

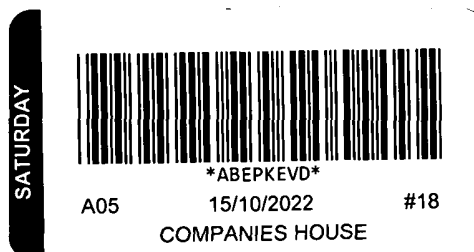
Charity Registration No. 1101348

Company Registration No. 4934904 (England and Wales)

**NATIONAL ASSOCIATION OF FLOWER
ARRANGEMENT SOCIETIES 2003**

(A COMPANY LIMITED BY GUARANTEE)

**TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**



tc accounts • tax • legal • financial planning

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)

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NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

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LEGAL AND ADMINISTRATIVE INFORMATION

STATUS	The Association is a charitable company limited by guarantee incorporated on 16 October 2003 and registered as a charity on 5 January 2004.
GOVERNING DOCUMENT	The company was established under Memorandum and Articles which established the objects and powers of the charitable company. The Articles were amended by General Meeting on 20 January 2021.
COMPANY NUMBER	4934904
CHARITY NUMBER	1101348
REGISTERED OFFICE/OPERATING OFFICE	1 st Floor 42-44 Bishopsgate London EC2n 4AH
TRUSTEES:	Mrs Katherine Kear MDPF, Chairman Mrs Nicky Wylie, Vice Chairman Mrs Susan Castle Mrs Mala Williams Mrs Ann Harding Mr Peter Mathers Mrs Ellen Meaking Mrs Philida Irving (appointed 05 October 2021) Mrs Linda Wales (appointed 06 May 2022)
CHIEF EXECUTIVE OFFICER:	Mr Steven Lane
FINANCE OFFICER:	Mr Richard van der Graaf
AUDITORS:	TC Group The Courtyard Shoreham Road Upper Beeding West Sussex BN44 3TN
BANKERS:	National Westminster Bank PO Box 282 216 Bishopsgate London EC2M 4QB
FOUNDER PRESIDENT:	The late Mrs Mary Pope OBE VMH
NATIONAL PRESIDENT:	Mr Michael Bowyer MBE
LIFE VICE-PRESIDENT:	Mr Robin Herbert CBE VMH

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
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TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

REPORT FROM THE CHAIR OF TRUSTEES

It's been a year that could be described as a Yo-yo one. We were obviously aware that selling Osborne House was not necessarily going to be quick given its unique character, size and the current climate of change and world restrictions. What we were not anticipating was the stop and start nature of interested parties. However we are delighted to say that the sale completed on June 24th 2022. This signals the start of a new chapter in the Association's history and now we can start to build and plan for the future, offering more guidance and support to our clubs and promoting the work of our members to the general public. Proceeds from the sale are now invested with our chosen Investment Manager, Rathbones Plc.

The ideal rented office space for the Association is just around the corner from Osborne house and has been sourced to operate for a 5 year term which will allow the Board sufficient time to map out our long term plan. As the new office is so close it means we can keep all our valued staff, and we welcome Layla Hill to the team.

We are, as an Association still in a good position thanks to the careful and considered advice of Steven as CEO, thank you. Zoom meetings continue to keep travel and accommodation costs down, maintain service as usual, and as far as the budget is concerned costs are kept to a minimum. Our one face to face National Advisory Council meeting early in the year was a good chance to meet and chat in a relaxed environment and it was a chance to re bond.

Our continuing research and work towards Ofqual recognition continues. It is a complex and time consuming process looking both at our syllabus content but also governance and financial structure. It will be worth it, Ofqual's recognition is universal and will ensure the longevity of our educational position. It's this that makes us unique. It will make us stronger, more viable and appealing, especially to people outside our Association. It's about moving with current trends, delivering value and education to all.

We continue to review our structure, it's an ongoing process, it will bring forth fruits over time. Next year in May we have the first large event we've organised since 2019. The National Show in Gloucester Cathedral. It will be a standalone show, not a clone of previous shows or a template for following shows. We are cutting our cloth to fit, if we cannot budget for a certain thing we don't have it! We cannot assume visitor numbers will be as past years so we must be careful yet creative.

I would like to thank the staff team, our Standing Committees and Area Chairmen for all their hard work during another difficult year. My special thanks go to my fellow Trustees, and a warm welcome to Lynn Wales, who joined the Board in May and brings a wealth of business management experience. My thanks also to our National President, Michael Bowyer MBE whose contribution and advice to the Board has been invaluable.

Katherine Kear MDPF
National Chairman



NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

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(LIMITED BY GUARANTEED)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report together with the audited financial statements for the year ended 31 March 2022. The financial statements have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS 102), applicable law and the Charity's governing document.

The Charity prefers to be known by the acronym "NAFAS" and is a UK registered trademark no. 2109171.

Structure, Governance and Management

The Trustees are also the Directors of the Company for the purpose of company law. The Charity is a charitable company limited by guarantee and without share capital. In the event of the Company being wound up the liability of each member is limited to £10. It was incorporated on 16th October 2003. The purpose of its formation was to acquire the assets and undertaking of National Association of Flower Arrangement Societies, an unincorporated charitable association first formed in 1959. It is governed by Articles of Association and its objectives are to advance public education in the art of flower arranging and related subjects. The membership of the Company is comprised of 21 unincorporated Area Associations providing geographical representation throughout the United Kingdom and represented at meetings through a single elected representative for each Area. A network of more than 900 flower clubs are affiliated to the Area associations and their members form the affiliated membership of the Charity.

The Voting Members of the Charity are made up of the 21 current Area Representatives and the current Trustees. The National Officers are appointed by the Board and comprise the Chair of Trustees and the Vice-Chairman. There shall be a minimum of 7 Trustees and a maximum of 10 Trustees. A minimum of 5 Trustees to be elected by the voting members, additional Trustees can be appointed by the Board. The National President is a non-executive appointment selected by a panel. Life Vice-Presidents are appointed in recognition of outstanding service. The day-to-day management of the Charity is the responsibility of the Chief Executive Officer. Salaries of all staff are reviewed annually by the Board of Trustees.

The Trustees, as stated on page 3, are eligible to serve two terms of three years. The Board meets monthly (virtually) and receives quarterly reports from the Charity's Standing Committees, who administer the operation of each facet of the Charity's objectives. One Trustee attends each meeting of the Standing Committees to ensure continuity within the reporting process. The Board of Trustees take direct responsibility for the management of the assets and liabilities. Financial management including control and monitoring of budgets; is overseen by the Finance Sub Committee.

The National Advisory Council meets 4 times a year and comprises a single representative from each of the 21 Area Associations. They represent the affiliated members and act as an advisory body and as a forum for the exchange of views and information between the Board of Trustees and the affiliated members.

Trustees Induction and Training

New Trustees are invited and encouraged to attend training courses and seminars in order to brief them on their legal obligations. They are also introduced to the Charity Commission's own booklets and information bulletins. Funds are available to facilitate Trustee training in undertaking their role.

Subsidiary Company

The Charity's wholly owned subsidiary, NAFAS Enterprises Limited (company No. 1829011), undertakes fundraising through the publishing and sale of books, leaflets and booklets relating to flower arranging and the publication of The Flower Arranger magazine. Profits are transferred to the Charity through Gift Aid. The Board of Directors comprises the National Chairman and two other Trustees of the Charity.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEED)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Charitable Objectives and Activities

The Charity is established to:

- Advance public education in the art of flower arranging and related subjects
- Further any other charitable purpose or purposes

The Charity's Activities are:

- Administration of NAFAS Courses in Floral Art & Design
- Attending and exhibiting at major shows and floral events
- A National Show where affiliated members may enter competitions and where both members and the general public may enjoy the floral arrangements exhibited
- Training and assessments of judges, demonstrators and speakers
- Encouragement to affiliated clubs to develop their memberships

NAFAS Vision, Mission and Values

The new Vision, Mission and Values were adopted in 2021 by the Board. A Strategy Team had been set up to specifically review and update the statements.

NAFAS Vision Statement

To improve the lives of everyone through flowers

NAFAS Mission Statement

Sharing the creative use of flowers through education, to bring joy and inspiration to all

We achieve this through:

- Welcoming everyone to our Association, events and shows by removing barriers to access
- Sharing our artistry, creativity, skills, experience and innovation
- Encouraging creative use of flowers to aid mental health, well-being and social interaction
- Developing imaginative and accessible promotional programmes and publications
- Providing the highest quality educational and training schemes and upholding their quality
- Supporting opportunities to develop skills through competitions and exhibitions at all levels
- Ensuring excellent organisational and commercial support for affiliated clubs and societies
- Establishing a culture where collaboration and sharing best practice is the norm
- Working closely with horticultural, trade and educational bodies with similar goals
- Continuous improvement to everything we do by embracing incremental change
- Regular renewal of our representation and plans to capture new trends and voices
- Minimising our impact on the environment

Our Values

- Ensure a friendly welcome for all, that embraces equality and diversity
- Ensure open and positive behaviours at all times in delivering our goals
- Make full use of the knowledge, energy and commitment of all of our Association's members
- Seek positive environmental sustainability in all our activities

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

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(LIMITED BY GUARANTEED)
TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Public Benefit

In establishing the annual objectives and activities which fulfil NAFAS overall aims, the Trustees have regard to the principles of public benefit at all times. The Trustees are aware of and have received copies of the Charity Commission's guidance regarding Public Benefit and have taken it into account, where relevant, in their planning and decision making.

The Objects set out clearly that the Charity is established to advance public education in the art of flower arranging and to further any other charitable purpose. It operates throughout the whole of the United Kingdom and strives to attract members from all age groups and ethnic backgrounds. The Association's exhibits at major floral and horticultural shows, including its own National Show, are seen and enjoyed by large numbers of the general public.

The Trustees are conscious that many of its affiliated members are elderly with some on low or fixed incomes. Although each club is autonomous with the ability to set its own membership fees, the affiliation fee to the Charity (which forms part of this) has been maintained at £6.10 since 2019 for each individual member through their club. While it is the Board's intention to continue small annual incremental increases, it was decided not to increase the affiliation fee in this financial year due to the impact of Coronavirus.

The Association also provides direct membership at a cost of £45 per annum which includes a subscription to its quarterly magazine, The Flower Arranger. The cost of direct membership also remains the same until such time as it is deemed appropriate to increase. The Trustees take its commitment to public benefit extremely seriously, exemplified by the fact that the affiliation fee remains very low not wishing to exclude any member on economic grounds.

The Trustees believe that entry fees to shows and events and affiliation fees to members are set at such a low level as to ensure that all members of the public can afford them and therefore benefit from full enjoyment of the Charity's services. The affiliated Flower Clubs play an important role in raising money for other charities.

The Charity's members and the Area Associations, provide services to the general public too numerous to mention fully but include workshops where the public are invited to try their own skills at flower arranging, similar workshops for school parties and children with special needs, assistance to local churches to hold flower festivals to encourage the public to support their local communities and floral demonstrations at flower shows and events throughout the year.

Risk Management

Historically the risks identified by the Charity have been restricted to contractual obligations related to the National Show and other events. The Coronavirus, which began to have significant effects in the UK from late February 2020, has enhanced problems that the Trustees were previously aware of and created new risks to the Charity. Flower Clubs reopened during the year and gradually started to hold club and area events.

Risks include:

- Club closures, several clubs will not reopen for various reasons including:
 - Members unwilling to attend club meetings again
 - Difficulty attracting members to sit on the club committee
 - Ageing membership
 - Difficulty in attracting new younger members
 - Increasing costs of premises and flowers
 - Closure of village and community halls where our clubs have met previously
- A decline in membership due to club closures.
- A reluctance by members to travel. This will affect attendance at Area and National events.
- A drop in sales of trading goods and educational handbooks due to Coronavirus. Although we are seeing a slow recovery.
- Club closures resulted in a drop in affiliation fees.

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FOR THE YEAR ENDED 31 MARCH 2022

Evaluation of risk is constantly under review. Financial risks are managed by:

- Maintenance of reserves to be financially resilient.
- Regular consultation with the Charity's financial, legal and other professional advisers.

Internal risk controls are in place based upon dual authorisation of financial transactions. Employee and Third-Party Fraud insurance cover is also in force. The Trustees consider that a suitable balance is maintained between the level of risk and the effectiveness of controls.

Achievements and Performance

We will continue to present our AGM virtually as this attracts a larger audience compared to a physical meeting and allows access to the proceedings to all our membership. The 2021 AGM attracted over 1,600 views.

The Board of Trustees agreed to recommend the fuel allowance at 45p per mile, in line with HMRC.

NAFAS Standing Committees'

National Judges Committee

Joan Magee, Chairman

- The Committee have judged a series of virtual shows during the year. Started during the pandemic, virtual shows have continued into 2022 but will now be phased out as clubs and areas return to their normal activities.
- Numbers are low for the National Tests, with just 7 potential candidates putting their names forward for the 2022 tests.
- A Judges conference is being planned for August 2023 in Dromantine, Northern Ireland.
- The committee are revising the Competitions Manual, which will be ready for publication later in 2022.
- The National Show 2023, to be held at Gloucester Cathedral, is now a main focus for the Judges Committee.
- A meeting of Adjudicators & Instructors took place virtually in February 2022 with almost full attendance. Following discussion, it was agreed the allocation of marks for Judges Tests needs to be reviewed. Committee to liaise with Adjudicators. It was agreed the fee for Trainee Adjudicators should remain at £30.00. Most Areas offer accommodation when required and hospitality.

National Demonstrators Committee

Elizabeth Graham, Chairman

- A successful virtual Adjudicators and Instructors Day was held in September 2021
- Training and Testing took place in the following Areas:
 - South West, NIGFAS, SAFAS, Wessex & Jersey, North Midlands, Mercia & North Wales and East of England (holding refresher day)
- The committee reviewed the suggested Flower Allowance and increased the amount to £150.00 - Citing Brexit and Coronavirus as the main cause of increased prices.
- A successful Demonstrators Symposium took place in April 2022 at the Telford Hotel & Golf Resort attended by over 50 attendees. Delegates returned home, refreshed, inspired, rekindled friendships, and took with them a few samples
- At the Symposium a National Demonstrator undertook a total eco-friendly demonstration, but there is a lot of work required behind the schemes, however everyone was inspired and can take small parts forward into their own demonstrations
- Pre-National Assessments and National are being planned for March 2023
- Three new members will join the committee in October 2022
- An Area Reps Day took place in June 2022

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National Speakers Committee

Brenda Evers, Chairman

- In 2021 the Speakers contribution to the Virtual National Show gained 1,831 views.
- Kent Floral Art had two certified virtual training dates and an Area and Mock Test are planned.
- An Adjudicators and Instructors day was held in September 2021.

National Education Committee

Susie Barwick, Chairman

- The Ofqual application is continuing, and regular updates are shared with the Board
- 7 Qualified Teachers were approved to join the National Lists
- Video Tutorials were prepared for the NAFAS Virtual Show 2021
- Over 100 copies of the Basic Teaching Course have been sold
- The committee continue to review publications: Miniature & Petites and Church Flowers will be titled Flowers in Worship to incorporate other faiths
- Period Flower Arranging publication revised, printed and in stock
- Leisure Class Initiative document is being updated
- A Tutors & Moderators Day was held on 26th July 2022
- Plans are being discussed for Teachers Conference in 2023

Editorial Committee

Kathy Stangaard, Chairman

- The cover price of The Flower Arranger magazine increased to £4.99, annual subscription to club members will be increasing with effect from spring 2023 issue to £15.00 and annual individual subscriptions to £24.00
- The Team attended Hampton Court Palace Flower Show to promote the magazine
- Area photoshoots have been held in the BB&O, Sussex and South West areas
- Flower Show Work and Summer Floral notecards were added to the trading portfolio
- For 2022 an additional two designs of Christmas cards will be available
- Each NAFAS area has been provided with a banner and tablecloth to use at their Area shows to advertise the magazine
- An AFAO meeting was held in November 2021

Volunteer involvement

The Charity relies on the support of its members who give many thousands of hours voluntarily to assist in the provision of services and activities. It is impossible to put a value on this support for which the Charity is very grateful and without which much of the work undertaken could not be achieved. The Trustees appoint functional and advisory committees, composed of experienced volunteers to assist in carrying out the work of the Charity.

Fundraising

The Charity does not actively undertake any fundraising directly from the general public.

Membership

Following the pandemic, clubs slowly started reopening and members returned with some apprehension. At the end of December 2021, we recorded 28,659 members, however we are aware that some clubs did not collect fees for the entire 12 month period and we will have to wait until December 2022, when it is expected that all our clubs will be open again, before we can accurately report on the full impact of the pandemic on the Association.

Once we are back to "normal" there will be a great deal of work to do to in attracting new members, supporting our clubs, particularly those in deprived areas. Ageing membership, changing lifestyles and rising costs are common

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problems facing a number of charitable organisations, yet NAFAS, remains one of the best supported membership organisations in the UK.

Future Planning

Up to the sale of Osborne House, the charity was working to a cash flow forecast. Now the sale is complete we can start to plan ahead. Once established into the new office, we will introduce a new budget to year end March 2023. This will be accompanied with a 3 year Business Plan and Strategy.

The charity will invest in a new database to gather information about the membership and ensure we remain compliant with our data. Investment will also be made into a new online digital booking service for our areas and clubs.

Powers of Investments

The Articles of Association authorise the investment of the Company's funds or any part thereof in the purchase of such stocks, shares, securities or other investment or property of whatsoever nature as the Trustees, may in their absolute discretion decide. All investments are held in accordance with these powers. The Trustees do not have specific target returns on investment income although generally, they expect investment performance to reflect movement in the London Stock Exchange indices.

Financial Review

At the end of the financial year, the Association recorded a deficit of £85,940, this compares to the previous year's surplus of £31,999. The main contributing factor is the decline in affiliation fees, due to clubs still recovering from the pandemic and some members apprehensive about returning to the club environment.

A loan of £150K was taken out in 2020 under the Government backed Coronavirus Business Interruption Loan Scheme, repayments of £2,500 per month, started in September 2021. The loan has been settled in full, following the sale of Osborne House.

Group Income

Consolidated income decreased by 15% to £438,015

Group Expenditure

Consolidated expenditure increased by 8% to £523,955

Enterprises (Trading Subsidiary)

Turnover decreased by 7% to £239,227.

Cost of sales and administrative expenses increased by 8% to £239,508.

Loss for the year was £281 versus £36,720 profit in 2021.

The results for the year ended 31 March 2022 are shown in this summary of income and expenditure:

	2022	2021
	£	£
Net movement in funds		
Unrestricted funds	(88,319)	28,810
Designated funds	2,379	(2,911)
Restricted funds	-	6,100
	-----	-----
	(85,940)	31,999
	=====	=====

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(LIMITED BY GUARANTEED)
TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 MARCH 2022

Reserves

An analysis of funds is given under note 20. The maintenance of adequate reserves underpins the Trustees' Risk Management policy as a counter against risks identified in the regular Risk Review. In view of the general historical reliability of the Charity's income streams, the Trustees consider that the Charity's general reserve, excluding fixed assets but including the value of marketable investments, should be maintained at a level sufficient to cover six months charitable operations expenditure and governance costs. At 31st March 2022 the level of free reserves stands at £53,330 (2021: £28,100).

Subsidiary Undertaking

NAFAS Enterprises Limited is a wholly owned subsidiary. It undertakes all trading activities and transfers the whole of its profit to the Charity by gift aid. Due to a change in accounting rules, the gift aid payable is not recorded as a liability in these accounts.

Accounting Policies

Accounting policies are disclosed on pages 20 to 22 of the financial statements.

Auditors

A resolution proposing the appointment of Auditors to the Charity will be put to the Annual General Meeting.

The Trustees' Report was approved by the Trustees' on 2nd September 2022

BY ORDER OF THE BOARD

Katherine Kear MDPF
National Chairman



NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 (LIMITED BY GUARANTEED) STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of National Association of Flower Arrangement Societies 2003 for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are 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.

The trustees are responsible for the maintenance and integrity of the group and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT**

**TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT
SOCIETIES 2003**

Opinion

We have audited the financial statements of National Association of Flower Arrangement Societies 2003 (the 'charitable company') for the year ended 31 March 2022 on pages 14 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEED)

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEED)
INDEPENDENT AUDITORS' REPORT**

**TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT
SOCIETIES 2003**

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees, directors and other management (as required by auditing standards), and discussed with the trustees, directors and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption; and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees, directors and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the charity and group's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEED)

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

- We considered the procedures and controls that the charity and group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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

TC Group

Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of TC Group
Statutory Auditor
Office: Steyning, West Sussex

Date: 3 October 2022

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2022

		General funds	Designated funds	Restricted funds	Total 2022	Total 2021
	Notes	£	£	£	£	£
Income from:						
Donations and legacies	3	2,750	-	-	2,750	41,576
Charitable activities:						
Affiliation & direct membership fees	4	170,586	3,059	-	173,645	217,966
Shows and assemblies	4	4,579	-	-	4,579	-
Other trading activities:						
Trading income	10	239,227	-	-	239,227	257,612
Investment income		13	-	-	13	23
Other		17,801	-	-	17,801	811
Total income		434,956	3,059	-	438,015	517,988
Expenditure on:						
Raising funds:						
Costs of trading subsidiary	10	239,508	-	-	239,508	220,893
Charitable activities:						
Operations	5	283,767	680	-	284,447	265,096
Total expenditure		523,275	680	-	523,955	485,989
Net income/(expenditure)		(88,319)	2,379	-	(85,940)	31,999
Transfers between funds	21	-	-	-	-	-
Net movement in funds		(88,319)	2,379	-	(85,940)	31,999
Fund balances at 1 April 2021		1,437,395	28,831	6,100	1,472,326	1,440,327
Fund balances at 31 March 2022		1,349,076	31,210	6,100	1,386,386	1,472,326


**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
CONSOLIDATED BALANCE SHEET**

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12	<u>1,433,616</u>		<u>1,438,126</u>	
		1,433,616		1,438,126	
Current assets					
Stocks	14	12,834		9,472	
Debtors	15	43,289		26,755	
Cash at bank and in hand		<u>198,169</u>		<u>334,436</u>	
		254,292		370,663	
Creditors: amounts falling due within one year	16	<u>(196,522)</u>		<u>(203,963)</u>	
Net current assets		57,770		166,700	
Creditors: amounts falling due after more than one year	17	<u>(105,000)</u>		<u>(132,500)</u>	
Total assets less current liabilities		<u>1,386,386</u>		<u>1,472,326</u>	
Income funds					
Unrestricted funds:					
General funds	20	<u>1,349,076</u>		<u>1,437,395</u>	
Designated funds	20	<u>31,210</u>		<u>28,831</u>	
Restricted funds	20	<u>6,100</u>		<u>6,100</u>	
		<u>1,386,386</u>		<u>1,472,326</u>	

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

The accounts were approved by the Board on 2nd September 2022



Mrs Katherine Kear (Chairman)

Company Registration No. 4934904

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 CHARITY BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12	1,433,616		1,438,126	
Investments	13	<u>4</u>		<u>4</u>	
		1,433,620		1,438,130	
Current assets					
Debtors	15	34,439		50,985	
Cash at bank and in hand		<u>162,238</u>		<u>265,872</u>	
		196,677		316,857	
Creditors: amounts falling due within one year	16	<u>(187,160)</u>		<u>(198,683)</u>	
Net current (liabilities)/assets			9,517		118,174
Creditors: amounts falling due after more than one year	17	<u>(105,000)</u>		<u>(132,500)</u>	
Total assets less current liabilities		<u>1,338,137</u>		<u>1,423,804</u>	
Income funds					
Unrestricted funds:					
General funds	20	1,300,827		1,388,873	
Designated funds	20	<u>31,210</u>		<u>28,831</u>	
Restricted funds	20	<u>6,100</u>		<u>6,100</u>	
		<u>1,338,137</u>		<u>1,423,804</u>	

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

The accounts were approved by the Board on 2nd September 2022


Mrs Katherine Kear (Chairman)

Company Registration No. 4934904

FOR THE YEAR ENDED 31 MARCH 2022

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NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Statutory information

National Association of Flower Arrangement Societies 2003 (NAFAS) is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found on the Legal and Administrative Information page.

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – Charities SORP (FRS102) and the Companies Act 2006.

NAFAS meets the definition of a public benefit entity under FRS102. Assets and Liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. This includes taking into account any potential impact of the COVID-19 pandemic. There are no material uncertainties about the group's ability to continue as a going concern.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

2.2 Group financial statements

The financial statements consolidate the results of the charity, its wholly owned subsidiary, NAFAS Enterprises Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented as the group has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

2.3 Income

All income is recognised in the Statement of Financial Activities once the group has gained entitlement to them and the amounts can be quantified with sufficient reliability.

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Investment income is recognised in the financial statements when receivable.

2.4 Expenditure

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is included within the item of expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in pursuit of its charitable objectives. It includes both direct costs and support costs relating to such activities. Support costs, including salaries, are apportioned on the basis of the time involved on the activity.

Governance costs include those costs associated with meeting the statutory requirements of the group and include the audit fees and costs linked to strategic management of the group.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment Straight line – over four years

Furniture and fittings Straight line – over four years

Freehold land is not depreciated. The freehold building is depreciated over 100 years from the year after purchase and is subject to an annual impairment review. The building carries a Grade 2 listing and its useful life is expected to exceed 100 years.

2.6 Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Gains and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2.7 Stock

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

2.8 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The Trustees seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.10 Creditors and provisions

Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2.11 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

2.12 Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

The charity contributes to employees' personal pension schemes. The pension costs charged in the financial statements represent the contributions payable during the year.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Accounting policies (continued)

2.13 Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are funds provided for a specific purpose that must be spent in line with funder's requirements.

2.14 Critical accounting estimates and judgements

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

3 Donations and Legacies

	General funds £	Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donations to Workshop Fund	-	-	-	-	5,000
Legacies	-	-	-	-	20,000
CJRS grant	-	-	-	-	7,605
Other	2,750	-	-	2,750	8,971
	<u>2,750</u>	<u>-</u>	<u>-</u>	<u>2,750</u>	<u>41,576</u>

4 Income from charitable activities

	General funds £	Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
Affiliation and direct membership	170,586	3,059	-	173,645	217,966
Shows and Assemblies	4,579	-	-	4,579	-
	<u>175,165</u>	<u>3,059</u>	<u>-</u>	<u>178,224</u>	<u>217,966</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Analysis of group charitable activities

	Total 2022 £	Total 2021 £
Staff costs	75,959	72,049
WAFA	2,750	1,050
Westminster Abbey Flowers	3,863	248
Chelsea Flower Show	7,288	19
Committees:-		
Photography Committee	100	501
Demonstrators Committee	2,452	-
Education Committee	7,487	1,513
Area Media Officers	-	607
SAFAS	-	10,000
Support and governance costs	182,602	168,080
Other activities	1,946	11,029
	284,447	265,096

6 Analysis of costs - 2022

	Direct costs £	Support costs £	Governance costs £	Total 2022 £	Total 2021 £
Charitable activities:-					
Operations	101,845	167,236	15,366	284,447	265,096
	<u>101,845</u>	<u>167,236</u>	<u>15,366</u>	<u>284,447</u>	<u>265,096</u>
Raising funds:-					
Costs of trading subsidiary	235,242	-	4,266	239,508	220,893
	<u>337,087</u>	<u>167,236</u>	<u>19,632</u>	<u>523,955</u>	<u>485,989</u>

Analysis of costs - 2021

	Direct costs £	Support costs £	Governance costs £	Total 2021 £
Charitable activities:-				
Operations	97,016	141,687	26,393	265,096
	<u>97,016</u>	<u>141,687</u>	<u>26,393</u>	<u>265,096</u>
Raising funds:-				
Costs of trading subsidiary	217,593	-	3,300	220,893
Total	<u>314,609</u>	<u>141,687</u>	<u>29,693</u>	<u>485,989</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Governance costs

	Total 2022 £	Total 2021 £
Auditors' remuneration		
Audit	10,000	13,000
Other services	4,266	3,050
Legal and professional fees	5,366	13,643
Total	19,632	29,693

8 Net income for the year

	2022 £	2021 £
This is stated after charging:		
Auditors remuneration:		
Audit	10,000	13,000
Other services	4,266	3,050
Expenses reimbursed to Trustees	1,152	-
Depreciation	7,465	7,336

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Comparative Statement of Financial Activities – Year ended 31 March 2021

		General funds	Designated funds	Restricted funds	Total 2021
	Notes	£	£	£	£
Income from:					
Donations and legacies	3	23,432	2,044	16,100	41,576
Charitable activities:					
Affiliation & direct membership fees	4	214,100	3,866	-	217,966
Other trading activities:					
Trading income	10	257,612	-	-	257,612
Investment income		23	-	-	23
Other		811	-	-	811
Total income		495,978	5,910	16,100	517,988
Expenditure on:					
Raising funds:					
Costs of trading subsidiary		220,893	-	-	220,893
Charitable activities:					
Operations	5	252,096	3,000	10,000	265,096
Total expenditure		472,989	3,000	10,000	485,989
Net expenditure		22,989	2,910	6,100	31,999
Transfers between funds		5,821	(5,821)	-	-
Net movement in funds		28,810	(2,911)	6,100	31,999
Fund balances at 1 April 2020		1,408,585	31,742	-	1,440,327
Fund balances at 31 March 2021		1,437,395	28,831	6,100	1,472,326

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Subsidiaries

The wholly owned subsidiary NAFAS Enterprises Limited is incorporated in England and Wales (company number: 1829011). The subsidiary donates all of its profits to NAFAS.

The summary financial performance of the subsidiary is as follows:

	2022 £	2021 £
Turnover	239,223	257,601
Cost of sales and administration costs	(239,508)	(220,893)
Interest receivable	4	12
Net profit/(Loss)	(281)	36,720
Amount donated to the charity		-
Retained in subsidiary	(281)	36,720
The current assets and liabilities of the subsidiary were:		
Current assets	66,487	91,814
Current liabilities	(18,235)	(43,287)
Total net assets	48,252	48,527
Aggregate share capital and reserves	48,252	48,527

11 Staff costs

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Charitable activities	4	4

Employment costs

	2022 £	2021 £
Wages and salaries	139,516	137,376
Social security costs	14,371	10,487
Other pension costs	6,699	14,282
	160,586	162,145

No employee received total employee benefits of £60,000 or more in 2022 or 2021.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Staff costs (continued)

The key management personnel of the charity comprise the Chief Executive Officer, The Secretary and the Administrative Secretary. The total employee benefits of key management personnel of the charity were £140,572 (2021: £137,962). This includes Employer's National Insurance and pension contributions.

None of the Trustees received any remuneration during the year.

12 Tangible fixed assets

	Freehold property £	Website design £	Furniture and equipment £	Total £
Cost				
At 1 April 2021	1,534,717	12,977	518	1,548,212
Additions	2,367	-	589	2,956
Disposals	-	-	-	-
At 31 March 2022	1,537,084	12,977	1,107	1,551,168
Depreciation				
At 1 April 2021	100,077	9,491	518	110,086
Charge for the year	6,404	976	86	7,466
Disposals	-	-	-	-
At 31 March 2022	106,481	10,467	604	117,552
Net book value				
At 31 March 2022	1,430,603	2,510	503	1,433,616
At 31 March 2021	1,434,640	3,486	-	1,438,126

13 Investments

	2022 £	2021 £
Group:		
Market value at 31 March	-	-
Charity		
Investment in subsidiary	4	4
	4	4

14 Stock

	2022 Group £	Charity £	2021 Group £	Charity £
Goods for resale	12,834	-	9,472	-

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Debtors	2022		2021	
	Group £	Charity £	Group £	Charity £
Trade debtors	20,304	10,835	15,580	8,418
Prepayments	21,636	19,012	11,100	9,380
Amounts owed from subsidiary company	-	3,243	-	33,112
Other debtors	1,349	1,349	75	75
	<u>43,289</u>	<u>34,439</u>	<u>26,755</u>	<u>50,985</u>

16 Creditors: amounts falling due within one year	2022		2021	
	Group £	Charity £	Group £	Charity £
Trade creditors	21,178	18,297	10,755	3,820
Taxes and social security costs	4,531	10,098	7,187	12,081
Accruals and deferred income	131,155	119,045	165,324	162,085
Bank loan	30,000	30,000	17,500	17,500
Other creditors	9,658	9,720	3,197	3,197
	<u>196,522</u>	<u>187,160</u>	<u>203,963</u>	<u>198,683</u>

Deferred income analysis:

	2022		2021	
	Group £	Charity £	Group £	Charity £
Deferred income at 1 April 2021	135,557	135,557	170,324	170,324
Released during year	(135,557)	(135,557)	(170,324)	(170,324)
Deferred in year	109,763	109,763	135,557	135,557
Deferred income at 31 March 2022	<u>109,763</u>	<u>109,763</u>	<u>135,557</u>	<u>135,557</u>

Deferred income is in relation to affiliation fees received in advance.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Creditors: amounts falling due in More than one year	2022		2021	
	Group £	Charity £	Group £	Charity £
Bank loan	105,000	105,000	132,500	132,500
	<u>105,000</u>	<u>105,000</u>	<u>132,500</u>	<u>132,500</u>

18 Bank loans

Bank loans are wholly repayable in instalments as follows:

	2022 £	2021 £
Due in less than 1 year	30,000	17,500
Due in 1 – 5 years	105,000	120,000
Due in over 5 years	-	12,500
	<u>135,000</u>	<u>150,000</u>

The loan is unsecured and repayable over 6 years. Interest is payable at 4.48% per annum after the initial 12 month interest free period.

19 Operating lease commitments

At the year end, the following commitments were in place in respect of operating leases:

	2022		2021	
	Group £	Charity £	Group £	Charity £
Within one year	4,260	4,260	3,781	3,781
Within two to five years	<u>5,326</u>	<u>5,326</u>	<u>16,385</u>	<u>16,385</u>
	<u>9,586</u>	<u>9,586</u>	<u>20,166</u>	<u>20,166</u>

Lease payments recognised as an expense in the year totalled £5,504 (2021: £5,041).

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Analysis of net assets – 2022 (consolidated)

	General funds £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	1,433,616	-	-	1,433,616
Current assets	216,982	31,210	6,100	254,292
Current liabilities	(196,522)	-	-	(196,522)
Long term liabilities	(105,000)	-	-	(105,000)
	<u>1,349,076</u>	<u>31,210</u>	<u>6,100</u>	<u>1,386,386</u>

Analysis of net assets – 2021 (consolidated)

	General funds £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	1,438,126	-	-	1,438,126
Current assets	335,732	28,831	6,100	370,663
Current liabilities	(203,963)	-	-	(203,963)
Long term liabilities	(132,500)	-	-	(132,500)
	<u>1,437,395</u>	<u>28,831</u>	<u>6,100</u>	<u>1,472,326</u>

21 Analysis of funds - 2022

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds:					
General funds	1,437,395	434,956	(523,275)	-	1,349,076
Designated funds:					
WAFA Special Fund	16,785	-	-	-	16,785
Overseas Travel Reserve	11,317	3,059	-	-	14,376
Heritage Fund	680	-	(680)	-	-
Remembrance Fund	49	-	-	-	49
Restricted funds:					
Workshop	5,000	-	-	-	5,000
Calligraphy & Engraving	1,100	-	-	-	1,100
	<u>1,472,326</u>	<u>438,015</u>	<u>(523,955)</u>	<u>-</u>	<u>1,386,386</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

21 Analysis of funds – 2021 (continued)

	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Unrestricted funds:					
General funds	1,408,585	495,978	(472,989)	5,821	1,437,395
Designated funds:					
WAFAs Special Fund	14,741	2,044	-	-	16,785
Overseas Travel Reserve	10,451	3,866	(3,000)	-	11,317
Education Fund	5,821	-	-	(5,821)	-
Heritage Fund	680	-	-	-	680
Remembrance fund	49	-	-	-	49
Restricted funds:					
Workshop	-	5,000	-	-	5,000
Calligraphy & Engraving	-	1,100	-	-	1,100
SAFAS	-	10,000	(10,000)	-	-
	<u>1,440,327</u>	<u>517,988</u>	<u>(485,989)</u>	<u>-</u>	<u>1,472,326</u>

Designated funds

The **WAFAs Special Fund** was opened to enable "Best in Show" prize winners at future NAFAS National Shows to represent the charity at forthcoming WAFAs World Shows.

The **Overseas Travel Reserve** provides for officials' travel costs to the World Association of Flower Arrangers (WAFAs) World Show, held every three years and for the charity's annual subscription to WAFAs. It is funded by an annual transfer from the General Reserve at the rate of 10p for each affiliated member.

The **Headquarters Heritage Fund** was opened to provide for the periodic refurbishment of the charity's freehold premises, which is a Grade II listed building.

The **Remembrance Fund** consists of donations received in memory of members to be recorded in the book of remembrance.

Restricted funds

The **Workshop Fund** consists of a donation received for the refurbishment of a room at Head Office for floral workshops to members and the general public.

The **Calligraphy & Engraving Fund** has arisen as a result of donations received toward the engraving of the Associations trophies, showing winners of various competitions, and the calligraphy of framed pictures listing the Associations National Officers and Presidents.

22 Taxation

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 1 of the Corporation Tax Act 2010.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Related party transactions

The charity has taken advantage of Paragraph 33.1A of FRS 102 not to disclose transactions with wholly owned subsidiaries.

During the year the charity paid expenses of £1,152 to four trustees. During the prior year charity paid £74 to Christina Curtis (previous trustee) in respect of proof reading.

24 Post balance sheet events

On 24th June 2022 the group sold Osbourne House for net proceeds of £4,090,044, resulting in a gain on disposal of £2,659,441.

In June 2022 the group entered into a rental lease agreement for 5 years from 1st August 2022 with a value of £40,000 per year – a total commitment of £200,000.