

THE NATIONAL GARDEN SCHEME
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Pages 1 to 9	Report of the Members of the Board Trustees' Annual Report
Page 10	Reference and Administrative Information
Page 11 to 12	Independent Auditor's Report
Page 13	Statement of Financial Activities (S.O.F.A)
Page 14	Statement of Financial Position
Page 15	Statement of Cashflows
Pages 16 to 20	Notes to the Financial Statements

THE NATIONAL GARDEN SCHEME
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

Trustees' Annual Report 2018

The Trustees submit their Annual Report and Financial Statements for the year ended 31st December 2018

Contents

1. Objectives
2. History
3. Activities
4. Financial Results
5. Achievements and Performance
6. Financial Review
7. Distribution and Reserves Policy
8. Strategy
9. Rebranding
10. Developing Digital Channels
11. Legacies
12. Gardens and Health
13. Community Nursing Report
14. Constitution, Governance, Structure and Management
15. GDPR
16. Public Benefit
17. Beneficiary Policy and Distributions
18. Beneficiary Activities
19. Funds Held by the NGS as Custodian Trustee on behalf of others
20. Statement of Trustees' Responsibilities
21. Reference and Administrative Information

1. Objectives

The primary objective of the charity is to raise money for nursing and health charities by organising the opening of gardens of quality to the public.

The achievement of these objectives is based on long-term strategic planning (currently a five-year plan 2016-20) against which the charity's annual performance and achievements are measured.

2. History

The charity was founded in 1927 by the Queen's Nursing Institute, to raise funds to support district nursing which the Institute organised and managed prior to the introduction of the National Health Service. The Trustees of the Institute invited the owners of outstanding gardens to open to public visitors for one day and donate the funds raised to the Institute.

In 1927 some 600 gardens opened, they all charged one shilling and they raised £8,000. As well as the fundraising success, this scheme broke new social ground in offering unrestricted public access to private gardens in return for a modest contribution to charity. This principle of inclusiveness has been a key characteristic of the National Garden Scheme ever since.

In 2018 some 3,500 gardens opened and raised more than £3.7million. The practical operation of private gardens opening to visitors has remained largely unchanged since 1927 although the number and variety of gardens has grown considerably. As well as traditional large country gardens there are now large numbers of smaller gardens opening in towns and cities or together in groups in villages; the wider variety also includes allotments, school and hospice gardens.

In a remarkable testament to the loyalty of many garden owners' support for the charity that, of the 600 gardens that originally opened in 1927, more than 80 were still opening in 2018.

The charity was part of the Queen's Nursing Institute from its foundation until 1980 when the QNI established an independent charity, the National Gardens Scheme Charitable Trust. In 2005 the charity established itself as a company limited by guarantee and in 2017 the charity's name became the National Garden Scheme (NGS).

Ever since its establishment the charity has continued to focus its annual donations on the support of nursing and caring that was at the heart of its foundation. To date it has given its beneficiaries more than £50 million and become, in the process, the most significant cumulative charitable supporter of nursing in the country.

**THE NATIONAL GARDEN SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

3. Activities

As at its foundation, the NGS continues to organise the voluntary opening of gardens throughout the counties of England and Wales. The great majority of the gardens are privately owned and not otherwise accessible to visitors. County Organisers and their team members, who are all volunteers, are responsible for organising and supporting garden openings within their counties. The funds raised by the owners of gardens that open to visitors are collected by members of the NGS county teams who are also responsible for ensuring the gardens are of the highest standards which visitors and supporters have come to expect over many decades. The charity provides comprehensive public liability insurance for all gardens openings.

The funds are forwarded to the head office which co-ordinates the NGS's activities and produces the annual guidebook (*The Garden Visitor's Handbook*). This provides all relevant details of gardens opening in each county. It promotes the NGS nationally and is the traditional medium for advertising garden openings. Promotion of gardens is greatly enhanced by the county booklets (containing the individual county sections from the annual guidebook) which are distributed free in their particular areas. The NGS website and social media channels are also becoming increasingly important (see Section 10) together with the NGS app.

All funds collected from Garden Owners are swept out of the county current accounts on a weekly basis and invested by Royal London Asset Management in a variety of short-term instruments for maximum security. These funds are held until the annual charitable distributions are made in April and July of the following year. The payments may be made earlier in exceptional circumstances, at the discretion of the Trustees.

In addition to the income that comes from the gardens, there are further revenues from sponsorship and other corporate support, advertising and donations including legacies. These revenues contribute substantially to the operating costs of the charity and consequently increase the proportion of funds raised at gardens that is donated to the beneficiaries (as set out in Achievements and Performance in Section 5).

The Trustees decide on key policy, management and financial matters at Board meetings which are held regularly throughout the year. Activities at head office are managed by the Chief Executive and include strategic planning, financial organisation, support for county teams, book production, marketing and distribution, national publicity, sponsorship, and insurance. The Chief Executive, assisted by the Executive Committee, reports to the Board and is also responsible for national and regional conferences, and the NGS's participation in external events.

Volunteers

The NGS is predominantly dependent upon the contributions of volunteers. All the people who open their gardens annually (currently nearly 4,000) do so voluntarily. In addition the necessary work to support the charity throughout England and Wales is carried out by some 500 volunteers in the county teams.

All the volunteers provide invaluable work for the charity and the Trustees are enduringly grateful for their contributions. In particular they would like to acknowledge the garden owners for their continued generosity and the hard work involved in opening their gardens, together with the dedication and commitment of the members of county teams. Without all of their contributions none of the NGS's fundraising and charitable donations would be possible.

Each county team is led by a County Organiser who is responsible for the NGS's activity in their county. Advice and support are available from the Chief Executive and head office staff (who total 13), as well as other county teams. The volunteers are represented on the Board by six regional chairmen, who are ex officio Trustees and are each active members of a county team.

Each region holds an annual AGM towards the start of the garden opening season, in late February or in March. The AGMs are attended by county volunteers from the six regions and by the Chief Executive and relevant members of staff. The NGS holds a biennial conference for volunteers; the last was held in October 2017 with presentations from young carers from two beneficiary charities and from the owner of one of the 'founder' gardens that have opened since 1927.

The key activities of the County Teams are:

- Promoting garden openings
- Finding new gardens
- Maintaining contact with existing garden owners so as to assist with continuity of opening from one year to the next
- Assisting with collecting funds raised by opening gardens, accounting to Head Office
- Recognition and rewards
- Producing and distributing county booklets, securing booklet advertising

4. Financial Results

Garden Income of £3.81m (2017: £3.87m) is the charity's principal source of income. Other Income made up of county income, sponsorship, advertising, royalties, donations and other gifts, totalled £488k (2017: £534k).

**THE NATIONAL GARDEN SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Total costs of £1.27m (2017: £1.16m) increased by £100k, largely as the result of planned investment in head office resources and the development of marketing materials, in particular the county booklets.

Net Income available for distribution to beneficiaries for 2018 was £3.02m (2017: £3.2m). The ratio of Net Income to Garden Income (which is collected from our garden visitors) was 79% (2016: 82.7%) slightly below the level of 80% that we aim for.

5. Achievements and Performance

A combination of factors accounted for the slight fall in Garden Income. They included unusual weather patterns at peak periods of the visiting season, in particular the sustained summer heatwave and a decrease in the total number of garden open days. These factors were mitigated to some extent by a modest increase in the average admission price although this was lower than in 2017 (2.5% compared to 5.5%).

Not least because of the reduced number of garden open days, the recorded number of visits to the gardens in 2018 fell slightly, from 665,000 in 2017 to 635,000. These figures represent the numbers of actual visits rather than individual people with many people making more than one visit. They are dependent on reports from individual gardens and so inevitably contain some estimates.

6. Financial Review

Distribution to Beneficiaries

The Trustees have decided to make a total distribution from funds raised in 2018 of £3m. This includes a contribution of £72k from the reserves (see Section 7). This total ensures that, as customary, the full net income available is distributed to beneficiaries. The full list of beneficiaries and individual donations is set out in Section 17.

Additional Donations by Garden Owners to other Charities

The charitable donations in the 2018 accounts also include the amounts raised by garden owners and distributed directly by them to a local charity of their choice. This amount totalled £90k (2017: £108k).

In addition, a further £269k (2017: £235k) was raised on NGS open days by the sale of teas and plants organised by other charities which retained the proceeds of those sales. This compares to the amounts retained by the NGS of £638k (2017: £648k) from sales of teas and plants at garden openings. These amounts are included in Garden Income.

Risk Management

The Trustees have identified the major risks to the charity's operations and financial security, in particular:

- Prolonged adverse weather through a garden opening season
- Loss of IT and communications systems
- Pressures on management team performance

Agreed management process and the charity's financial reserves policy (see below) serve to mitigate the impact of these risks. A comprehensive risk assessment was carried out in 2018 and the new Risk Register confirmed by Trustees in September 2018. This included the new requirements of GDPR (see Section 15).

7. Distribution and Reserves Policy

The National Garden Scheme is a charity that survives on the annual performance of its fundraising activities. The charity has a long-established principle that funds raised in one year are distributed (net of costs) to the charity's beneficiaries within a twelve-month period.

Underpinning the charity's balance sheet from one year to the next is the reserves policy that is monitored by the Trustees. The aim is for cash reserves not to fall below 25% of the current gross annual costs. Trustees make a judgement at the time of distributions to beneficiary charities, to ensure that the reserves are sufficient to allow the charity to continue to operate in the light of the risks to which it is exposed, but do not retain excessive amounts of cash.

As set out earlier, in 2018 the Trustees have decided to distribute £3m (2017: £3.1m) to beneficiaries which includes a transfer of £72k from reserves. At the year end the reserves stood at £310k or 24.5% of current gross annual costs, marginally below the aim mentioned above. The Trustees are satisfied with the position and will seek to eliminate this shortfall in recent years.

Since 2015 the designated NGS Legacy Fund has added to the funds the charity holds in reserve. As explained in Section 11 below, the NGS Legacy Fund has been established to enhance the charity's performance by making funds available for specific projects, and to increase the charity's financial security,

**THE NATIONAL GARDEN SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Strategy

The NGS's strategy focuses on growing its core activity of increasing funds raised by garden opening events. The key strategic priority, to increase the number of gardens opening and the number of open days they hold, is important for future growth through a combination of retention and recruitment.

A second strategic priority for the future growth of the charity is to reach a wider audience, thereby increasing visitor numbers. It involves making the general public more aware of the varied attractions and rewards of visiting private gardens.

To ensure a marketing framework for the annual garden opening season we have developed a clear succession of highlights at the gardens through the seasons, from snowdrops in February to tulips in April and May, roses in June and kitchen gardens and autumn foliage in September and October.

We aim to combine the best possible promotion of our gardens to the audience of visitors and potential visitors, with raising awareness of the NGS's role as a major charity and funder of nursing and caring in the UK. Raising awareness in order to increase the number of visitors and supporters through all appropriate channels will continue to be a primary objective of NGS marketing.

A recent element of the strategy has been to identify the NGS as a leader in the promotion of the benefits of gardens and gardening for public and individual health and well-being. The Trustees believe that this is an area of growing importance and relevance and one to which the NGS, with its long-established experience in both areas, is uniquely positioned to contribute. (See Section 12).

In 2018 the Trustees commissioned The King's Fund to produce a report on the contribution to community nursing in Britain by the National Garden Scheme and its beneficiary nursing charities. More details of this are given in Section 13.

9. Rebranding

Having been introduced in 2017, the charity's rebranded identity became fully integrated in 2018 and a number of benefits were apparent from the public and media responses to the new branding has been universally positive. We are confident that over the coming years it will make a substantial improvement in public perception and awareness of the charity.

10. Digital Channels

An ambitious plan to develop the charity's digital marketing activities was planned as part of the rebranding, and this continued in many ways through 2018.

The five-year marketing and communications plan clearly identifies the importance of the NGS website and social media channels in particular, and other digital activity and the NGS app more generally in the overall strategy. They offer new and unique opportunities to engage with and develop our audience of visitors and potential visitors and they are being developed in order to maximise these opportunities, with appropriate upgrading of dedicated staff at the head office.

Website usage saw continued growth during 2018:

Website	Unique Users	Annual Growth %
2015	582,882	
2016	644,722	10%
2017	809,568	26%
2018	884,957	9%

The three main social media channels used by the National Garden Scheme are Facebook, Twitter, and Instagram. For each of these channels the charity has a network of accounts spread through the different volunteer teams and focusing on the main central NGS accounts, each of which saw continued strong growth in 2018:

Channel	Followers 31 December 2017	Followers 31 December 2018	% Increase
Facebook	15,153	17,955	18%
Twitter	12,570	15,300	22%
Instagram	14,700	19,500	32%

**THE NATIONAL GARDEN SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. Legacies

The NGS Legacy Fund was formally established at the end of 2015 as a portfolio of investments managed for the NGS by Investec Wealth & Investment. The investments are managed as part of their Master Portfolio Service. In the light of growing uncertainty in the equity markets during the year the portfolio was repositioned to a medium risk combination of equities and fixed interest securities.

In 2018 the Trustees agreed that the costs of the following special projects be covered by the NGS Legacy Fund:

- Rebranding and further development of the NGS website
- Continued development of a fundraising strategy to develop legacies to the NGS which was launched at the end of the year.

Full details of the fund's income and expenditure for the year are shown in the accounts under Designated Funds

In 2018 the NGS received a legacy gift of £5,000 from the estate of the late Miss Margaret Hughes. The Trustees reiterate their gratitude for the generosity of individuals who have decided to support the charity with legacy funds and they look forward to developing this support in the future. The opportunity to support the NGS with a legacy gift will be highlighted in all 2019 publications and on the website.

12. Gardens and Health

Through 2018 the National Garden Scheme continued to lead in the promotion of the benefits of gardens and gardening to people's health and wellbeing, and in increasing public awareness of these benefits. The initiative is closely linked to the core activity of opening gardens and encouraging the public to visit them. At the same time it strengthens and enhances the NGS's charitable profile and activities.

In August the second Gardens and Health Week was organised with 100 gardens taking part, inviting groups of visitors organised by either one of the NGS's beneficiary charities or by another local or national charity in the nursing, caring and healthcare sector. No admission was charged and for many of the visitors access to a garden is often not possible for either social or health reasons, and they had never visited a garden. Reports from both garden owners who took part and visitors were unanimously positive.

The event was publicised with the results of a survey taken from 3,500 garden owners and 12,000 NGS supporters. The survey confirmed that 85% of the charity's supporters reported that being in a National Garden Scheme garden had a positive impact on their mental health and 80% felt happier after visiting a garden than before.

Another important element of the NGS's promotion of gardens and health is the group of donations voted by the Trustees for beneficiary charities to fund gardens and health projects. Full details can be found in Section 17.

13. Community Nursing Report

During the year the Trustees commissioned The King's Fund to produce a report on community nursing, highlighting the NGS's long and significant contribution as a funder and highlighting the activities of the NGS nursing beneficiary charities. The charities taking part are the Queen's Nursing Institute, Macmillan Cancer Support, Marie Curie, Hospice UK, Parkinson's UK and the 2018 guest charity, MS Society.

The report was commissioned to raise awareness of the NGS and the importance of its charitable activities. It was also deemed to be timely in the light of the increasing public focus on the situation of community nursing and wider social care. During the year NHS England confirmed that community and social care would be a priority in a new ten-year plan by NHS England to be launched in late 2018. In the event the announcement was delayed until early 2019; as a result the King's Fund report will be published in April 2019.

14. Constitution, Governance, Structure and Management

The National Garden Scheme is a company limited by guarantee.

Organisation

The aim of the NGS is to raise money for national nursing and health charities by opening gardens of quality, character and interest to the public and through receiving donations and other support.

**THE NATIONAL GARDEN SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

The Directors of the Company are also Charity Trustees for the purpose of charity law under the Company's Articles. The governing body of the NGS is the Board of Trustees. They are appointed for a period of three years which is renewable by mutual agreement for a possible two further periods, meaning that a Trustee can serve a maximum of nine years. Thereafter they must stand down for at least one year before they can be considered for re-election. There is a maximum 15 Trustees. In addition to the Chairman, Deputy Chairman and Hon Treasurer there are six Regional Chairmen who all have to be active members of a county volunteer team. The other Board members are Independent Trustees who are selected to bring specific skills and experience to the Board.

There are two processes for Trustee selection. Regional Chairmen are nominated by their fellow county team volunteers in their region; nominations are considered by the board and the appointment of the most suitable candidate is made following an interview with the Chairman or Deputy Chairman and the Chief Executive. Independent Trustees are approached individually by either the Chairman or Chief Executive to join the Board on the basis of the particular relevant skills and experience needed by the Board and the charity.

Trustees have the duty to plan and agree policy and to direct the affairs of the NGS. They are responsible for good management, setting policy, agreeing the annual report and accounts, maintaining contact with beneficiary charities and agreeing the basis and amount of donations.

The Board elects a Chairman for a term of three years who, as well as chairing the Board, represents NGS and maintains contact with counties, beneficiaries and associated organisations. A Deputy Chairman is similarly elected and supports the Chairman, acting as Chairman in his/her absence. Both positions are renewable for a further three years with the agreement of the Board.

The Executive Committee (made up of Chairman, Deputy Chairman, Hon Treasurer, Chief Executive and one Regional Chairman in rotation) oversees the execution of the Board decisions and deals with matters delegated to it by the Board. This committee monitors the NGS's business plan and budget and the running of NGS's operations.

The Audit Committee, chaired by the Hon Treasurer, oversees the financial reporting by the Charity on behalf of the Board of Trustees and is responsible for reviewing the risk management framework.

The Chief Executive is employed by the Board to carry out policy, and to devise and execute the charity's operational strategy. He leads the Head Office staff and together they provide the central governance, finance and marketing functions which assist and support the work of volunteers in County Teams with information, advice, supplies and other support. Most communication with garden owners takes place through the County Organisers and other team members.

The rules for the governance of NGS are laid down in the Memorandum and Articles, which were adopted in October 2009. Within this framework, day-to-day aspects including responsibilities and duties of individuals and committees, together with procedures for elections to the Board and similar matters, are set out in Standing Orders. Copies of these documents are available on request.

Trustees who have served during the period and since the period-end are set out on page 17. Trustees are provided with guidelines when appointed and most find it helpful to visit the office at Hatchlands Park, Surrey. The office assists them by providing support and personal contact. The office also arranges induction and refresher days for new and existing volunteers which Trustees are able to attend.

15. General Data Protection Regulation (GDPR)

In preparation for the introduction of GDPR in May 2018 the NGS carried out a thorough audit of its data-gathering processes and its database. Every person whose personal data was held by the charity was contacted and asked to confirm they were happy for the charity to continue to hold their data and to communicate with them.

At the same time the charity carried out a programme and training and support for all staff and volunteers, to familiarise them with the requirements of GDPR and to ensure that the principles of best practice were understood and would be observed.

**THE NATIONAL GARDEN SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

16. Public Benefit

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in their direction of the charity's activities. The NGS's principal activity, the organisation of garden opening, is expressly designed to be available to all.

This activity is also the NGS's chief source of fundraising and, from the funds raised by opening gardens, the NGS makes annual donations to beneficiary charities whose principal objective is public benefit in the form of nursing, caring or other support for individuals. A list of beneficiary charities is set out in Section 17.

As the NGS develops its programme of promoting the benefits of gardens and gardening for public and individual health and wellbeing, the Trustees are confident that the potential for long term public benefit is substantial. The programme intends to demonstrate a combination of specific health benefits for the public as well as potential benefits in reducing the costs of supporting public health.

The report on Community Nursing that the Trustees have commissioned the King's Fund to produce, will highlight the contribution of the NGS's annual donations by documenting the work of the nursing charities who are the beneficiaries and who use the funds for public benefit.

17. Beneficiary Policy and Distributions

Money raised by garden openings is donated each year to beneficiary charities approved by the Board. Donations are governed by the Board's Beneficiary Policy which was last approved in September 2015 and will be reviewed in 2019. The policy continues to focus on nursing and caring charities and is explained further below.

The charity operates a programme of regular contact and review with beneficiary charities to ensure that NGS understands their needs and that money donated to each one is put to best use. It also seeks their support in a variety of ways, as set out in Section 18.

The annual donations that the National Garden Scheme makes to its group of principal beneficiaries and the number of years that the donations have been in place mean that it is the largest single charitable funder for most of them. It is also the longest continuous funder for most of them and 2019 will mark 35 years of continuous donations to Macmillan Cancer Support totalling more than £17 million. In some cases such as Queen's Nursing Institute and Hospice UK, the NGS donations are a substantial proportion of those charities' annual fundraising.

The distribution of funds raised in 2018 is as follows:

	£'000
1 Beneficiary Charities	
Principal Donations	
Macmillan Cancer Support	500
Marie Curie	500
Hospice UK	500
Carers Trust	400
Queen's Nursing Institute	250
Parkinson's UK	185
Perennial	130
2 Guest Charity*	
MIND	100
3 Gardens and Health Donations	
KIDS**	85
Treloar's School and College**	85
Horatio's Garden**	75
4 Donations to Fund Gardener Training	
ABF The Soldiers' Charity ***	80
WRAGS (Work and Retrain as a Gardener Scheme)***	65
National Botanic Garden of Wales Trainee***	20
Professional Gardeners' Trust***	15
Garden Museum Trainee	10
TOTAL	3,000
Total of donations to local charities agreed with individual garden owners	90

**THE NATIONAL GARDEN SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

*The Beneficiary Policy allows for a guest charity from time to time. Guest charities are appointed for a minimum of two years and, following review of the partnership, a possible third year. 2019 will be MIND's first year as the guest charity.

Guest charities are nominated by the NGS's county volunteers and criteria for selection include:

- A focus on nursing and caring is preferred but wider terms of reference can be considered for guest charities, subject to them demonstrating that they deliver value to local communities.
- Charities involved in research may be considered as guest charities, provided it is not their primary activity.
- Organisations which provide social benefit and which are involved in nursing and caring could be considered even if they are not charities. However, they should be constituted in some legal form as a 'social enterprise' in some manner such as a Community Interest Company.

**In 2016, as part of the NGS's new programme of support for gardens and health, the Trustees agreed to add this as a category of the donations policy. In 2018 donations are being made to three charities, confirming the charity's commitment to developing and demonstrating the wider benefits of gardens and gardening to health and wellbeing.

***The National Garden Scheme is committed to supporting training of gardeners and other appropriate ways of encouraging people into careers in horticulture, in recognition of the fact that the charity's funds are raised from gardens. The donations above to ABF The Soldiers' Charity, WRAGS, National Botanic Gardens of Wales and Professional Gardeners' Trust all began with donations in 2016 on the basis that there was a commitment for three years consecutive funding after which there would be a review.

18. Beneficiary Activities

As part of their annual distribution policy, the Trustees continue to encourage the beneficiaries to provide reciprocal support to the NGS to bring mutual benefits in the future. The primary objective is to generate greater public awareness of the NGS through the beneficiary charities' substantial networks. This brings increased numbers of visitors to our gardens and thereby generates more funds for us to be able to distribute to them.

Notable new projects being initiated in 2018 by our beneficiaries with funding from the NGS included work starting on the brand new Y Bwthyn NGS Macmillan cancer unit at the Royal Glamorgan Hospital in South Wales. NGS has committed £2.5 million over five years to the project, which is being matched by Macmillan Cancer Support to provide the major contribution to the unit's total costs. This follows the two units similarly co-funded which have opened in Bristol and Chesterfield.

Also during the year the first group of nurses completed the new leadership programme for which the NGS gave the Queen's Nursing Institute special funding; and similarly the first recipients of the new Marie Curie bursaries funded by the NGS completed their training and courses.

All beneficiary charities complete a comprehensive report on their activities for the NGS and these are discussed by the Trustees annually at their autumn meeting. The reports combine details of how the annual donations are used with details of support for the NGS including marketing and communications activities.

19. Funds held by the NGS as Custodian Trustee on behalf of others

The Elsie Wagg Fund is an endowment made to the National Garden Scheme, as part of the Queen's Nursing Institute before it was incorporated as a separate charity. Under the terms of the endowment, although the capital rests within the NGS, the income on capital is paid each year to the Queen's Nursing Institute. Full details of the Elsie Wagg Fund are shown in the accounts under Restricted Funds.

Since the QNI is the only beneficiary of this fund, the Trustees determined during the year that it would be more appropriate for the fund to be transferred to that charity, provided there were no barriers to this. After historical research and consultation with the Charity Commission, no such barriers were found and the fund was transferred to the QNI on 31 December 2018.

**THE NATIONAL GARDEN SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

The NGS Elspeth Thompson Bursary Fund (established by the Board in 2011 and held in cash as a designated fund) allows for a series of annual bursaries to be given to support specific community gardening projects all over England and Wales. Since its establishment in 2011 the Fund has been administered for the NGS by the Royal Horticultural Society. As the original allocation of funds will be used up with the 2018 donations, a review of the scheme is being carried out by Trustees, the findings of which will be published and acted on in 2019.

As confirmed in various Sections of the Trustees' Report, designated funds also include the NGS Legacy Fund.

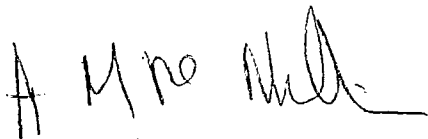
Full details of the Elspeth Thompson and Legacy Funds are shown in the accounts under Designated Funds.

20. Statement of Trustees' Responsibilities

Company law requires the Trustees to prepare Financial Statements for each financial period which give a true and fair view of the state of affairs of the company's activities during the period and of its financial position at the end of the period. In preparing those Financial Statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether the policies are in accordance with applicable accounting standards.
- Prepare the financial statements on the going concern basis unless it is not appropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charitable Company and to 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. The Trustees confirm that there is no information relevant to the audit of which the auditor is unaware and that the Trustees have taken the necessary steps to ensure they are aware of all relevant audit information and made sure the auditor is aware of it.



A. Martin McMillan OBE
Chairman of the Board of Trustees

27 March 2019

THE NATIONAL GARDEN SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

Reference and Administrative Information

Patron: His Royal Highness The Prince of Wales

President: Mary Berry CBE

Vice-Presidents:

Elizabeth Anton; Angela Azis; Ann Budden; Fred Carr; Daphne Foulsham MBE;
Penny Snell CBE; Michael Toynbee DL.

Ambassadors:

Emma Bridgewater CBE; Alan Gray; Joe Swift

The Board of Trustees

Chairman:	A. Martin McMillan OBE
Deputy Chairman:	Heather Skinner* & Sue Phipps*
Hon Treasurer:	Andrew Ratcliffe FCA*

Miranda Allhusen*, Atty Beor-Roberts, Peter Clay, Susan Copeland*, Rosamund Davies*,
Maureen Kesteven*, Colin Olle*, Sue Phipps, Mark Porter*, Patrick Ramsay,
Sir Richard Thompson KCVO, Rupert Tyler, Alison Wright*

*(*member of an NGS county team)*

All Trustees were in office for the whole of the year except for Atty Beor-Roberts who was appointed on 26th September 2018 following the resignation of Patrick Ramsay, and Alison Wright who was appointed on 20th January 2019 following the resignation of Miranda Allhusen. Sue Phipps (who was an existing Trustee) succeeded Heather Skinner as Deputy Chairman on 23rd January 2019.

Chief Executive: George Plumtre

Head Office

Hatchlands Park, East Clandon, Guildford, Surrey GU4 7RT

Auditor

Gilbert Allen & Co, Churchdown Chambers, Borden, Tonbridge, Kent TN9 1NR

Bankers

The Co-operative Bank, 9 Prescot Street, London. E1 8AZ

Solicitors

Peachey & Co, 95 Aldwych, London WC2B 4JF

Investment Advisers

Royal London Asset Management Limited, 55 Gracechurch Street, London EC3V 0RL
Investec Wealth & Investment Limited, 30 Gresham Street, London EC2V 7QN

Charity Number 1112664 Company Number 5631421 limited by guarantee
NGS Enterprises Limited Company Number 3862405 limited by guarantee

**REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEES OF
THE NATIONAL GARDEN SCHEME
(A COMPANY LIMITED BY GUARANTEE)**

Opinion

We have audited the financial statements of The National Garden Scheme Ltd (the 'charitable company') for the year ended 31 December 2018 which comprise the statement of financial activities, statement of financial position, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEES OF
THE NATIONAL GARDEN SCHEME
(A COMPANY LIMITED BY GUARANTEE)**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement in section 20 of the Trustees' 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.

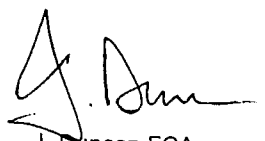
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

Churchdown Chambers
Bordyke
Tonbridge
Kent TN9 1NR

8 April 2019



J. Duncan FCA
Senior Statutory Auditor
for and on behalf of
GILBERT ALLEN & CO.
Registered Auditor
Chartered Accountants

THE NATIONAL GARDEN SCHEME
STATEMENT OF FINANCIAL ACTIVITIES (SOFA)
FOR THE YEAR ENDED 31 DECEMBER 2018

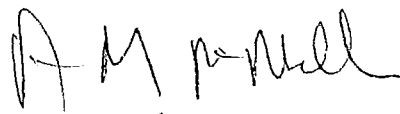
Total Year to 31.12.2017 £		Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Year to 31.12.2018 £
	Income from:					
3,873,165	Garden income		3,806,499	-	-	3,806,499
345,942	Other fundraising activities	(2)	349,054	-	-	349,054
171,349	Donations and legacies	(3)	129,503	5,000	-	134,503
10,509	Investment income	(4)	9,161	5,632	1,965	16,758
<u>4,400,965</u>	Total Income		<u>4,294,217</u>	<u>10,632</u>	<u>1,965</u>	<u>4,306,814</u>
	Expenditure on:					
3,273,567	Charitable activities	(5)	3,090,131	18,216	77,063	3,185,410
3,742	Investment management fees		-	3,176	769	3,945
921,773	Fundraising activities	(6)	995,766	86,708	-	1,082,474
234,855	Management and administration		280,781	-	-	280,781
<u>4,433,936</u>	Total expenditure		<u>4,366,678</u>	<u>108,100</u>	<u>77,832</u>	<u>4,552,610</u>
53,777	Profit on revaluation of investment assets		-	(11,160)	(5,378)	(16,538)
<u>20,806</u>	Net movement in funds		<u>(72,461)</u>	<u>(108,628)</u>	<u>(81,245)</u>	<u>(262,334)</u>
856,086	Funds brought forward at 1 January 2018		381,557	414,090	81,245	876,892
<u>876,892</u>	Funds carried forward at 31 December 2018		<u>309,096</u>	<u>305,462</u>	<u>-</u>	<u>614,558</u>

THE NATIONAL GARDEN SCHEME
Company number 5631421
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

31.12.2017			Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31.12.2018 Total £
Total £							
6,569	Fixed assets	Tangible assets	(11)	6,360	-	-	6,360
44,258		Intangible assets	(11)	40,326	-	-	40,326
455,267	Financial assets	Investments	(12)	-	225,556	73,216	298,772
506,094				46,686	225,556	73,216	345,458
	Current assets						
8,471	Stocks of merchandise			6,154	-	-	6,154
33,397	Trade and other receivables		(13)	37,046	-	-	37,046
3,505,148	Cash and cash equivalents		(14)	3,290,316	79,906	1,882	3,372,104
3,547,016				3,333,516	79,906	1,882	3,415,304
	Less:						
	Creditors: amounts falling due within one year						
3,102,445	Funds not yet distributed		(5)	3,000,000	-	-	3,000,000
73,773	Trade and other payables		(15)	71,106	-	75,098	146,204
3,176,218				3,071,106	-	75,098	3,146,204
370,798	Net current assets			262,410	79,906	(73,216)	269,100
876,892	Net assets			309,096	305,462	-	614,558
	Represented by:						
381,557	Unrestricted funds			309,096	-	-	309,096
414,090	Designated funds		(8)	-	305,462	-	305,462
81,245	Restricted funds		(9)	-	-	-	-
876,892				309,096	305,462	-	614,558

Approved by the trustees on 27 March 2019

A. Martin McMillan
Chairman of the Board of Trustees



THE NATIONAL GARDEN SCHEME
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

2017 £		2018 £
(17,398)	Net movement in funds (SOFA page 13)	(262,334)
3,218,588	Add back Charitable activities	3,185,410
<u>3,201,190</u>	Net movement in funds before charitable activities	<u>2,923,076</u>
30,033	Add back depreciation charge	40,826
15,000	Add back decrease in intangible assets	-
(8,471)	Decrease (Increase) in stock	2,317
17,439	(Increase) decrease in debtors	(3,649)
(130,931)	(Decrease) increase in creditors	72,431
<u>3,124,260</u>	Cash generated by operating activities	<u>3,035,001</u>
(3,118,588)	Payments to beneficiaries	(3,190,131)
(9,060)	Designated and restricted fund disbursements	(108,100)
<u>(3,388)</u>	Net cash (consumed) generated by operating activities	<u>(263,230)</u>
	Investing activities	
(33,567)	Purchase of fixed assets	(36,685)
(182,259)	Purchase of investments	(277,479)
199,701	Proceeds from the sale of investments	438,972
<u>(16,125)</u>		<u>124,808</u>
(19,513)	(Decrease) in cash and cash equivalents in the year	(138,422)
3,524,661	Cash at bank at 1 January 2018	3,505,148
<u>3,505,148</u>	Cash at bank at 31 December 2018	<u>3,372,104</u>

**THE NATIONAL GARDEN SCHEME
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. Principal accounting policies

(a) Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and reporting by charities (SORP 2015), and in accordance with Financial Reporting Standard 102 (FRS 102). NGS is a public benefit entity and has applied the relevant public benefit provisions of FRS 102. The Board of the NGS is satisfied that NGS has adequate resources to continue in operation for the foreseeable future and, accordingly, these financial statements have been prepared on the basis that NGS is a going concern.

(b) Group financial statements

NGS has a single wholly owned subsidiary, NGS Enterprises Limited, but consolidated financial statements have not been prepared as these would not be materially different from the financial statements of NGS.

(c) Income recognition

Garden income, comprising admission charges and the sale of refreshments, plants and other items at a garden opening, is recognised as income when received from the garden owner. Visiting guides revenue, comprising the sale of The Garden Visitor's Handbook and County booklets, is recognised as income at the point of sale. Advertising revenue is recognised as income in the year of the publication in which the relevant advertising appears. Sponsorship, donations and legacies are recognised as income when NGS is entitled to the relevant funds. Sale of merchandise is recognised when title to the goods passes.

(d) Employment benefits

Short term employment benefits, such as salaries, are recognised as an expense in the year in which the employee renders services to NGS other than for compensated absences for which any such accrual would not be material. Membership of People's Pension, a defined contribution retirement benefit scheme, is offered to all employees of NGS and contributions to that scheme are recognised as an expense in the year to which they relate.

(e) Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Leasehold improvements, equipment and computer software costing less than £1,000 are recognised as expenditure in the year of acquisition. Expenditure on all other such fixed assets is capitalised at cost and depreciation is provided on a straight line basis over their expected useful lives as follows:

- Leasehold improvements over the period of the lease
- Equipment and software expenditure over 3 years.

(f) Stocks

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

(g) Financial assets

Financial assets, which comprise quoted investments, are stated at fair value.

(h) Cash and cash equivalents

Cash includes cash in hand and deposits. Cash equivalents are short term, highly liquid investments (deposits of three months or less) that are readily convertible to known amounts of cash with insignificant risk of change in value.

**THE NATIONAL GARDEN SCHEME
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Other fundraising activities income	2017	2018
	£	£
Sale of visiting guides	105,160	107,138
Advertising revenue	200,460	194,628
Other income	40,322	47,288
	<u>345,942</u>	<u>349,054</u>

3. Donations and legacies	2017	2018
	£	£
Sponsorship	105,000	109,000
Donations	25,413	20,503
Legacies	40,936	5,000
	<u>171,349</u>	<u>134,503</u>

4. Investment income	2017	2018
	£	£
Bank interest received	1,784	9,161
Income from quoted investments	8,725	7,597
	<u>10,509</u>	<u>16,758</u>

5. Unrestricted Charitable activities expenditure	Due at 31.12.2017 £	Paid in year £	Distribution £	Due at 31.12.2018 £
Nursing Beneficiaries				
The Queen's Nursing Institute	250,000	(250,000)	250,000	250,000
Macmillan Cancer Support	500,000	(500,000)	500,000	500,000
Marie Curie	500,000	(500,000)	500,000	500,000
Hospice UK	500,000	(500,000)	500,000	500,000
Carers Trust	400,000	(400,000)	400,000	400,000
Perennial	130,000	(130,000)	130,000	130,000
Parkinson's UK	185,000	(185,000)	185,000	185,000
MS Society	145,000	(145,000)	-	-
Horatio's Garden	50,000	(50,000)	75,000	75,000
Mind	-	-	100,000	100,000
Kids	-	-	85,000	85,000
Treloar's	-	-	85,000	85,000
ABF The Soldiers' Charity	80,000	(80,000)	80,000	80,000
WRAGS (Work & Retrain as a Gardener Scheme)	65,000	(65,000)	65,000	65,000
National Botanic Garden Wales	20,000	(20,000)	20,000	20,000
Professional Gardeners' Trust	19,000	(19,000)	15,000	15,000
Maggie's Centres	120,000	(120,000)	-	-
Leonard Cheshire Disability	120,000	(120,000)	-	-
Gardening for Disabled Trust	6,000	(6,000)	-	-
Other Beneficiaries				
Garden Museum	10,000	(10,000)	10,000	10,000
Local charities nominated by garden owners	-	(90,131)	90,131	-
Total Funds for Distribution	<u>3,100,000</u>	<u>(3,190,131)</u>	<u>3,090,131</u>	<u>3,000,000</u>

**THE NATIONAL GARDEN SCHEME
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Fundraising activities expenditure	2017 £	2018 £
Garden opening	493,560	526,181
Marketing and publicity	428,213	556,293
	<u>921,773</u>	<u>1,082,474</u>

The expenditure on generating voluntary income was less than £100,000 in both years.

7. Staff costs, trustees remuneration and interests

Key management personnel

Key management personnel are those persons having authority for planning, directing and controlling the activities of NGS. These comprise members of the Board and the Chief Executive. The total remuneration of the NGS's key management personnel was £95,553 (2017: £92,009) for the year of which £6,287 (2017: £4,942) was employer's pension contributions.

Board members

NGS board members are the Trustees of NGS for charitable law purposes. Trustees received no remuneration and waived no remuneration during the year (2017: £nil). Expenses relating to travel and subsistence of £7,609 (2017: £9,478) were reimbursed to 13 (2017: 13) Trustees. Of this amount, an equivalent donation of £5,000 (2017: £6,136) was received with gift aid. NGS maintains indemnity insurance for its Trustees, officers

Staff costs:	2017 £	2018 £
Salaries	368,558	436,808
Social security and pension costs	62,443	54,956
	<u>431,001</u>	<u>491,764</u>

The average weekly number of employees during the period was: 10 13

8. Auditor's remuneration	£	£
Audit of the financial statements	5,400	6,000
All other assurance services	-	-

9. Designated funds

Designated funds comprise those funds which the Trustees have set aside for specific future purposes.

	31.12.2017 £	Incoming Resources £	Outgoing Resources £	Revaluation deficit £	31.12.2018 £
The NGS Elspeth Thompson Bursary Fund	35,029	-	(18,216)	-	16,813
The NGS Legacy Fund	379,061	10,632	(86,708)	(11,160)	288,649
Investment management fees	-	-	(3,176)	-	-
	<u>414,090</u>	<u>10,632</u>	<u>(108,100)</u>	<u>(11,160)</u>	<u>305,462</u>

10. Restricted funds

Restricted funds are funds which have been given for a particular purpose.

	31.12.2017 £	Incoming Resources £	Outgoing Resources £	Revaluation deficit £	31.12.2018 £
Elsie Wagg Gardens Scheme Fund	81,245	1,965	(77,063)	(5,378)	-
Investment management fees.	-	-	(769)	-	-

For details of Designated and Restricted funds see also section 19 of the Trustees Annual report.

THE NATIONAL GARDEN SCHEME
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

11. Fixed assets	Tangible Equipment £	Intangible Software £	Total £
Cost at 1 January 2018	21,640	72,029	93,669
Additions in year	3,064	33,621	36,685
Decrease in year	-	-	-
Cost at 31 December 2018	<u>24,704</u>	<u>105,650</u>	<u>130,354</u>
Depreciation at 1 January 2018	15,071	27,771	42,842
Charge in year	3,273	37,553	40,826
Depreciation at 31 December 2018	<u>18,344</u>	<u>65,324</u>	<u>83,668</u>
Net book value at 31 December 2018	<u>6,360</u>	<u>40,326</u>	<u>46,686</u>
Net book value at 31 December 2017	<u>6,569</u>	<u>44,258</u>	<u>50,827</u>

12. Financial assets	2017 £	2018 £
Fair value at 1 January 2018	425,445	455,267
Additions	132,567	277,479
Disposals	(156,522)	(417,436)
Decrease in value in the year	53,777	(16,538)
Fair value at 31 December 2018	<u>455,267</u>	<u>298,772</u>
Investments at fair value comprised:		
Fixed interest	47,898	52,553
UK equities	154,392	83,906
Overseas equities	199,788	105,557
Alternative assets	43,796	42,339
Property	9,393	14,417
	<u>455,267</u>	<u>298,772</u>

13. Trade and other receivables	2017 £	2018 £
Trade debtors	8,204	2,545
Prepayments	25,192	34,500
NGS Enterprises Limited	1	1
	<u>33,397</u>	<u>37,046</u>

14. Cash and cash equivalents	2017 £	2018 £
Co-operative Bank	206,296	243,613
Royal London Cash Management	3,274,297	3,123,457
Investec Wealth and Investment	24,555	5,034
	<u>3,505,148</u>	<u>3,372,104</u>

THE NATIONAL GARDEN SCHEME
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

15. Trade and other payables	2017	2018
	£	£
Trade creditors	17,701	17,006
Accruals	5,400	11,900
HMRC - VAT	26,637	18,926
Deferred income	20,384	15,214
Other creditors	3,651	8,060
Unrestricted Funds	<u>73,773</u>	<u>71,106</u>
Restricted Funds	-	75,098
Total	<u><u>73,773</u></u>	<u><u>146,204</u></u>

16. Lease obligations

At 31 December 2018 the Charitable Company had an annual commitment under a non-cancellable operating lease (property rental) as set out below:

	2017	2018
	£	£
Operating lease which expires:		
Within one year	14,000	14,000
Within two to five years	-	51,042
	<u><u>14,000</u></u>	<u><u>65,042</u></u>