorised and contracts placed	1,963	1,815