



WE ARE
PLANTING
TREES
COME JOIN US
→



ANNUAL REPORT
2020-21



TREES
FOR
CITIES

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MISSION STATEMENT

Trees for Cities is the only UK charity working at a national and international scale to improve lives by planting trees in cities. We get stuck in with local communities to cultivate lasting change in their neighbourhoods – whether it's revitalising forgotten spaces, creating healthier environments or getting people excited about growing, foraging and eating healthy food.



MESSAGE FROM THE CEO



Each of us will have personal stories of how we got ourselves through this unique year of challenge and change. For me, night time rambles around the grounds of Alexandra Palace became my liberation from the four walls of lockdown. The daredevil willows precariously overhanging the lake, the proud

and cities play in cleaning our air, regulating heat, absorbing greenhouse gas emissions, buffering noise – to list just some of their ‘ecosystem services’. But equally important is to acknowledge the critical part they play in creating places that we rely on so much for escape, exercise, play, socialising, and more. Trees

roots held us firm. Despite all of the challenges, our team of staff and Trustees – with the amazing steadfast support of our partners, funders and supporters – found a way to deliver almost all of our projects and achieve so much, whilst not retreating or retracting. Like all organisations we were forced to

“ TREES PROVIDE CULTURAL AND HISTORICAL LINKS, STEADINESS IN TIMES OF CHAOS, AND A DEEP CONNECTION TO THE SEASONS... AND THEY SHOW US HOW, HOWEVER HARSH THE WINTER, THE GREEN SHOOTS WILL RETURN: A LESSON NEVER MORE CRUCIAL THAN IN THE YEAR GONE. ”

poplars parading the avenues, the grandmother planes keeping watch over the entrance... the trees on my walk became so familiar, so dependable that they took on the role of trusted companions. Whatever challenges the day threw up, the trees could always be relied upon to provide a gentle sense of welcome and calm.

We are learning so much about the role that trees in our towns

provide cultural and historical links, steadiness in times of chaos, and a deep connection to the seasons – the less tangible benefits that enrich our daily lives. And they show us how, however harsh the winter, the green shoots will return: a lesson never more crucial than in the year gone.

I could not be prouder to have seen how Trees for Cities pushed on through the storms of the pandemic; our strong

innovate and to adapt, and whilst the future will no doubt look somewhat different, we are very well positioned to drive further forward and to bring more and more green into our urban places and spaces. A huge thank you to everyone who has supported us through this period – please do stay on the journey with us.

**DAVID ELLIOTT,
CHIEF EXECUTIVE**



A RENEWED RELATIONSHIP WITH OUR URBAN GREEN SPACES

Now more than ever, the Covid-19 pandemic is highlighting the essential role that high-quality green spaces play in our daily lifestyles, particularly in urban settings – never before has the value of urban green space and nature been more apparent for our physical and mental health. The act of planting an urban tree is a positive force for everyone involved.

As a tree-planting organisation with local communities and people at its heart, we have seen the direct benefits that urban green spaces bring to the people and communities we work with through this unprecedented time. Despite the challenges, we continued to bring together thousands of volunteers in socially distanced events, from communities across the UK who all recognised the vital need to connect with nature and bring the multiple benefits of urban trees to their towns and cities.

OUR HIGHLIGHTS

ECOSIA AND TREES FOR CITIES JOIN FORCES FOR THE NHS!

To show our appreciation for the incredible efforts made by NHS key workers, Trees for Cities and Ecosia teamed up on a brand new campaign to #GrowYourLove for the NHS and plant trees in and around NHS hospitals in the UK.

Coronavirus has put NHS workers under huge stress and the impacts will be felt long term. Through this campaign we wanted to support the mental health and wellbeing of NHS workers and improve their access to urban nature. The first trees went in the ground at Hillingdon hospital in partnership with Hillingdon Council in November 2020, with more planned across the UK!

These new trees are designed to support the mental health and wellbeing of NHS workers and will act as a living monument and gesture of thanks from the general public for the efforts of key workers who have helped fight Covid-19.

This was also Ecosia's first involvement in a planting project in the UK, and Trees for Cities was thrilled to be part of it! We delivered the trees with local volunteers and community groups during our planting season together with NHS Forest.

Thanks to this fantastic campaign, we're able to plant 2020 trees to benefit the NHS!



2020 - 2021

167,174

TREES PLANTED IN SEASON

2,479

VOLUNTEERS GOT STUCK IN

28,343

SCHOOL CHILDREN
ENGAGED WITH NATURE

53 27

PROJECTS IN

CITIES IN THE
UK AND AROUND
THE WORLD



1,285,073

TOTAL TREES PLANTED
TO PRESENT DATE BY
TREES FOR CITIES

NEW YOUTH PANEL - SOWING THE SEEDS OF GENERATION TREE

This year, Trees for Cities founded its first-ever Youth Panel and Youth Ambassador Programme designed to enable and inspire the next generation to plant and protect urban trees and deliver a key goal of the organisation's Theory of Change and Generation Tree Strategy.

This new initiative consisted of a group of dedicated children and young adults who came together over a six month period to develop skills, confidence and knowledge alongside one of the UK's leading environmental charities, dedicated to improving people's lives through planting trees in cities.

As well as giving young people a voice on how we promote and protect urban green spaces for future generations, their contributions will also help to establish a new Trees for Cities legacy that will support other young people to create a step-change in how our trees and green spaces serve our urban societies.



5 panellists were surveyed, which represents roughly half of the youth panel.

TREES FOR CITIES ON BBC COUNTRYFILE

On Sunday 29 November, we were thrilled that our planting project in Bradford in partnership with Bradford Council was featured on BBC's Countryfile. The Tree for Every Child project will see £250K invested in planting approximately 55,000 trees over the next two years across the district – the equivalent of a tree for every primary school child. This was only made possible due to the players of the People's Postcode Lottery, The Dulverton Trust, The Prince of Wales's Charitable Fund and The Arbor Day Foundation.



FOCUS

UNITING COMMUNITIES



THE RACECOURSE ESTATE PROJECT...

38

NEW LARGE
TREES

216

CLIMBING
AND GROUND
COVER
PLANTS

325

WHIPS OR
YOUNG TREES

4,000

BULBS



FLAGSHIP GREENING AT THE RACECOURSE ESTATE

We're continuing to deliver our pioneering flagship project in Ealing, West London, which aims to breathe green life back into the Racecourse Housing Estate and engage the local community through volunteering opportunities on the estate.

With the fantastic support of the National Lottery Community Fund and London Borough of Ealing Council, we have continued to work with estate residents and the wider community. We have engaged individual residents, schools and their families at planting workshops and outdoor activities as well as worked alongside key community hubs on the estate.

Due to Covid-19, when it came to planting, we deviated from our usual large community gatherings and instead engaged small

groups of individuals or family units in educational planting workshops. Whilst this meant residents were not able to meet in large groups, we discovered that this new approach allowed for a deeper understanding and higher quality engagement with each volunteer. We are so proud to have worked with the local residents and provided many an opportunity to enjoy getting outside and connecting with nature again.

“ THE BEST THING ABOUT PLANTING TREES IS BEING OUTDOORS, IT'S GOOD FOR THE ENVIRONMENT, AND BEING ACTIVE IN THE LOCAL COMMUNITY WHICH GIVES THE OPPORTUNITY TO MEET PEOPLE AND AN INCREASED SENSE OF COMMUNITY. ”

Racecourse volunteer

PLANTING WITH VETERANS IN HULL

The minimum canopy cover target for UK towns and cities is 20% but Hull has a comparably low percentage for a city at 13.2%. In response to this, Trees for Cities has been working with the PATT Foundation and their campaign 'One Hull of a Forest' to help make Hull grow green and healthy as a city by increasing the number of trees and reaping the benefits they bring to the local area.

As a result of the campaign, Trees for Cities and the PATT Foundation, with helping hands from the Green Task Force who support veterans with nature based therapy, planted a whopping 3,750 trees at Alderman Cogan primary school where the head teacher was inspired to transform the school grounds.



Alderman Cogan's head teacher, Amanda Devaney, said:

“ IT'S A MASSIVE ACHIEVEMENT FOR THE SCHOOL TO BE ABLE TO LEAVE SUCH A LEGACY FOR THE CHILDREN HERE AND HAVE SUCH A MASSIVE IMPACT ON THE COMMUNITY AND THE ENVIRONMENT AROUND. ”

As the woodland matures, it would become a huge benefit for those at Alderman Cogan. There will be fresher and healthier air from the trees planted for the staff and the students. They'll have shade in the summer and, most importantly for the pupils, they will have a new play area to let loose and have fun!



THANK YOU TO OUR AMAZING VOLUNTEERS

“ AS A RESULT OF THE GREENING ACTIVITIES, THE PROJECT HAS BEEN PERFECT FOR BRINGING PEOPLE TOGETHER WHILE SIMULTANEOUSLY DEVELOPING AND ENCOURAGING THE USE OF THE GREEN SPACES AROUND US. IT'S BEEN A GREAT PROJECT TO BE INVOLVED IN! ”

I WANTED TO MEET LIKE-MINDED MEMBERS OF MY LOCAL COMMUNITY WHO SHARE AN INTEREST IN MAKING THE AREA IN WHICH WE LIVE GREENER AND MORE SUSTAINABLE. I ALSO WANTED TO DEVELOP A SENSE OF BELONGING AND COMMUNITY COHESION AS A RESULT OF THE PROJECT ”

Leanne, local resident

“ IT WAS LOVELY TO MEET YOU [TREES FOR CITIES] ON SATURDAY AT THE TREE PLANTING ON BEDE ESTATE. IT WAS A FANTASTIC EVENT AND I AM SO PLEASED TO SEE THE POSITIVE IMPACT IT HAS HAD ON THE ESTATE ALREADY. ”

Francesca, local resident

FOCUS

CONNECTING THE NEXT GENERATION TO NATURE



GROWING AMONG TREES

Trees for Cities were proud to lead on a new report 'Growing among Trees' a consortium project funded by the Department for Education as part of the Children in Nature programme. Partnering with Sensory Trust, Nature Nurture CIC, The Garden Classroom, Intelligent Health and Green Schools Project, Trees for Cities piloted the programme with nine schools in Islington and Reading from September 2019 to August 2020 to connect children with nature in urban schools.

The purpose of this project was to create a model for efficient, effective, transformational change in urban schools, which gives pupils the opportunity for

everyday connection with trees and woods. We offered a range of independently evaluated woodland activities aiming to demonstrate the effectiveness in strengthening connections with nature, improving mental health and wellbeing among schoolchildren as a result.

“ I NOW FEEL CONFIDENT TO LEAD OUTDOOR LEARNING SESSIONS WITH GROUPS OF YOUNG PEOPLE. MY NEW UNDERSTANDING OF NATURE CONNECTION THEORIES AND IDEAS HAS EQUIPPED ME TO DELIVER A MUCH BROADER RANGE OF OUTDOOR LEARNING OPPORTUNITIES. ”

Secondary school teacher



EDIBLE PLAYGROUNDS - A SANCTUARY THROUGH THE PANDEMIC

The staff at Thorpe Primary in Bradford were looking to develop outdoor learning on their grounds and felt that an Edible Playground would provide many opportunities for this as well as connecting with the local community. However, Covid-19 lockdowns meant that plans had to be put on hold, but the brand new Edible Playground remained open for key worker and vulnerable children throughout the pandemic. It was used for many activities such as building minibeast hotels and various art works with key worker children. They also got stuck in with planting vegetables and seeds and enjoyed picnics in the garden!

Since re-opening to all children in September 2020, each class has spent time in the

garden and enjoyed lots of sessions learning about nature and growing food. Staff are keen to ensure that similar activities and learning are continued. Year 5 recently harvested onions and lettuces and look forward to digging up and eating the rest of the vegetables they are growing too.



“ BEING ABLE TO USE THIS AREA DURING LOCKDOWN WAS BENEFICIAL TO CHILDREN AND STAFF IN TERMS OF THEIR MENTAL HEALTH AND WELLBEING. THIS CONTINUED WHEN ALL CHILDREN RETURNED TO SCHOOL WITH STAFF PLANNING ACTIVITIES IN THE GARDEN AROUND WELLBEING AND RESILIENCE. HAVING SOME BEDS/PLANTERS ON THE PLAYGROUND HAS ENABLED CHILDREN TO BECOME INVOLVED DURING PLAYTIMES AND LUNCHTIMES. ”

Secondary school teacher



FOCUS

THE TRANSFORMATIONAL BENEFITS OF URBAN TREES



PLANTING FOR THE NHS AT HILLINGDON HOSPITAL

Together with London Borough of Hillingdon and our partner Ecosia, Trees for Cities developed a project aimed at connecting two distinct areas of Colham Green in Hillingdon to improve public access to woodlands and increase usability of both green spaces. The initial phase of planting commenced in November with the planting of 500 trees near Hillingdon Hospital NHS Trust with children from local schools and members of the community.

The introduction of new trees has transformed this vacant space both visually and environmentally. It has increased biodiversity and habitat for wildlife, while also providing areas of shade, visual interest and served to soften the boundary of the park. The existing wooded area also saw the introduction of wet-woodland species to help alleviate flooding and new wide walking trails were created to make the space more accessible and to be enjoyed throughout the year.



In addition to extending and improving the woodland area, 14 fruit trees were also introduced to make an orchard in the recreation area, further adding to biodiversity and improving aesthetics. The orchard will provide opportunities for the local community to learn how to grow and harvest food and by selecting historically grown species, it will also connect Colham Green to its horticultural past.



BEDE ESTATE TOWER HAMLETS

Residents of Bede Estate had a fantastic appetite to see improvements to the estate's green spaces, expressing their interest in food growing and greening the outdoor communal areas. Together with EastendHomes and local residents, Trees for Cities enriched amenity spaces by tree planting and introducing vegetable beds for the community to enjoy, while also increasing the area's biodiversity and creating a green corridor connecting neighbouring open spaces.

By planting mixed native hedgerows, species of native trees and installing features such as loggeries, bug houses and insect boxes we will also be introducing food sources and habitat for wildlife. As part of the project 120 volunteers got stuck in to plant a small orchard and 50 standard trees in areas of highest priority around the estate.

By bringing people together we will increase their skills and knowledge about creating and caring for vegetable growing areas, tree planting and the importance of biodiversity. The project will help to improve social cohesion through local environmental improvement as well as increase canopy cover within the borough, supporting local residents and the Bede Estate community to take a key role in enriching their estate.



EDIBLE AIREDALE

Airedale General Hospital, on the outskirts of Keighley celebrated its 50th year of operation in 2020. As well as plans to modernise the General Hospital, the Airedale NHS Trust was keen to develop the grounds of the hospital to provide more meaningful and functional space. The aim was to make the spaces surrounding the buildings greener, less reliant of mechanical maintenance, raise biodiversity and create a more visually appealing immediate landscape.

Trees for Cities and YORGreenCIC worked in partnership to plant 2,650 with 200 volunteers mixed woodland whips on Airedale General Hospital's grounds. The hospital serves a wide area of the surrounding population, including nearby Keighley, which has several Lower Super Output Areas (LSOAs) in the bottom 10% for indices of multiple deprivation nationwide.



The majority of the planting involved introducing light demanding fruiting species to extend existing planting and encourage the harvesting of the fruits, as part of the recuperation process for patients, including the harvest in Hospital menus. The 'forest food' planting will increase tree cover, provide shade for the seating areas, encouraging rest and relaxation.

PARTNER WITH US

We believe in creating positive change for our partners, our communities and our environment. Whether businesses aim to enhance their sustainability strategy, engage consumers and employees through their values, or create a lasting green legacy, our corporate partnerships team works with businesses to deliver bespoke solutions which are both rewarding and impactful.

Call us on **020 7587 1320**

or email us at **CORPORATE@TREESFORCITIES.ORG**

OTHER PARTNERSHIPS

We're always keen to hear from landowners, trusts and foundations who might be interested to partner on a project.

Get in touch to find out more: **INFO@TREESFORCITIES.ORG**



IN PARTNERSHIP

WITH OCADO

Ocado, the online supermarket that has committed to being the nation's most sustainable grocer will be planting at least 100,000 trees in towns and cities around the UK with Trees for Cities. Through the partnership, Ocado will be making an initial donation of over half a million pounds to the charity to offset CO2 emissions. These trees will also bring a multitude of benefits, including tackling the climate crisis, cleaning our air, protecting against flood risk and creating habitats for wildlife, as well as the incalculable aesthetic, cultural and historical value they bestow on society.

**AFTER
ATTENDING
AN URBAN TREE
MAINTENANCE
EVENT,**



**CORPORATE VOLUNTEERS
FELT MORE CONFIDENT
IN MAINTAINING AND
PROTECTING URBAN
TREES.**

On a scale of 1 to 5, where 1 = not confident at all and 5 = **completely** confident. A sample of **36-40** corporate volunteers scored, **on average**, **2.88** before and **3.75** after attending an urban tree maintenance event.



IN PARTNERSHIP

WITH INVESTEC

Investec Bank & Trees for Cities have been working together since 2010. During this time, their dedicated staff have put in countless volunteer hours to plant trees and look after green spaces. During lockdown, this team effort went virtual as Investec staff working from home got engaged in wildlife friendly gardening, litter picking, and other ways of helping the local environment. In addition, Investec also contributed towards one of our 'Planting Healthy Air for Schools' projects last year, helping pupils at Christ Church Bentinck Primary School in Westminster breathe cleaner air and enjoy spending more time outside the classroom.

We are grateful for nearly ten years of partnership and look forward to continuing to work together, creating greener and healthier towns and cities across the UK.



Increase in average Nature Connectedness Index scores from **64.5** to **78.7** out of 100, for **35-39** corporate volunteers



TREES FOR STREETS

Trees for Streets is the national street tree sponsorship scheme, a Trees for Cities project that's funded by the government's Green Recovery Challenge Fund, and City Bridge Trust, and a proud part of the Greater London Authority's London Urban Forest Plan.

We're on a mission to green the streets of the UK by funding the planting of more than 250,000 additional street trees nationwide over the next 10 years, by supplementing council tree planting budgets through public sponsorship.

Trees for Streets is a tech for good project centred around an app that makes it easy for anyone to sponsor a tree in their street or neighbourhood, empowering them to make a difference to the world immediately on their doorstep. We do this by hosting tree sponsorship schemes on behalf of local councils, and delivering local promotion and engagement activity to bring these schemes to life.

So far, Trees for Streets has partnered with Bedford Borough Council, City of Bradford Metropolitan District Council, and Cambridge City Council as well as the London Boroughs of Croydon, Haringey, Harrow, Hillingdon and Tower Hamlets, to host their tree sponsorship schemes. Since the app went live this spring, tree sponsorship requests have been rolling in from local residents keen to have new trees planted across these areas.



OUR FINANCIAL SUMMARY

£1,290,916 CORPORATE PARTNERS

Income from corporate partners decreased largely due to the Covid-19 lockdowns impacting the delivery of projects. Our major partnership with Investec continues and we have also welcomed Ocado as a partner.

£19,399 OTHER

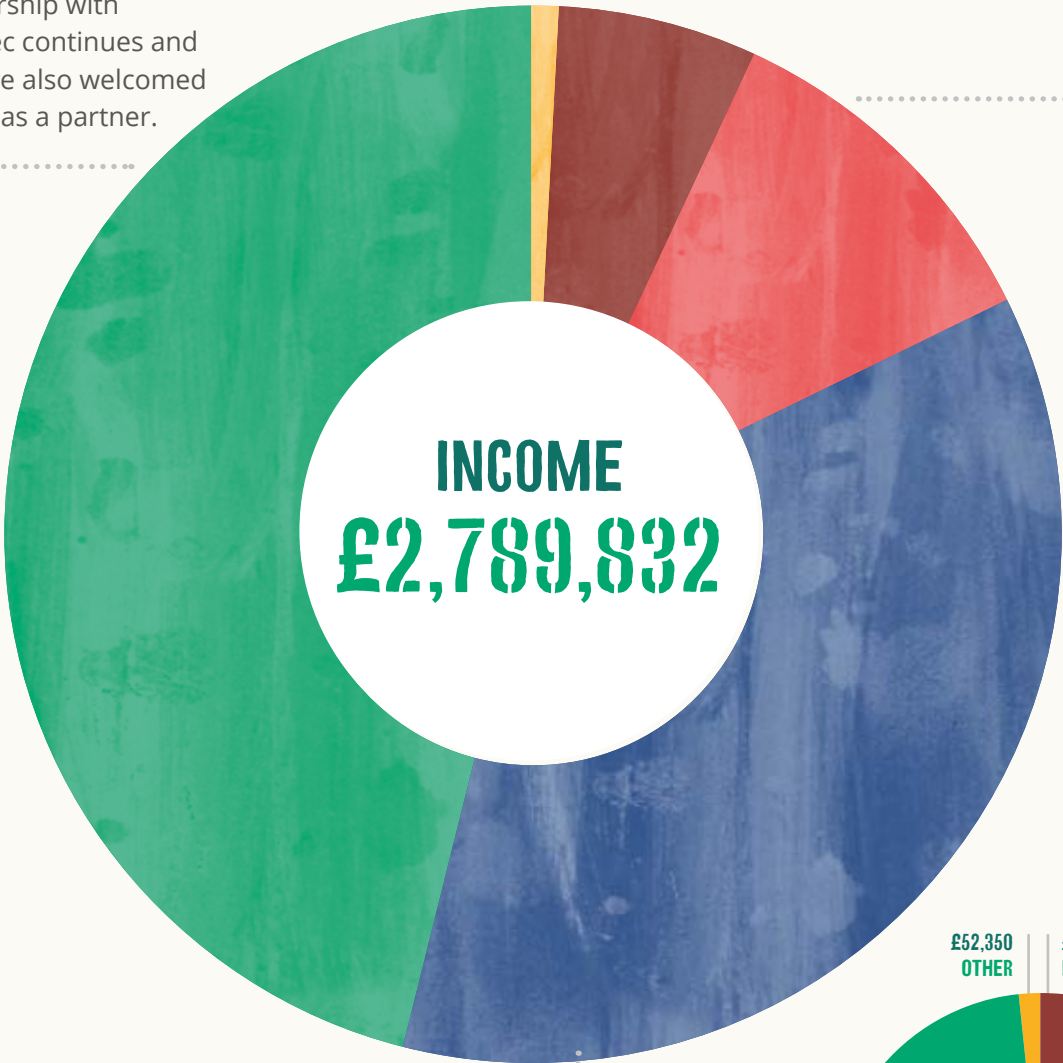
We received £19,399 from investment income.

£172,019 INDIVIDUALS

Despite the Covid-19 pandemic, our individual donations remained fairly stable, largely thanks to our Direct Debit donors, major donors, and exploring campaigns like The Big Give. We also engaged more people than ever before, growing and strengthening our community through this challenging year.

£308,399 LOCAL GOVERNMENT, LANDOWNERS AND SCHOOLS

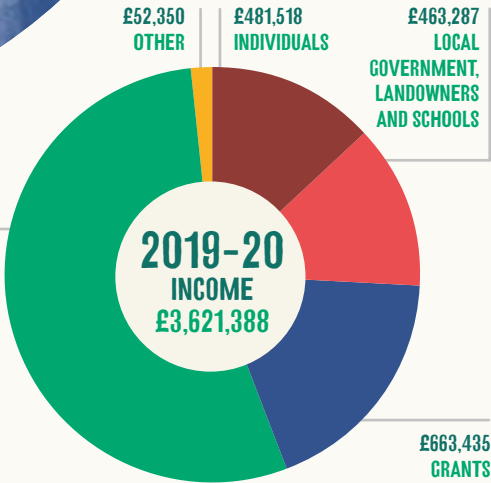
This includes funding from our Edible Playgrounds schools, local authorities and Greater London Authority, as well as landowners.



£999,099 GRANTS

We have a strong track record in fundraising from trusts and foundations.

£1,960,798 CORPORATE PARTNERS



£ 83,415

TREES FOR STREETS

Launched in April 2021, we have already worked with 3 councils and 5 London Boroughs

**£15,083
URBAN FORESTS
INTERNATIONAL**

We worked with the Centre for Community Development to plant 4,000 trees in 5 schools across Nairobi.

**£331,288
RAISING FUNDS**

Our fundraising teams have kept busy, enabling businesses and individuals to connect with our cause.

**£ 1,476,199
URBAN FORESTS**

We worked on over 50 projects across the UK and significantly contributed to the urban greenery in Leeds by planting over 40,000 trees

**EXPENDITURE
£3,423,236**

In 2019-20 we spent
90P IN EVERY £1
on our charitable objectives

£ 1,517,251

**SCHOOLS
EDIBLE PLAYGROUNDS**

We built 26 Edible Playgrounds in 8 cities, engaging over 25,000 students.

**£34,379
INTERNATIONAL PLANTING**

**£289,086
RAISING FUNDS**

**£1,869,274
EDIBLE
PLAYGROUNDS**

**2019-20
EXPENDITURE
£3,311,521**

**£1,118,782
URBAN FORESTS**

TC Group, The Courtyard, Shoreham Road, Upper Beeding, Steyning, West Sussex, BN44 3TN. These summarised accounts have been extracted from the full audited accounts, which you can find on page 28.



SUPPORTERS AND PARTNERS

£10,000 AND ABOVE

Allen and Overy Foundation
Arbor Day Foundation
Bloomberg L.P.
Bulb
City Bridge Trust
Clear Channel UK Ltd
DocuSign International (U.K.) Inc.
Dulverton Trust
Fedex
Forestry Commission

Greater London Authority
Grange Primary School
Hermes Investment Management
IG Index Ltd
Impact on Urban Health
Investec Bank plc
London Borough of Ealing
London Borough of Hillingdon
London Borough of Redbridge
London Borough of Tower Hamlets

London Community Foundation
MOJU Ltd
Narendra Karnani
National Lottery Community Fund
National Lottery Heritage Fund -
Green Recovery Challenge Fund
Natural England
Ninety One UK LTD
Nissan
npower

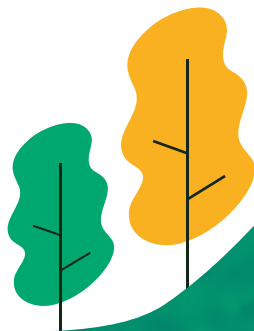
UNDER £9,999

Abbey Mead Primary Academy
Agria Pet Insurance
AHMM
Alpha UK (Apha Financial
Markets Consulting)
Apprintable Ltd
Ashmole Primary School
AT&T
Avanton
BDP Imports Ltd
Bell Lane Primary
Betty Rathbone
Black and Blum
Blackheath Primary School
BlackRock Gives
CESA Limited t/a Foodservice
Equipment Association
Chapman Charitable Trust
Chris Huggins
Clarity Environmental
Coed Glas Primary School
Compass Pathways
Coop Academy Princeville
Cyril Jackson Primary

D. S. Smith Charitable Foundation
Dash Brands Ltd
Deanesfield Primary School
Dewentwater Primary School
Dorothy Perkins
D'Oyly Carte Charitable Trust
EastendHomes
ecosia
Education Services
Ekornes Ltd
Electric Blue Charging Ltd
Euromonitor
Faith Primary School
Fowler Smith and Jones Trust
Gagosian Gallery
Gagosin
Gale Pryor
Gemma and Chris McGough
Charitable Foundation
Get Elm
Gilbert Colvin Primary School
Green Park
GreenZone Cleaning and
Support Services Ltd

Ground Control Limited
Gus and Louise Black
Hartley Primary School
Heathfield Primary and
Nursery School
Heathrow Community Fund
Herrick Primary School
Holyhead Primary Academy
John Spedan Lewis
JustGiving.com
Keighley Big Local Partnership
Kensington Primary School,
L B of Newham
King George V Primary School
Koffi Company
Lisa Anderson
London Borough of Enfield
London Borough of Lambeth
London Marathon Events Limited
Lordship Lane Primary School
Mary and Joel Mitchell
Metal Developments Ltd
(Woodwarm Stoves)
Metropolitan Public

We are hugely grateful to the following organisations and individuals for their generosity. It is their support that enables us to cultivate lasting change in towns and cities.



Ocado Retail Limited
Players of People's
Postcode Lottery – awarded funds
from Postcode Green Trust
Raymond James Investment
Services Limited
RSM UK Foundation Ltd
Savills Investment
Sunnyhill Primary School
The Peter Stebbings

Memorial Charity
The Prince of Wales's
Charitable Fund
The Sir Peter O'Sullivan
Charitable Trust
Towerbrook Foundation Ltd
Tower Hill Trust
UPS
Ysgol Gymraeg Pwll Coch

Gardens Association
Moorland Primary School
MV Credit
O.C.O. Technology Ltd
ONEX Partners Advisor UK LLP
Our Lady and St George's
Primary School
Overbuy plc
P M Bennison Heating Ltd
Parkside Primary School
Perseid Lower School
Petts Hill Primary School
Prof Selena Gray
Pulsitos - The Roasted Pulse Co Ltd
Red Inc Paper
Respect Your Elders Tree Surgery
Riddlesden St Mary's School
RSM UK Group LLP
Sacred Heart, Liverpool
Salus Lodge (5369)
Sir John Lillie Primary School
Sky UK Ltd
Smudge & Friends Pet
Care Ltd (Scrumbles)

Sonnen UK
Space Doctors
Span Trust
St Clement & St James CE Primary
St John and St James Church
of England School
St John Evangelist RC
Primary School
St Marys Fields School
Stow Lower Marsh LLP
Sunningdale School
Sustrans
Tableau Foundation
The Belvedere Trust
The Chartered Institute of
Public Finance & Accountancy
The Childwick Trust
The Daniell Trust CIO
The Nineveh Charitable Trust
The Random House Group Ltd
The SMB Charitable Trust
The Tanner Trust
The TK Maxx and
Homesense Foundation

TSG Building Services PLC
Turncloud
UNICREDIT LDN
Veluba
Viridian Nutrition
Whistle Punks (UK) Ltd
Winsor Primary School
Woodgrange Infants School
WPJ Heating
Wycliffe CofE Primary
Yoga Therapies Ltd



TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

Charity Registration No. 1032154. Company Registration No. 02874642
(England and Wales). Trees for Cities (a company limited by guarantee)



LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES

J Capon (Chair)
D Woodbine (Treasurer)
S Gray
A MacGillivray
B Miller
A Shah
J Thrift
S Workman

CHIEF EXECUTIVE

D Elliott

CHARITY NUMBER

1032154

COMPANY NO.

02874642

PRINCIPAL ADDRESS & REGISTERED OFFICE

Prince Consort Lodge
Kennington Park Place
London, SE11 4AS

AUDITOR

Sayer Vincent LLP
Chartered Accountants
and Statutory Auditor
Invicta House
108-114, Golden Lane
London EC1Y 0TL

BANKERS

The Co-operative
Bank p.l.c. (main
day to day bankers),
P.O. Box 101,
1 Balloon Street,
Manchester,
M60 4EP

CAF Bank,
25 Kings Hill Avenue,
Kings Hill,
West Malling,
Kent, ME19 4JQ

Triodos Bank,
Deanery Road,
Bristol, BS1 5AS

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are pleased to present their report and accounts for the year ended 31 March 2021.

Legal and administrative information set out on page 19 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102

OUR MISSION

'Planting trees and greening cities worldwide'

We are the only UK charity working at a national and international scale to improve lives by planting trees in cities. We get stuck in with local communities to cultivate lasting change in their neighbourhoods – whether it's revitalising forgotten spaces, creating healthier environments or getting people excited about growing, foraging and eating healthy food.

OUR GUIDING PRINCIPLES

In parallel with our mission, all of our work is grounded within the following guiding principles:

- **People-led:** Although our reach is global, we value the importance of a local focus. We always work through and within local communities to strengthen them and empower their members.
- **Quality:** Both the quantity and quality and location of the trees we plant are at the forefront of our planning so that we constantly strive to maximise the impact of our projects to the environment and society.
- **Delivery:** We are an organisation that gets things done. What we talk about, we do – effectively, efficiently and on-time.

OBJECTIVES AND ACTIVITIES (INCLUDING ACHIEVEMENTS AND PERFORMANCE)

Trees for Cities works with local communities to deliver tree planting projects. Our aim is to create high quality green spaces in the more socially and environmentally deprived parts of cities and towns, enhance social

cohesion, and beautify our cities through tree planting and community and education initiatives.

Our objects, as set out in our governing document are:

"The Charity is established to advance the education of the public in the appreciation of trees and nature, particularly with regard to their social and environmental value by the planting, protection and promotion of trees and green spaces everywhere and in particular in towns and cities."

The public benefits that shape our annual activities continue to be environmental protection and improvement, education, and health.

In shaping our objectives for the year and planning our activities, the trustees have given consideration to the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

WHAT WE ACHIEVED IN 2020-21:

- Planted around 29,000 trees London across 12 woodland, estate and park projects.
- Planted more than 130,000 trees in 24 towns and cities across the UK, including in a number of 'forgotten places' and completed the second year of the DEFRA Urban Tree Challenge Fund programme.
- Produced a strategy paper for our international work.
- In schools, we delivered 25 Edible Playgrounds in Birmingham, Cardiff, Leicester, Liverpool, London, Nottingham and Sunderland, and carried out engagement work virtually with 50 Edible Playground schools. Four Planting Healthy Air projects were delivered, including an Active Green Playground project, which combines elements from Planting Healthy Air and Edible Playgrounds in its design.
- Received grants from the Green Recovery Challenge Fund and City Bridge Trust to design, build and launch 'Trees for Streets' - an online community street tree funding platform. The website was launched in November, with e-commerce

functionality going live in April 20201

- Despite the various restrictions in place in year, we engaged 2,479 volunteers in London, the UK and internationally through our tree planting and greening activities.

COVID-19 PANDEMIC

Over the year, despite the three national lockdowns and continuous restrictions, we were able to adapt our approaches and deliver the significant majority of planned activities and objectives. As such, we had no unplanned drawdowns of our unrestricted reserves.

During the year, we continued to successfully work from home for the roles that allowed for this, and used the Government's furlough scheme where appropriate.

Due to the outside nature of our work, our tree planting projects were able to be carried out during the planting season, despite the restrictions. However, we ceased in-house project delivery operations during the January – March 2021 lockdown to ensure the safety of our staff. The limitations on engaging with volunteers (community and corporate) resulted in the largest impact to the delivery of our project work, meaning an increase in delivery of projects through contractors.

Our schools work was affected by schools closures at the start of the financial year, but we were still able to deliver 25 Edible Playgrounds, against the 28 planned. Much of our engagement activities moved online, so that we could continue to deliver this in part.

Since restrictions have relaxed in the new financial year, all staff have returned to work from furlough. Whilst our offices are open, this is on a limited basis and we have measures in place to ensure any risks from the virus are mitigated. This has included restricting working hours for those using public transport, maintaining a limit on the number of people who visit our offices and ensuring all office surfaces are deep cleaned on a regular basis. We have undertaken a detailed review of all health and safety measures practiced at all project planting sites, ensuring all equipment is thoroughly cleaned and that social distancing measures are understood and acted on by all staff and volunteers. We will continue to monitor these measures over the coming months.

With continued uncertainties about the year ahead and beyond, the following existing

strategic initiatives have been useful during the pandemic and we continue to employ them:

1. Increase focus on multi-annual planning via the securing of more and larger multi-annual grants and partnerships.
2. Ensure a strategic approach is taken to key funder relationships.
3. Grow and develop services and programmes to provide more funding options.
4. Aim to reassess our reserves policy and grow unrestricted where possible.
5. We have committed to multi year planning in our strategy process and will commit to this in our operational plans.

During the year, we secured new multi year funding from corporate, local government and central government sources. This has helped us to create an ambitious plan for 2021-22 which will deliver our highest annual income in our history.

PLANS FOR FUTURE PERIODS

A selection of our plans for 2021-22 are:

- Plant 30,000 trees in London across 14 community projects in woodlands, estates and parks.
- Plant 150,000 trees across projects in at least 15 UK cities and towns, with a continued focus on further developing our 'forgotten places' programme and deliver the Esmee Fairbairn 60th anniversary planting programme across 6 UK cities.
- Implement the new strategic direction for our international programme
- Develop, design and deliver 25 Edible Playground and 5 Planting Healthy Air projects in primary schools across the UK, including the first year of the new Cardiff City Edible Playground programme.
- Continue the delivery of our 'Generation Tree' strategy, including continuing with the Trees for Streets community funding platform, aiming to achieve a self-sustaining model by the end of the year, and fully launching a new 'community hub'.

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

The Statement of financial activities (SoFA), Balance sheet and Statement of cash flows have been prepared in accordance with the Charities SORP FRS 102.

Trees for Cities saw a decrease in our total income of £831,555 (23%) to £2,789,832 (2019-20: £3,621,387). Due to the nature of some of our partnerships, differences arise between when income is recognised in the accounts and when those funds are spent, which can create a surplus or deficit in a given year. As such, whilst our income reduced in 2020-21, this was offset by planned drawdowns of reserves – the two largest of these being £400,021 from our designated funds relating to our Schools Programme, and £172,350 of unrestricted reserves received from the Guardian's 2019 Christmas charity appeal. As such, levels of activity did not drop significantly and were in line with our plan.

Donations reduced in the year by £394,698 to £544,511 (2019-20: £939,209). This is split into individual donations, corporate donations and core grants. Individual donations reduced from £479,454 in 2019-20 to £172,019 in 2020-21, a reduction of £307,435. This relates to two large one off donations in 2019-20 – the Guardian Christmas appeal (£250,000) and a legacy fund – that were not repeated in 2020-21. Once these are taken into account, we have seen some growth in our individual donations. Corporate donations reduced by £237,238 to £111,018, mainly due to two of our largest corporate donors going into administration in the year. Meanwhile, we received £207,322 of core grants relating to the furlough grant scheme in 2020-21.

Income for our **charitable activities** reduced slightly in year. The biggest movements in funding were in our UK Urban Forests and our Schools work. In addition, we added a new programme – Trees for Streets.

In **London urban forests**, there were increases in funding from corporate partners, strategic partnerships with councils and other grants. Overall income increased by £48,270 to £570,466 (2019-20: £522,196).

For **UK urban forests**, income increased by £204,920 to £589,471 (2019-20: £384,551), £176,000 of this relates to increased numbers of trees planted with funding from npower, with the remaining increase coming from a mixture of in year and multi year grants.

Trees for Streets, an online community street tree funding platform was developed in the year and has been included as a new programme. We received grants from the Green Recovery Challenge Fund (£113,200) and City Bridge Trust (£50,000), with a further £382,000 secured for 2021-22. In addition to grant funding in 2021-22, we anticipate income from councils and individuals and aim to have a self sustaining model by the end of the year. We spent £83,415 in 2020-21, with unspent funds being allocated to restricted reserves.

In our **Schools** programme, income recognised in the year reduced by £727,214 to £647,693 (2019-20: £1,347,907). Funding from Bulb reduced by £547,111 to £199,979 as our partnership came to an end. Clear Channel contributed £130,000 to Edible Playgrounds in 2019-20, whilst funds received from them for 2020-21 was allocated to London Urban Forests. Income from schools reduced as the number of projects delivered also dropped. The size of our Edible Playground delivery programme reduced from 41 schools in 2019-20 to 25 in 2020-21, and so less funding was required for this. In addition designated funds from Bulb of £400,021 were released as planned in order to deliver projects.

Other trading activities reduced slightly in the year from £290,108 in 2019-20 to £250,092 in 2020-21. Within this, our Corporate Volunteering reduced by £150,661 to £27,897 (2019-20: £178,558) due to the restrictions in year meaning we were unable to hold these events physically. However, this has been offset by an increase of £112,956 for environmental offsetting to £201,991 (2019-20: £89,035).

Expenditure slightly increased in year to £3,423,236 (2019-20: £3,311,520). This was driven by increases in our London and UK Urban Forests programme, as well as our new Trees for Streets programme, and offset by reductions in our Schools programme.

The charity spent £331,288 on raising the charity's total income of £2,789,832. Therefore, for every £1 spent on fundraising, over £8 of revenues were generated.

For Urban Forests, the restrictions in place in year meant that our costs delivery of urban forests projects increased as some work had to be carried out by contractors that would ordinarily be delivered by volunteers. In London, in addition, some projects that were not fully complete

in 2019-20 due to delays relating to the pandemic, incurred expenditure in 2020-21. As such, in London, costs increased by £147,239 to £927,495 (2019-20: £780,256). For the UK programme, costs increased by £210,178 to £548,704 (2019-20: £338,526), this was largely driven by the increased numbers of trees planted – around 130,000 compared to 45,000 in 2019-20 – which was driven mainly by increases in environmental offsetting planting.

The Schools programme reduced expenditure by £352,023, spending £1,517,251 (2019-20: £1,869,274). We built fewer Edible Playgrounds in 2020-21 (25) compared to 2019-20 (41), which was the main driver for the reduction.

Support costs, as detailed in note 7a, reduced by £37,506 to £238,378 (2019-20: £275,884). This was largely driven by reductions in facilities costs as our offices were not in full use during the year, and reductions in HR costs as organisation wide meetings were not possible and there was low staff turnover in the year.

INVESTMENT POLICY

Trees for Cities may invest funds at the discretion of the board (as per the Memorandum and Articles of Association).

The trustees review the charity's cash levels, and investment opportunities on an ongoing basis.

The investment objective for short-term investments (funds accessible within 12 months) is to allow funds to be readily available, and with the minimum risk.

In line with this objective, cash is held in bank accounts that allow instant access. During the year funds were held with The Co-operative Bank and CAF Bank. Cash was also held with Triodos Bank under a 33-day notice period.

Should the trustees consider that cash reserves sufficiently exceed the level required to finance the charity's forthcoming activities in a sustainable way, funds may be invested on a longer-term basis to generate further cash for the charity.

The investment objective for long-term investments (funds not accessible within 12 months) will be to generate a return in an excess of inflation over the long-term, and to minimise risk by spreading investments across more than one asset class.

The trustees have set ethical criteria for long-term investments, primarily that Trees for Cities will not invest in companies whose actions run counter to the charity's own charitable objectives.

We hold a discretionary investment portfolio of 100% government backed bonds with Quilter Cheviot Limited Jersey, with a value of £451,738 at 31 March 2021. This investment is very low risk and the cash can be withdrawn with a few days notice.

RESERVES POLICY AND GOING CONCERN

Trees for Cities holds unrestricted reserves in order to:

- mitigate against unexpected reductions in income
- provide working capital
- allow for operational deficits when future planning
- assist with cash flow
- purchase capital items
- allow for possible future expansion.

Our reserves policy is hold no less than the cost of winding up the organisation in regards to meeting financial obligations such as redundancy, rent and contract payments.

The maximum level of unrestricted reserves that the organisation will hold will be the equivalent cost of six months of core operating expenditure (e.g. salaries, rent, contracts) plus the cost of winding up the organisation.

The planned level of unrestricted reserves that the organisation will hold will be the equivalent to the cost of three months of core operating expenditure (e.g. salaries, rent, contracts) plus the cost of winding up the organisation.

If the unrestricted reserves exceed the maximum level, the management team will put in place a plan to spend down the additional amount unless such an amount has been ring-fenced for future investment or expansion.

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

The amounts for 2021-22 of the above-mentioned reserve levels are:

Minimum:	£490,000
Planned:	£960,000
Maximum:	£1,420,000

The management team and Trustees will monitor the unrestricted reserve level at quarterly intervals to ensure that it does not fall below the minimum level.

The amounts for each level will be recalculated at the start of each financial year.

The Trustees are responsible for authorising the application of the charity's reserves. At all times they will have regard to restrictions placed on the application of these reserves and are responsible for ensuring that they are applied in accordance with the stated restrictions.

We have been able to secure two thirds of our planned income by the midyear point, and expect to secure the remaining amount over the second six month period. We will continue to monitor our financial performance and future reserves position.

Accordingly, we consider that the Charity has adequate resources to continue in operational existence for the foreseeable future and we believe that we continue to be a going concern.

The trustees' policy, after assessing the above requirements and calculating the costs of winding up, is to hold general unrestricted reserves of between £490,000 and £1,420,000. As at the end of 2020-21 general unrestricted reserves held by the charity were £880,042.

A designated fund has been set aside by the Trustees for future food growing in schools. The £448,211 fund as at 31 March 2021 has been funded by our corporate partner Bulb and is planned to be expended by the end of 2021-22.

At the end of 2020-21 total funds held by the charity were £1,552,939 (2019-20: £2,183,740). This consisted of restricted funds of £224,686 (2019-20: £152,420), designated funds of £448,211 (2019-20: £848,232) and general unrestricted funds of £880,042 (2019-20: £1,176,088). The charity's unrestricted free reserves were £849,065 (2019-20: £1,138,120). The difference between the unrestricted funds and the free reserves is due to our tangible assets which total £30,977 (2020: £37,968).

The Trustees are responsible for authorising the application of the charity's reserves. At all times they will have regard to restrictions placed on the application of these reserves and are responsible for ensuring that they are applied in accordance with the stated restrictions.

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees and senior management team identify and agree the key risks facing the charity at the start of each financial year and these are entered onto a risk register. Each risk is assessed according to its likelihood and potential impact, and appropriate actions and procedures are agreed.

At each board meeting the trustees review the risk register and agree future actions. Should any additional key risks be identified, the trustees will agree how they should be managed and if appropriate will be added to the risk register.

Current principal risks in the risk register, once impact and likelihood have been considered, are as follows:

RISK

Not meeting current and future budgetary requirements leading to unplanned drawdowns of reserves.

Business continuity risk from loss of key members of staff without adequate replacement/succession plans and/or poor staff retention levels.

Fraud, misuse of charitable funds & cyber security.

Business interruption following a disaster event/pandemic.

Health & safety policy not implemented correctly.

Projects not completed due to constraints with development, fundraising and/or delivery.

MITIGATION

Focus on multi annual planning and partnerships, diverse sources of income, grow and develop different services and programmes.

Encourage sharing of information across the organisation, review salary and benefits policy on a regular basis.

Ensure ongoing review of financial procedures and controls to ensure they meet the charity's needs.

Remote working is possible for all office-based staff. Offsite back ups are being implemented.

Health & safety audit complete & actions being implemented. Health & safety consultants hired on a retained basis.

Alternative delivery methods available if volunteers are unable to be used for delivery. Detailed assessment of tree supply options being undertaken to mitigate increase supply risk from biosecurity measures and Brexit.

FUNDRAISING

Trees for Cities' aim is to raise funds in a respectful way that is consistent with our values. The charity is a member of the Institute of Fundraising, and is registered with the Fundraising Regulator. In all of our fundraising we work diligently to comply with the Code of Fundraising Practice and to uphold the standards it promotes. We have received no complaints in the year.

Trees for Cities has a safeguarding policy in place which commits the charity to ensuring that all children and adults who use our services are not abused and that working practices minimise the risk of abuse. All Trees for Cities staff and volunteers have a duty to identify abuse and report it. All staff are given annual training on our safeguarding procedures by our safeguarding officer.

TfC does not contract out or outsource fundraising activities to third parties – all fundraising is undertaken in-house. Where a member of the public raises funds for the charity through a self-arranged event, TfC will ensure that any messaging and materials used are in line with organisational standards

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity was constituted as a company limited by guarantee, set up on 24 November 1993, and is governed by its Memorandum and Articles of Association.

In the year Trees for Cities commenced the Trees for Streets programme jointly with Start With Local. Whilst this has been subject to the usual Trees for Cities governance arrangements, we will be considering the most effective vehicle for this work in 2021-22.

The board of trustees administers the charity. The trustees are directors for the purpose of company law. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

The Chief Executive is appointed by the trustees to manage the day to day running of the charity and delegates as necessary to the senior management team. The board of trustees are responsible for governance, and assist with strategy and policy.

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

The Chair of the board of trustees is appointed by the trustees.

The charity's trustees are:

J Capon (Chair)

S Gray

A MacGillivray

(appointed 12 January 2021)

B Miller

A Shah

J Thrift

(appointed 12 January 2021)

D Woodbine (Treasurer)

S Workman

C Harper-Harris served during the year and resigned on 21 November 2020.

S Chapleau served during the year and resigned on 23 September 2021.

TRUSTEE RECRUITMENT, INDUCTION AND TRAINING

A Board Skills Audit is undertaken approximately every three years, in line with the development of the strategic plan. The audit is used to determine if any new skills and knowledge are required to deliver the new plan.

Should any gaps in skills or knowledge be identified and a new trustee position is required, a recruitment process will be undertaken. Recruitment is open to all sections of the community, and candidates are interviewed by existing trustees and appointed on merit based on a majority decision.

New trustees are made aware of their legal obligations, the content of the Memorandum and Articles of Association, the Charity's history, culture and philosophical approach, the current year's business and financial plan. New trustees also receive a copy of the most recent Annual Report and statutory accounts, and appropriate leaflets published by the Charity Commission with the opportunity to discuss them.

REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL

Trees for Cities is an equal opportunities employer and applies objective criteria to assess merit. The Board sets the terms and conditions for staff on an annual basis. A benchmarking process is undertaken periodically to assess each role in the external market, to ensure that the charity is paying all employees, including senior management, fairly and competitively for similar roles within the sector.

DATA PROTECTION - GENERAL DATA PROTECTION REGULATIONS

The General Data Protection Regulations (GDPR) became law in May 2018. The regulations set out the responsibilities of all organisations in relation to the personal data that they collect and hold, and are designed to enhance the rights of individuals in controlling their own data.

Trees for Cities places great importance on the security of supporter data and personal information. The charity is registered with the Information Commissioners Office and has introduced a programme that will enable demonstration of compliance with the spirit and intention of GDPR, with the required management structures in place to manage data risks and integrate governance of these risks into daily management.

For information on how the charity uses and protect personal data, please see our Privacy Policy: www.treesforcities.org/privacy-policy.

INFORMATION SECURITY

The confidentiality, integrity and availability of information, in all its forms, are critical to the charity's work. In 2018 the information security policy was updated to bring it in line with GDPR legislation.

ANTI-FRAUD, BRIBERY AND CORRUPTION POLICY

Strong internal and financial controls and robust financial management are essential to protect the charity against growing threats from external fraudulent activities and from any internal risk of funding misappropriation. Trees for Cities' system of internal controls is based on an ongoing process designed to identify the principal risks, to evaluate the nature and extent of those risks, and to manage them effectively.

The charity's anti-fraud, bribery and corruption policy specifies the controls and procedures required to prevent and detect fraud and dishonesty, investigate any allegations that arise, and take appropriate action where necessary. It also stipulates procedures for due diligence and verifying the end use of charitable funds to minimise exposure to risk when passing charitable funds to external partners.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of Trees for Cities for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, 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
- State whether applicable UK Accounting Standards and statements of recommended practice 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 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 9 (2020: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity. Statement of disclosure of information to auditors

AUDITOR

Sayer Vincent LLP was appointed as the charitable company's auditor during the year, replacing TC Group. The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime. The trustees' annual report has been approved by the trustees on **3 December 2021** and signed on their behalf by:



D Woodbine, treasurer. Dated: 3 Dec 2021.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TREES FOR CITIES

OPINION

We have audited the financial statements of Trees for Cities (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 March 2021 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
- 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 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Trees for Cities' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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 trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TREES FOR CITIES (CONTINUED)

CAPABILITY OF THE AUDIT IN DETECTING IRREGULARITIES

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.



Fleur Holden (Senior statutory auditor) Dated: 3 Dec 2021
for and on behalf of Sayer Vincent LLP, Statutory Auditor,
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

STATEMENT OF FINANCIAL ACTIVITIES

(INC. INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021)

		Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Restated Total 2020
INCOME FROM:	Notes	£	£	£	£	£	£
Donations	2	443,720	100,791	544,511	503,653	435,556	939,209
Charitable activities	3						
Urban forests – London		356,947	213,519	570,466	92,107	430,089	522,196
Urban forests – Other UK cities		345,271	244,200	589,471	172,755	211,796	384,551
Urban forests – International		-	5,000	5,000	31,500	26,500	58,000
Trees for Streets		-	163,200	163,200	-	-	-
Schools		305,794	341,889	647,693	867,855	507,052	1,374,907
Other trading activities	4	250,092	-	250,092	284,952	5,156	290,108
Investments	5	12,118	-	12,118	18,229	-	18,229
Other	6	7,281	-	7,281	34,187	-	34,187
Total income		1,721,223	1,068,609	2,789,832	2,005,238	1,616,149	3,621,387

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

		Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Restated Total
EXPENDITURE ON:	Notes	£	£	£	£	£	£
Raising funds	7A	283,580	47,708	331,288	228,789	60,296	289,085
Charitable activities							
Urban forests – London		717,031	210,464	927,495	258,826	521,430	780,256
Urban forests – Other UK cities		249,490	299,214	548,704	56,505	282,021	338,526
Urban forests – International		10,058	5,025	15,083	1,379	33,000	34,379
Trees for Streets		-	83,415	83,415	-	-	-
Schools		1,159,734	357,517	1,517,251	1,129,292	739,982	1,869,274
Total expenditure		<u>2,419,893</u>	<u>1,003,343</u>	<u>3,423,236</u>	<u>1,674,791</u>	<u>1,636,729</u>	<u>3,311,520</u>
Net income / (expenditure) before net gains / (losses) on investments		<u>(698,670)</u>	<u>65,266</u>	<u>(633,404)</u>	<u>330,447</u>	<u>(20,580)</u>	<u>309,867</u>
Net gains/(losses) on investments		2,603	-	2,603	(12,902)	-	(12,902)
Net movement in funds		<u>(696,067)</u>	<u>65,266</u>	<u>(630,801)</u>	<u>317,545</u>	<u>(20,580)</u>	<u>296,965</u>
Reconciliation of funds:							
Total funds brought forward as previously reported		2,024,320	159,420	2,183,740	1,706,775	105,000	1,811,775
Prior year adjustment	24	-	-	-	-	75,000	75,000
Total funds brought forward as restated		<u>2,024,320</u>	<u>159,420</u>	<u>2,183,740</u>	<u>1,706,775</u>	<u>180,000</u>	<u>1,886,775</u>
Total funds carried forward		<u>1,328,253</u>	<u>224,686</u>	<u>1,552,939</u>	<u>2,024,320</u>	<u>159,420</u>	<u>2,183,740</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21a to the financial statements.

BALANCE SHEET

AT 31 MARCH 2021

Company no. 02874642

		2021		2020 Restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		30,977		37,968
Investments	15		451,738		483,716
			<u>482,715</u>		<u>521,684</u>
Current assets					
Debtors	16	690,788		1,369,088	
Cash at bank and in hand		2,286,108		1,516,601	
		<u>2,976,896</u>		<u>2,885,689</u>	
Liabilities					
Creditors: amounts falling due within one year	17	(1,906,672)		(1,223,633)	
Net current assets			<u>1,070,224</u>		<u>1,662,056</u>
Total net assets			<u>1,552,939</u>		<u>2,183,740</u>
The funds of the charity:					
Restricted income funds	21		224,686		159,420
Unrestricted income funds:					
Designated funds		448,211		848,232	
General funds		880,042		1,176,088	
Total unrestricted funds			<u>1,328,253</u>		<u>2,024,320</u>
Total charity funds			<u>1,552,939</u>		<u>2,183,740</u>

Approved by the trustees on 3 December 2021
and signed on their behalf by:



D Woodbine, Treasurer

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

Notes	2021		2020	
	£	£	£	£
Cash flows from operating activities				
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(630,801)		296,965	
Depreciation charges	15,642		17,939	
(Gains)/losses on investments	(2,603)		12,902	
Dividends, interest and rent from investments	(12,118)		(18,229)	
Profit on the disposal of fixed assets	(7,281)		(34,187)	
(Increase)/decrease in debtors	678,300		(748,080)	
Increase/(decrease) in creditors	683,039		398,944	
Net cash provided by operating activities		724,178		(73,746)
Cash flows from investing activities				
Dividends, interest and rents from investments	12,118		18,229	
Proceeds from the sale of fixed assets	9,925		56,584	
Purchase of fixed assets	(11,295)		(50,003)	
Proceeds from sale of investments	76,496		42,000	
Purchase of investments	(41,915)		(538,618)	
Net cash provided by investing activities		45,329		(471,808)
Change in cash and cash equivalents in the year		769,507		(545,554)
Cash and cash equivalents at the beginning of the year		1,516,601		2,062,155
Cash and cash equivalents at the end of the year		2,286,108		1,516,601
Analysis of cash and cash equivalents	At 1 April 2020	Cash flows	Other non-cash changes	At 31 March 2021
Cash at bank and in hand	1,516,601	769,507	-	2,286,108

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

1.1 STATUTORY INFORMATION

Trees for Cities is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address and principal place of business is Prince Consort Lodge, Kennington Park Place, London, SE11 4AS.

1.2 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 (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

1.3 PUBLIC BENEFIT ENTITY

The charity meets the definition of a public benefit entity under FRS 102.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.4 GOING CONCERN

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. Please refer to the trustees' annual report, specifically the financial review and the reserves policy where it sets out how the charity is operating within its reserves policy target levels of reserves.

1.5 INCOME

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

When donors specify that incoming resources given to the charity must be used in future accounting periods, the income is deferred to those periods.

When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that incoming resources are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1.6 FUND ACCOUNTING

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1.7 EXPENDITURE AND IRRECOVERABLE VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.
- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support the activities of the charity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.8 GRANTS PAYABLE

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

1.9 ALLOCATION OF SUPPORT COSTS

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Raising Funds	11.10%
Urban forests - London	23.40%
Urban forests - Other UK cities	5.10%
Urban forests - International	0.50%
Trees for Streets	0.40%
Schools	38.50%
Support costs	19.20%
Governance costs	1.80%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

1.10 OPERATING LEASES

Rental charges are charged on a straight line basis over the term of the lease.

1.11 TANGIBLE FIXED ASSETS

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Plant and machinery	3 years
Fixtures, fittings and equipment	3-5 years
Motor vehicles	3 years

1.12 LISTED INVESTMENTS

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

1.13 DEBTORS

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.14 SHORT TERM DEPOSITS

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

1.15 CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.16 CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.17 FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.18 PENSIONS

The charity operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities as they fall due.

1.19 EMPLOYEE BENEFITS

Termination benefits are recognised as an expense when the charity is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the charity has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
2 INCOME FROM DONATIONS						
Donations						
Individuals	169,619	2,400	172,019	439,118	40,336	479,454
Trusts & foundations	-	-	-	11,988	65,000	76,988
Corporate partners	63,421	47,597	111,018	45,036	303,220	348,256
Grants						
Furlough	207,322	-	207,322	-	-	-
Other	3,358	50,794	54,152	7,511	27,000	34,511
	<u>443,720</u>	<u>100,791</u>	<u>544,511</u>	<u>503,653</u>	<u>435,556</u>	<u>939,209</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
3 INCOME FROM CHARITABLE ACTIVITIES						
Corporate partners	263,947	4,994	268,941	92,107	103,333	195,440
Grants	-	146,426	146,426	-	127,419	127,419
Local government	93,000	62,099	155,099	-	199,337	199,337
Urban forests - London	356,947	213,519	570,466	92,107	430,089	522,196
Corporate partners	345,271	-	345,271	172,755	-	172,755
Grants	-	244,200	244,200	-	211,796	211,796
Urban forests - Other UK cities	345,271	244,200	589,471	172,755	211,796	384,551
Corporate partners	-	-	-	31,500	26,500	58,000
Grants	-	5,000	5,000	-	-	-
Urban forests - International	-	5,000	5,000	31,500	26,500	58,000
Grants	-	163,200	163,200	-	-	-
Trees for Streets	-	163,200	163,200	-	-	-
Corporate Partners	285,594	30,000	315,594	802,405	106,000	908,405
Grants	200	178,599	178,799	65,450	144,852	210,302
Schools	20,000	130,550	150,550	-	176,200	176,200
Local Government	-	2,750	2,750	-	80,000	80,000
Schools	305,794	341,899	647,693	867,855	507,052	1,374,907
Total income from charitable activities	1,008,012	967,818	1,975,830	1,164,217	1,175,437	2,339,654

A government grant was received from the Forestry Commission for the Urban Tree Challenge Fund for the planting and maintenance of trees in the UK. This was allocated to our London and UK Urban Forests programmes, and totalled £107,607 (2019-20: £131,894). A government grant was also received from Natural England for "Growing Among Trees" in Schools. This totalled £34,668 in 2020-21 (2019-20: £80,912)

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	

4 OTHER TRADING ACTIVITIES

Environmental offsetting	201,991	-	201,991	89,035	-	89,035
Corporate volunteering	27,897	-	27,897	178,558	-	178,558
Sponsorship of projects	20,204	-	20,204	17,359	5,156	22,515
	<u>250,092</u>	<u>-</u>	<u>250,092</u>	<u>284,952</u>	<u>5,156</u>	<u>290,108</u>

5 INCOME FROM INVESTMENTS

Fixed interest securities	7,256	-	7,256	9,801	-	9,801
Bank interest	4,862	-	4,862	8,429	-	8,429
	<u>12,118</u>	<u>-</u>	<u>12,118</u>	<u>18,230</u>	<u>-</u>	<u>18,230</u>

6 OTHER INCOME

Gain on disposal of tangible fixed assets	7,281	-	7,281	34,187	-	34,187
	<u>7,281</u>	<u>-</u>	<u>7,281</u>	<u>34,187</u>	<u>-</u>	<u>34,187</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 ANALYSIS OF EXPENDITURE

A - CURRENT YEAR

	CHARITABLE ACTIVITIES			
	Raising funds	Urban forests - London	Urban forests - other cities	Urban forests - international
	£	£	£	£
Staff costs (Note 10)	245,993	519,774	111,922	11,521
Depreciation	-	7,623	-	-
Fundraising costs	44,409	-	-	-
Direct activity costs				
Grants	-	-	82,048	-
Internal delivery of projects	-	237,974	1,903	72
External delivery of projects	-	78,917	334,915	1,645
Audit	-	-	-	-
Facilities	-	-	-	-
HR	-	-	-	-
Rent	-	-	-	-
Other costs	1,506	-	-	-
	291,908	844,288	530,788	13,238
Support costs	33,490	70,761	15,237	1,569
Governance costs	5,890	12,445	2,680	276
Total expenditure 2021	331,288	927,494	548,705	15,083
Total expenditure 2020	289,085	780,256	338,526	34,379

B - PRIOR YEAR

Staff costs (Note 10)	193,037	465,608	91,456	10,452
Depreciation	-	6,516	-	-
Fundraising costs	58,322	-	-	-
Direct activity costs				
Grants	-	-	113,913	-
Internal delivery of projects	-	216,084	17,022	212
External delivery of projects	-	1,854	98,419	21,690
Audit	-	-	-	-
Facilities	-	-	-	-
HR	-	-	-	-
Rent	-	-	-	-
Other costs	332	-	-	-
	251,691	690,062	320,810	32,354
Support costs	32,610	78,654	15,449	1,766
Governance costs	4,784	11,540	2,267	259
Total expenditure 2020	289,085	780,256	338,526	34,379

Trees for Streets	Schools	Governance costs	Support costs	Total 2021	Total 2020
£	£	£	£	£	£
9,385	852,368	32,602	-	1,783,565	1,663,136
-	7,622	-	397	15,642	17,939
-	-	-	-	44,409	58,322
-	-	-	-	82,048	113,913
1,103	180,338	-	-	421,390	533,248
71,425	340,473	-	-	827,375	643,173
-	-	7,800	-	7,800	9,500
-	-	-	110,897	110,897	127,342
-	-	-	30,892	30,892	63,660
-	-	-	58,190	58,190	39,115
-	-	1,520	38,002	41,028	42,172
81,913	1,380,801	41,922	238,378	3,423,236	3,311,520
1,278	116,043	-	(238,378)	-	-
225	20,406	(41,922)	-	-	-
83,416	1,517,250	-	-	3,423,236	-
34,379	1,869,274	-	-		3,311,520
-	872,585	29,998	-	-	1,663,136
-	6,516	-	4,907	-	17,939
-	-	-	-	-	58,322
-	-	-	-	-	113,913
-	299,930	-	-	-	533,248
-	521,210	-	-	-	643,173
-	-	9,500	-	-	9,500
-	-	-	127,342	-	127,342
-	-	-	63,660	-	63,660
-	-	-	39,115	-	39,115
-	-	980	40,860	-	42,172
-	1,700,241	40,478	275,884	-	3,311,520
-	147,405	-	(275,884)	-	-
-	21,628	(40,478)	-	-	-
-	1,869,274	-	-	-	3,311,520

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 GRANT MAKING

	2021 £	2020 £
Cost		
Urban Tree Challenge Fund	82,048	113,913
At the end of the year	82,048	113,913

The Urban Tree Challenge Fund is a multi year grant from the Forestry Commission and was passed to nine partners in both years for the planting and maintenance of trees in the UK. The grant is part of our UK activities and support costs are allocated in note 7a and 7b.

9 NET (INCOME) / EXPENDITURE FOR THE YEAR

This is stated after charging / (crediting):

	2021 £	2020 £
Cost		
Depreciation	15,642	17,939
Profit on disposal of fixed assets	(7,281)	(34,187)
Operating lease rentals payable:		
Property	50,005	32,350
Other	15,323	15,969
Auditor's remuneration (excluding VAT):		
Audit	7,800	9,500
Other services	1,520	747

10 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	1,576,127	1,455,189
Redundancy and termination costs	-	13,635
Social security costs	134,212	128,576
Employer's contribution to defined contribution pension schemes	73,226	65,736
	1,783,565	1,663,136

Redundancy payments made or committed during the year amounted to £0(2020: £13,635).

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 £	2020 £
Cost		
£60,000 - £69,999	1	1
£70,000 - £79,999	-	-
£80,000 - £89,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £384,885 (2020: £353,158).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £0 (2020: £233) incurred by no (2020: 1) members relating to attendance at meetings of the trustees.

11 STAFF NUMBERS

The average number of employees (head count based on number of staff employed) during the year was 50 (2020: 51).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2021 No.	2020 No.
Fundraising and public relations	6.0	5.0
Urban forests - London	15.0	13.0
Urban forests - UK Cities	2.0	3.0
Urban forests - International	1.0	1.0
Schools	24.0	25.0
	48.0	47.0

12 RELATED PARTY TRANSACTIONS

There are no related party transactions to disclose for this financial year (2020: none).

13 TAXATION

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

14 TANGIBLE FIXED ASSETS

Cost	Motor vehicles £	Plant & machinery £	Fixtures, fittings & equipment £	Total £
At the start of the year	48,999	14,722	53,616	117,337
Additions in year	7,995	3,300	-	11,295
Disposals in year	(13,598)	-	(47,268)	(60,866)
At the end of the year	43,396	18,022	6,348	67,766
Depreciation				
At the start of the year	11,031	14,722	53,616	79,369
Charge for the year	15,245	397	-	15,642
Eliminated on disposal	(10,954)	-	(47,268)	(58,222)
At the end of the year	15,322	15,119	6,348	36,789
Net book value At the end of the year	28,074	2,903	-	30,977
At the start of the year	37,968	-	-	37,968

All of the above assets are used for charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 LISTED INVESTMENTS

	2021 £	2020 £
Fair value at the start of the year	483,716	-
Additions at cost	41,915	538,618
Disposal proceeds	(76,496)	(42,000)
Revaluation during the year	2,603	(12,902)
	451,738	483,716
Cash held by investment broker pending reinvestment	51,319	10,800
Fair value at the end of the year	503,057	494,516
Investments comprise:		
UK fixed interest bonds	451,738	483,716
Cash	51,319	10,800
	503,057	494,516

16 DEBTORS

	2021 £	2020 £
Trade debtors	542,226	959,423
Prepayments and accrued income	148,562	409,665
	690,788	1,369,088

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	211,743	111,712
Taxation and social security	87,072	110,927
Other creditors	19,847	11,313
Accruals	339,372	236,761
Deferred income (note 18)	1,248,638	752,920
	1,906,672	1,223,633

18 DEFERRED INCOME

Deferred income comprises funding for projects being delivered in 2021-22, including urban forest projects (£304,326), environmental offsetting (£761,130), edible playgrounds (£236,460), and other income (£21,722)

	2021 £	2020 £
Balance at the beginning of the year	752,920	272,448
Amount released to income in the year	(610,187)	(272,448)
Amount deferred in the year	1,105,905	752,920
Balance at the end of the year	1,248,638	752,920

19 PENSION SCHEME

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund as detailed below. Contributions of £9,558 (2020: £10,922) were outstanding at 31 March 2021.

	2021 £	2020 £
Contributions payable by the charity for the year	73,226	65,736

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

A - CURRENT YEAR

	General unrestricted £	Designated £	Restricted £	Total £
Tangible fixed assets	30,977	-	-	30,977
Investments	451,738	-	-	451,738
Net current assets	2,352,189	400,021	224,686	2,976,896
Creditors: amounts falling due within one year	(1,906,672)	-	-	(1,906,672)
Net assets at 31 March 2021	928,232	400,021	224,686	1,552,939

B - PRIOR YEAR - RESTATED

Tangible fixed assets	37,968	-	-	37,968
Investments	483,716	-	-	483,716
Net current assets	1,029,805	848,232	1,007,652	2,885,689
Creditors: amounts falling due within one year	(1,223,633)	-	-	(1,223,633)
Net assets at 31 March 2020	327,856	848,232	1,007,652	2,183,740

21 MOVEMENTS IN FUNDS

A - CURRENT YEAR

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Urban forests - London	-	213,519	(203,519)	-	10,000
Urban forests - UK Cities	117,500	244,200	(289,200)	-	72,500
Urban forests - International	-	5,000	(5,000)	-	-
Trees for Streets	-	163,200	(83,415)	-	79,785
Schools	-	341,899	(341,899)	-	-
Other trading activities	-	-	-	-	-
Donations and legacies	41,920	100,791	(80,310)	-	62,401
Total restricted funds	159,420	1,068,609	(1,003,343)	-	224,686
Unrestricted funds:					
Designated funds:					
Schools - Edible playgrounds	848,232	-	(400,021)	-	448,211
Total designated funds	848,232	-	(400,021)	-	448,211
General funds	1,176,088	1,721,223	(2,017,269)	-	880,042
Total unrestricted funds	2,024,320	1,721,223	(2,417,290)	-	1,328,253
Total funds	2,183,740	2,789,832	(3,420,633)	-	1,552,939

The narrative to explain the purpose of each fund is given at the foot of the note below.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

B - PRIOR YEAR - RESTATED	At 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
Restricted funds:					
Urban forests - London	-	430,089	(430,089)	-	-
Urban forests - UK Cities	152,500	211,796	(246,796)	-	117,500
Urban forests - International	-	26,500	(26,500)	-	-
Schools	-	507,052	(507,052)	-	-
Other trading activities	-	5,156	(5,156)	-	-
Donations and legacies	27,500	435,556	(421,136)	-	41,920
Total restricted funds	180,000	1,616,149	(1,636,729)	-	159,420
Unrestricted funds:					
Designated funds:					
Schools - Edible playgrounds	1,031,142	-	(182,910)	-	848,232
Total designated funds	1,031,142	-	(182,910)	-	848,232
General funds	675,633	2,005,238	(1,504,783)	-	1,176,088
Total unrestricted funds	1,706,775	2,005,238	(1,687,693)	-	2,024,320
Total funds	2,917,917	3,621,387	(3,507,332)	-	3,031,972

PURPOSES OF RESTRICTED FUNDS

Restricted funds for London projects relate to money from the Postcode Green Trust which was awarded for the calendar year 2021.

Restricted funds for UK Cities relate to a grant from the Dulverton Trust that will be spent over the course of three years, spending £35,000 per year, with the final year of spend being 2021-22. It also includes £37,500 (2019-20: £47,500 - restated) for money from the Postcode Green Trust which was awarded for the calendar year 2021.

The Trees for Streets restricted fund relates to a grant from the National Heritage Memorial Fund for the set up of the Trees for Streets platform which was granted in 2020-21. The total grant awarded was £495,800, with £113,200 available to spend in 202-21. The funds in the reserves of £79,785 are the 2020-21 unspent funds as at 31 March 2021. The funding is due to be spent by 31 March 2022.

Donations and legacy restricted funds comprise donations in 2020-21 from Savills (£12,298), RSM (£8,184) and an in-memory donation from 2019-20 for £14,420. These are restricted to our urban forest programmes, and are planned to be spent in 2021-22. It also includes £27,500 (2019-20: £27,500 - restated) for money from the Postcode Green Trust which was awarded for the calendar year 2021 which will be allocated to core projects.

A designated fund has been set aside by the Trustees for future food growing in schools. The £448,211 fund at 31 March 2021 (2020: £848,232) has been funded by our corporate partner Bulb. It is anticipated that it will all be spent by 31 March 2022.

22 OPERATING LEASE COMMITMENTS PAYABLE AS A LESSEE

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Land & Buildings		Other	
	2021	2020	2021	2020
Less than one year	41,775	45,750	16,053	15,323
One to five years	29,192	64,667	6,742	20,723
	70,967	110,417	22,795	36,046

23 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and is under the control of the board of Trustees.
The liability of each member in the event of winding up is limited to £1.

24 IMPACT OF PRIOR YEAR ADJUSTMENTS

A grant of £100,000 from the Postcode Green Trust has been received each year on a calendar year basis from 2018 to 2021. In previous financial statements, this amount has been split between the financial years on a pro rata basis, deferring £75,000 each financial year. With a change in policy, this has been reviewed and this income is now recognised in full each financial year, in the month the funds are received. This treatment has been applied retrospectively, meaning that the restricted funds at 31 March 2019 and 31 March 2020 are £75,000 higher compared to our previously published financial statements, as income in previous years has increased by £75,000.

Reserves position	Unrestricted funds £	Restricted funds £	Total funds £
Total funds at 31 March 2019 as previously stated	1,706,775	105,000	1,811,775
Adjustments to deferred income	-	75,000	75,000
Total funds as at 31 March 2019 as restated	1,706,775	180,000	1,886,775
Total funds at 31 March 2020 as previously stated	2,024,320	84,420	2,108,740
Adjustments to deferred income	-	75,000	75,000
Total Funds as at 31 March 2020 as restated	2,024,320	159,420	2,183,740
Impact on income and expenditure 2019-20			
Net income as previously reported	317,545	(20,580)	296,965
Adjustment to deferred income 2018-19	-	(75,000)	(75,000)
Adjustments to deferred income 2019-20	-	75,000	75,000
Net income as restated	317,545	(20,580)	296,965

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