

REGISTERED COMPANY NUMBER: 04366549
REGISTERED CHARITY NUMBER: 1090796

The Batsford Foundation
Report of the Trustees and
Audited Financial Statements
for the Year Ended 31st January 2023

Woodward Hale Limited
38 Dollar Street
Cirencester
Gloucestershire
GL7 2AN

Registered number: 04366549

The Batsford Foundation

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for the Year Ended 31st January 2023**

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The Batsford Foundation

**Report of the Trustees
for the Year Ended 31st January 2023**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements for the year ended 31st January 2023. The accounts consolidate the financial statements of the charity and its subsidiary undertaking, Batsford Garden Centre Limited. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims for the public benefit

Under the memorandum of association, the objects of the charity are the general purposes of such charitable bodies or for such other purposes as shall be exclusively charitable as the trustees may from time to time decide particularly:

- the advancement of the education of the public in the knowledge and practice of all forms of cultivation and the study of historic buildings and their contents and surroundings including gardens, arboretums and historic landscapes and the promotion of research therein
- the promotion of the conservation, protection and improvements of the physical and natural environment

The charity's strategy for pursuing its objectives fall into the following main activities:

- adherence to good practice in the management of the arboretum
- providing educational opportunities to schoolchildren
- efficiently administering the charity
- controlling the charity in an effective manner
- management of investments to optimise returns

Significant activities for the public benefit

Conservation at Batsford falls broadly into two categories; botanical conservation of exotic plant varieties and conservation of native flora and fauna. The former is the main priority but with such a varied habitat there is plenty of scope to develop the latter as well. Various botanic gardens have supplied wild collected seeds and plants to the arboretum. These are all recorded enabling them to be traced if the source garden requires any information or plant material for breeding programmes in the future.

In particular, the plant collections will be managed to:

- maintain or improve their integrity or educational value
- maintain and enhance the aesthetic appeal of the arboretum
- source plant material having due regard to the arboretum's history, its links with the orient and the collections created by the 2nd Lord Dulverton (recognising the need to conserve biodiversity, the arboretum will as far as possible obtain plants from known sources)
- be accurately labelled, recorded onto a database and the information made readily available if required

It is the aim of the trustees of the arboretum to encourage more people to visit this unique heritage throughout the seasons.

The Batsford Foundation

Report of the Trustees for the Year Ended 31st January 2023

ACHIEVEMENT AND PERFORMANCE

After demonstrating considerable resilience through and after the pandemic and, in the year, completing the major extension of the main building, this was a year of consolidation. The enlarged building and enhanced ancillary services (including an upgraded electricity supply) help future-proof the Foundation's work with a greater indoor area for the visitor centre, successfully brought into use while resolving the inevitable issues. The Foundation's new subsidiary, Batsford Garden Centre Limited, traded for its full first year. We have continued to benefit from the development as part of arboretum of the additional area given by Seven Lays with its panoramic views, recent planting and, now, the new lake/reservoir. Drawing on springs, that reservoir provides a new wildlife habitat and gives a water reserve to protect our plants as we see more climate change. Related to that challenge, we have given attention to the potential for renewable electricity generation, settling on a scheme for solar canopies in the upper care park which would also ensure and protect the Foundation's operations in a way consistent with the Foundation's remit. We were pleased to plant a commemorative tree to mark Her Late Majesty's Platinum Jubilee and, more recently, the Coronation of His Majesty. The Foundation is looking forward to further enhancing the arboretum with what it offers to visitors and the support given to education and visiting groups as well as its donations and support given to gardening clubs. We thank Tony Russell who stood down as a trustee at the start of 2023 for his service, commitment and good counsel over the years.

FINANCIAL REVIEW

Investment policy

The trustees' policy is to undertake investments that provide income for current activities while enhancing underlying capital value. They periodically review performance to ensure the best outcome.

Reserves policy

The trustees' policy is to maintain a level of reserves at approximately 10% of incoming resources from generated funds, sufficient to provide a stable base for the charity's continuing activities while at the same time ensuring excessive funds are not accumulated. Unrestricted net current assets at 31st January 2023 were £269,919 (2022: £831,301) against 10% of unrestricted incoming resources from other trading activities and investment income of £109,819 (Page 10) (2022: £123,117). The high value of stocks within net current assets belie the actual funds held in cash and in bank.

Performance

Total unrestricted incoming resources were £1,836,138 (Page 10) (2022: £2,119,074) and total unrestricted resources expended were £1,655,649 (Page 10) (2022: £1,591,280). The principal funding sources were garden centre sales and arboretum admissions. Net income (unrestricted funds) shows a surplus of £176,192 (Page 10) compared to £571,307 in the prior year. Total unrestricted funds have increased to £5,259,627 from £5,083,435 in the prior year (Page 10).

FUTURE PLANS

The Foundation is working to ensure that its facilities give the greatest benefit both through their efficient use and smooth operation and by developing the conservation activity and experience offered to visitors.

The Foundation continues to attend to developing the collection and the condition of the fabric of the arboretum. The planting programme is designed to extend the season, enhancing the arboretum for the spring to complement its traditional strengths in the autumn and developing the collection for the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee and is governed by its memorandum and articles of association.

The Batsford Foundation

**Report of the Trustees
for the Year Ended 31st January 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

Organisational structure

The strategic direction and development of the charity is managed by the trustee board. It receives regular reports on all aspects of the work of the charity and meets at least three times a year. The day-to-day operation of the charity is devolved to the company secretary and the director of operations. The charity has a wholly-owned subsidiary called Batsford Garden Centre Limited. The company is limited by shares and is used for non-primary purpose trading activities.

Induction and training of new trustees

New trustees receive an induction to brief them on their legal obligations under charity and company law, the content of the memorandum and articles of association, the decision-making processes, the business plan and the recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of the role.

Pay policy for senior employees

The day-to-day operation of the charity is devolved to the company secretary and the director of operations. The remuneration of senior staff is reviewed annually and aims to pay a competitive package to ensure the retention of individuals that demonstrate ability. The trustees give their time freely.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04366549

Registered Charity number

1090796

Registered office

Harts Barn Farmhouse
Monmouth Road
Longhope
Gloucestershire
GL17 0QD

Trustees

Sir James Chichester Bt
N D Dunn
T D Russell – resigned on 10th February 2023
N M Williams-Ellis
The Hon R I H Wills

Company Secretary

J P Moody

Auditors

Woodward Hale Limited
38 Dollar Street
Cirencester
Gloucestershire
GL7 2AN

The Batsford Foundation

**Report of the Trustees
for the Year Ended 31st January 2023**

REFERENCE AND ADMINISTRATIVE DETAILS - continued

Bankers

HSBC
High Street
Moreton-in-Marsh
Gloucestershire
GL56 0AR

Solicitors

Farrer & Co
66 Lincoln's Inn Fields
London
WC2A 3LH

Director of Operations

S Priest

PUBLIC BENEFIT

The trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Batsford Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- 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 auditors are aware of that information.

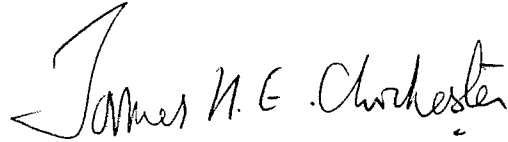
Registered number: 04366549

The Batsford Foundation

**Report of the Trustees
for the Year Ended 31st January 2023**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 23rd Jan 2024 and signed on its behalf by:

A handwritten signature in black ink that reads "James N. E. Chichester". The signature is written in a cursive style with a large initial 'J'.

Sir James Chichester Bt - Trustee

**Report of the Independent Auditors to the Members of
The Batsford Foundation**

Opinion

We have audited the financial statements of The Batsford Foundation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31st January 2023 which comprise the Consolidated Statement of Financial Activities, the group and parent charitable company Balance Sheets, the Consolidated 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 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 group's and of the parent charitable company's affairs as at 31st January 2023 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent 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 The Batsford Foundation's 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the group financial statements and our Report of the Independent Auditors thereon.

Our opinion on the group 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 group 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 group 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.

**Report of the Independent Auditors to the Trustees of
The Batsford Foundation**

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements
- the Report of the Trustees 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Trustees of
The Batsford Foundation**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and Section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 audit 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risk of material misstatements to the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. In identifying and addressing risks of material misstatements with respect to irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following: we obtained an understanding of the laws and regulations that affect the company, focussing on those that have a direct effect on the financial statements or that have a fundamental effect on its operations; we enquired of the directors and reviewed directors meeting minutes for evidence on non-compliance with relevant laws and regulations; we reviewed controls the directors have in place to ensure compliance; we gained an understanding of the controls that the directors have in place to prevent and detect fraud; we enquired of the directors about any incidences of fraud that had taken place during the accounting period; the risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks; we reviewed financial statements disclosures and tested to supporting documentation to access compliance with the relevant laws and regulations; we enquired of the directors and third party advisors about actual and potential litigation and claims; we performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatements due to fraud; and finally; in addressing the risk of fraud due to management override of internal controls, we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias. Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected all material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with accounting standards. For example, as with any audit, there remains a risk of non-detection of irregularities that arise from collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of
The Batsford Foundation**

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 parent charitable company and the parent charitable company's members as a body and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Vincent Cowling (Senior Statutory Auditor)
for and on behalf of Woodward Hale Limited, Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
38 Dollar Street
Cirencester
Gloucestershire
GL7 2AN

26th January 2024

The Batsford Foundation

Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31st January 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	3,743	3,743	42,574
Charitable activities					
Arboretum	3	737,948	-	737,948	847,450
Other trading activities	4	995,181	-	995,181	1,126,956
Investment income	5	103,009	-	103,009	104,216
Total		1,836,138	3,743	1,839,881	2,121,196
EXPENDITURE ON					
Raising funds					
Other trading activities	6	996,907	-	996,907	1,045,895
Investment management costs	7	78,379	4,923	83,302	46,800
		1,075,286	4,923	1,080,209	1,092,695
Charitable activities					
Arboretum	8	574,363	1,064	575,427	500,510
Donations		6,000	-	6,000	4,115
Total		1,655,649	5,987	1,661,636	1,597,320
Net gains/(losses) on investments	16	(4,297)	-	(4,297)	43,513
NET INCOME/(EXPENDITURE)		176,192	(2,244)	173,948	567,389
RECONCILIATION OF FUNDS					
Fund balances brought forward		5,083,435	68,955	5,152,390	4,585,001
Fund balances carried forward	20	5,259,627	66,711	5,326,338	5,152,390

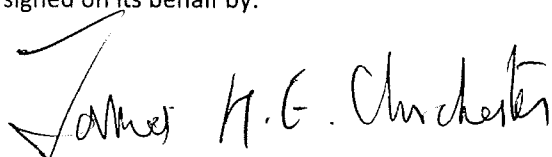
All activities relate to continuing activities. There were no other recognised gains or losses other than those stated above.

The Batsford Foundation

Balance Sheets
31st January 2023

	Notes	The Group		The Charity	
		2023 £	2022 £	2023 £	2022 £
FIXED ASSETS					
Tangible assets	15	4,642,605	-	4,544,014	3,728,217
Investments	16	410,437	-	515,437	587,220
		<u>5,053,042</u>	<u>-</u>	<u>5,059,451</u>	<u>4,315,437</u>
CURRENT ASSETS					
Stocks	17	274,272	-	-	203,512
Debtors	18	118,748	-	343,081	69,169
Cash at bank and in hand		155,807	-	155,807	886,926
		<u>548,827</u>	<u>-</u>	<u>498,888</u>	<u>1,159,607</u>
CREDITORS					
Amounts falling due within one year	19	(275,531)	-	(199,119)	(322,654)
		<u>273,296</u>	<u>-</u>	<u>299,769</u>	<u>836,953</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,326,338</u>	<u>-</u>	<u>5,359,220</u>	<u>5,152,390</u>
NET ASSETS		<u>5,326,338</u>	<u>-</u>	<u>5,359,220</u>	<u>5,152,390</u>
FUNDS					
Unrestricted funds:					
General fund	20	5,259,627	-	5,292,509	5,083,435
Restricted funds:					
Leaves for Learning project		43,358	-	43,358	46,781
Play Area project		1,000	-	1,000	2,500
The Art of Conservation lino print		864	-	864	1,016
Bricks in the Wall project		16,008	-	16,008	13,028
Head gardener seed collection travel costs		5,000	-	5,000	5,000
Forest School project		481	-	481	630
TOTAL FUNDS		<u>5,326,338</u>	<u>-</u>	<u>5,359,220</u>	<u>5,152,390</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23rd Jan 2024 and were signed on its behalf by:



James Chichester Bt - Trustee

The notes form part of these financial statements

The Batsford Foundation**Consolidated Cash Flow Statement
for the Year Ended 31st January 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	119,301	783,226
Net cash provided by operating activities		<u>119,301</u>	<u>783,226</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,076,293)	(467,887)
Purchase of fixed asset investments		(439,610)	(22,634)
Sale of tangible fixed assets		41,750	1,500
Sale of fixed asset investments		612,096	-
Interest received		127	607
Dividends received		11,510	6,634
		<u>(850,420)</u>	<u>(481,780)</u>
Change in cash and cash equivalents in the reporting period		(731,119)	301,446
Cash and cash equivalents at the beginning of the reporting period		<u>886,926</u>	<u>585,480</u>
NET ASSETS		<u><u>155,807</u></u>	<u><u>886,926</u></u>

The notes form part of these financial statements

The Batsford Foundation

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31st January 20231. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING
ACTIVITIES

	2023	2022
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	173,948	567,389
Adjustments for:		
Depreciation charges	121,153	103,107
Gain/(loss) on investments	4,297	(43,513)
(Profit)/loss on disposal of fixed assets	(997)	3,402
Interest received	(127)	(607)
Dividends received	(11,510)	(6,634)
(Increase)/decrease in stocks	(70,760)	(16,124)
(Increase)/decrease in debtors	(49,579)	(14,673)
Increase/(decrease) in creditors	(47,124)	190,879
	<u>119,301</u>	<u>783,226</u>
Net cash provided by operations	<u>119,301</u>	<u>783,226</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/2/22	Cash flow	At 31/1/23
	£	£	£
Net cash			
Cash at bank and in hand	<u>886,926</u>	<u>(731,119)</u>	<u>155,807</u>

The Batsford Foundation

**Notes to the Financial Statements
for the Year Ended 31st January 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have also been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Batsford Garden Centre Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Public benefit entity

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

Critical accounting judgements and key sources of estimation uncertainty

The trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities based on their experience and professional advice received. Inevitably, the actual outcome may differ from predictions. There is only one key estimate which includes a risk of material misstatement and it relates to the economic life, and hence depreciation rate, assumed for the visitor centre. Professional advice suggested that a figure of 50 years might be appropriate and the trustees have adopted this figure as they consider it a reasonable estimate. Estimates and underlying assumptions are reviewed on an ongoing basis to ensure that they remain relevant.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income from visitors and members is measured at fair value of the consideration is received or receivable. The point of recognition of the income is when admission is granted to the arboretum or shop goods are accepted by a customer and the purchase transaction completes. Income that is attributable to future visits that members will make to the arboretum is deferred and released to the Consolidated Statement of Financial Activities over the period to which the membership relates. Gift Aid income resulting from membership is matched to the period to which it relates, as is all other income.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource.

The Batsford Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31st January 2023**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Improvements to property	- 2% to 5% on cost
Plant and machinery	- 15% on reducing balance
Office equipment	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Freehold buildings (excluding the visitor centre) are not depreciated on the grounds of immateriality as any disposal proceeds are expected to be at least equal to the residual value in the accounts. The visitor centre is depreciated on a straight-line basis over its expected useful economic life of 50 years. Freehold land is not depreciated.

A review for impairment of a fixed asset would be carried out if events or changes in circumstances indicate that the carry amount of the fixed asset may not be recoverable.

Fixed asset investments

Fixed asset investments are held to generate income or for their investment potential, or both. Listed investments are stated at market value.

Investments in subsidiaries

Investments in subsidiaries are at cost.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell, after making due allowance for obsolete and slow moving items. Cost price is calculated by deducting sales margin from selling price.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds are funds which have been raised by the charity for particular purposes and are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

Government grants and assistance

Government grants are recognised when the charity has complied with any conditions attached to them and there is reasonable assurance that the amounts will be received. The accruals model has been adopted to account for the government grants received, namely the Coronavirus Job Retention Scheme (CJRS) grant. The charity has also benefited from the introduction of a reduced rate of VAT on admission charges to the arboretum for a temporary period from 15th July 2020 to 31st March 2022.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

The Batsford Foundation**Notes to the Financial Statements - continued
for the Year Ended 31st January 2023****1. ACCOUNTING POLICIES - continued****Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Heritage assets

The charity holds a heritage asset comprising an arboretum and plant collection of international importance. The value of the original 60 acre site is not reflected in the balance sheet.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	3,743	4,574
Government grants	-	38,000
	<u>3,743</u>	<u>42,574</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Arboretum entrance fees	<u>737,948</u>	<u>847,450</u>

4. INCOME FROM OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Arboretum shop sales	172,869	133,279
Garden centre plant sales	344,016	430,791
Garden centre shop sales	471,287	553,639
Events	7,009	8,123
Compensation	-	1,124
	<u>995,181</u>	<u>1,126,956</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Rents receivable	91,372	96,975
Dividends and similar distributions	11,510	6,634
Interest receivable	127	607
	<u>103,009</u>	<u>104,216</u>

The Batsford Foundation**Notes to the Financial Statements - continued
for the Year Ended 31st January 2023****6. EXPENDITURE ON OTHER TRADING ACTIVITIES**

	2023	2022
	£	£
Opening stock	203,512	187,388
Purchases	618,572	628,067
Closing stock	(274,272)	(203,512)
Salaries and wages	290,461	233,681
Point of sale costs	11,496	9,431
Hire of plant and machinery	6,399	5,005
Travel and accommodation	744	70
Telephone	1,569	1,762
Stationery and postage	195	1,049
Sundries	101	66
Repairs and consumables	888	1,587
Depreciation of tangible fixed assets	9,584	4,915
Support costs (see note 9)	127,658	176,386
	<u>996,907</u>	<u>1,045,895</u>

7. INVESTMENT MANAGEMENT COSTS

	2023	2022
	£	£
Depreciation	4,131	1,783
Repairs and consumables	-	4,392
Support costs (see note 9)	79,171	40,625
	<u>83,302</u>	<u>46,800</u>

8. CHARITABLE ACTIVITIES COSTS

	2023	2022
	£	£
Salaries and wages	220,716	211,360
Trees and plants	5,678	3,882
Repairs and consumables	34,635	21,482
Hire of equipment	3,356	5,223
Telephone	784	881
Stationery and postage	1,104	926
Point of sale costs	29,393	29,451
Advertising	23,915	17,031
Sundries	254	-
Depreciation of tangible fixed assets	17,141	13,345
(Profit)/loss on sale of tangible fixed assets	(997)	-
Support costs (see note 9)	239,448	196,929
	<u>575,427</u>	<u>500,510</u>

The Batsford Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st January 2023

9. SUPPORT COSTS

	Other trading activities	Investment management costs	Arboretum	2023 Total activities	2022 Total activities
	£	£	£	£	£
Salaries and wages	33,519	4,933	33,013	71,465	78,052
Pensions	6,509	412	7,830	14,751	13,920
Rates and water	2,737	2,345	2,737	7,819	7,923
Insurance	1,604	5,617	8,828	16,049	14,151
Light and heat	11,391	9,765	11,391	32,547	33,765
Telephone and internet	2,863	-	3,500	6,363	7,150
Postage and stationery	772	-	1,802	2,574	1,859
Sundries	-	100	1,901	2,001	2,630
Health insurance	3,711	167	4,017	7,895	7,341
Training and college fees	2,545	-	2,545	5,090	4,620
Motor and travel	11,850	-	8,593	20,443	16,302
Repairs and maintenance	844	14,501	15,175	30,520	31,653
Staff uniforms	1,711	-	1,141	2,852	1,992
Cleaning	8,622	-	25,867	34,489	32,452
Advertising and public relations	-	-	13,961	13,961	10,542
Legal and professional fees	796	2,200	796	3,792	1,000
Bookkeeping	8,490	1,887	8,490	18,867	17,555
Bank charges	-	44	297	341	214
Subscriptions	2,189	-	1,033	3,222	2,361
Refreshments	893	-	894	1,787	1,741
Security	-	2,711	2,712	5,423	5,760
Consultancy	-	-	-	-	544
Computer expenses	3,712	309	2,163	6,184	4,047
Company secretary's fees	4,200	3,600	4,200	12,000	12,000
Audit fees	4,800	545	7,245	12,590	8,620
Accountancy	10,300	550	7,305	18,155	8,880
Trustees' travel costs	-	-	1,200	1,200	400
Penalty interest and charges	3,600	-	-	3,600	-
Depreciation of tangible fixed assets	-	29,485	60,812	90,297	83,064
(Profit)/loss on sale of tangible fixed assets	-	-	-	-	3,402
	<u>127,658</u>	<u>79,171</u>	<u>239,448</u>	<u>446,277</u>	<u>413,940</u>

Governance includes company secretary's fees of £12,000 (2022: £12,000), audit fees of £12,590 (2022: £8,620), accountancy fees of £18,155 (2022: £8,880), trustees' travel costs of £1,200 (2022: £400), a total of £43,945 (2022: £29,900).

The Batsford Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st January 2023

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	121,153	103,107
Hire of plant and machinery	9,755	10,228
(Profit)/loss on disposal of fixed assets	(997)	3,402

11. TRADING SUBSIDIARY

The charity owns the entire share capital of Batsford Garden Centre Limited, a company registered in England and Wales. The company number is 13839161. The charity and the subsidiary share the same registered office address.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

A summary of the results of the subsidiary are shown below:

	2023
	£
Turnover	995,181
Cost of sales	(853,266)
Gross profit/(loss)	141,915
Other expenditure	(15,983)
Charged by the parent undertaking:	
Support costs	(127,658)
Rent	(24,900)
Loan interest	(6,256)
Profit/(loss) on ordinary activities	(32,882)
Taxation on profit on ordinary activities	-
Profit/(loss) for the financial year	(32,882)
The assets and liabilities of the company were:	
Fixed assets	98,591
Current assets	276,186
Current and long term liabilities	(302,659)
Total net assets	72,118
Share capital - £1 ordinary shares	105,000
Retained profits	(32,882)
	72,118

The figures above are stated before consolidation adjustments.

The Batsford Foundation**Notes to the Financial Statements - continued
for the Year Ended 31st January 2023****12. TRUSTEES' REMUNERATION AND BENEFITS**

There was no trustees' remuneration or significant other benefits during the year. Two trustees were reimbursed for travel costs to the value of £1,200 (2022: £400) during the year.

13. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	582,642	523,093
Other pension costs	14,751	13,920
	<u>597,393</u>	<u>537,013</u>

The key management personnel of the charity comprise the trustees and senior management. There was no trustees' remuneration or benefits during the year. Senior management received £73,565 (2022: £70,576).

The average monthly number of employees during the year was as follows:

	2023	2022
Garden centre	18	16
Arboretum	9	7
Office	2	2
	<u>29</u>	<u>25</u>

Only one employee had a salary in excess of £60,000, namely the director of operations. Total emoluments, which included gross salary, accommodation paid by salary sacrifice, pension contributions and private medical insurance, fell within the band £70,000 to £79,999.

The Batsford Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st January 2023

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	40,452	2,122	42,574
Charitable activities			
Arboretum	847,450	-	847,450
Other trading activities	1,126,956	-	1,126,956
Investment income	104,216	-	104,216
	<u>2,119,074</u>	<u>2,122</u>	<u>2,121,196</u>
EXPENDITURE ON			
Raising funds			
Other trading activities	1,045,895	-	1,045,895
Investment management costs	41,851	4,949	46,800
	<u>1,087,746</u>	<u>4,949</u>	<u>1,092,695</u>
Charitable activities			
Arboretum	499,419	1,091	500,510
Other	4,115	-	4,115
Total	<u>1,591,280</u>	<u>6,040</u>	<u>1,597,320</u>
Net gains on investments	43,513	-	43,513
NET INCOME/(EXPENDITURE)	<u>571,307</u>	<u>(3,918)</u>	<u>567,389</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	4,512,128	72,873	4,585,001
	<u>5,083,435</u>	<u>68,955</u>	<u>5,152,390</u>

The Batsford Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st January 2023

15. TANGIBLE FIXED ASSETS

Group	Freehold property and improvements £	Leasehold improvements £	"Leaves for Learning" classroom £	Plant and machinery £
COST				
At 1st February 2022	4,214,026	-	68,019	316,986
Additions	918,025	18,957	2,275	103,275
Disposals	(54,507)	-	-	(57,588)
At 31st January 2023	5,077,544	18,957	70,294	362,673
DEPRECIATION				
At 1st February 2022	699,221	-	21,890	170,942
Charge for year	84,203	1,177	3,423	22,564
Eliminated on disposal	(36,124)	-	-	(35,218)
At 31st January 2023	747,300	1,177	25,313	158,288
NET BOOK VALUE				
At 31st January 2023	4,330,244	17,780	44,981	204,385

	Office equipment £	Motor vehicles £	Totals £
COST			
At 1st February 2022	56,941	40,713	4,696,685
Additions	3,346	30,415	1,076,293
Disposals	-	-	(112,095)
At 31st January 2023	60,287	71,128	5,660,883
DEPRECIATION			
At 1st February 2022	42,410	34,005	968,468
Charge for year	4,329	5,456	121,152
Eliminated on disposal	-	-	(71,342)
At 31st January 2023	46,739	39,461	1,018,278
NET BOOK VALUE			
At 31st January 2023	13,548	31,667	4,642,605

The Batsford Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st January 2023

15. TANGIBLE FIXED ASSETS - continued

Charity	Freehold property and improvements £	"Leaves for Learning" classroom £	Plant and machinery £
COST			
At 1st February 2022	4,214,026	68,019	316,986
Additions	918,025	2,275	44,472
Disposals	(54,507)	-	(57,588)
At 31st January 2023	5,077,544	70,294	303,870
DEPRECIATION			
At 1st February 2022	699,221	21,890	170,942
Charge for year	84,203	3,423	17,936
Eliminated on disposal	(36,124)	-	(35,218)
At 31st January 2023	747,300	25,313	153,660
NET BOOK VALUE			
At 31st January 2023	4,330,244	44,981	150,210
At 31st January 2022	3,514,805	46,129	146,044
	Office equipment £	Motor vehicles £	Totals £
COST			
At 1st February 2022	56,941	40,713	4,696,685
Additions	3,346	-	968,118
Disposals	-	-	(112,095)
At 31st January 2023	60,287	40,713	5,552,708
DEPRECIATION			
At 1st February 2022	42,410	34,005	968,468
Charge for year	4,329	1,677	111,568
Eliminated on disposal	-	-	(71,342)
At 31st January 2023	46,739	35,682	1,008,694
NET BOOK VALUE			
At 31st January 2023	13,548	5,031	4,544,014
At 31st January 2022	14,531	6,708	3,728,217

The Batsford Foundation**Notes to the Financial Statements - continued
for the Year Ended 31st January 2023****16. FIXED ASSET INVESTMENTS**

	2023 Group £	2022 Group £	2023 Charity £	2022 Charity £
Listed investments	410,437	-	410,437	587,220
Investment in subsidiary company	-	-	105,000	-
	<u>410,437</u>	<u>-</u>	<u>515,437</u>	<u>587,220</u>

Listed investments

	Group and charity £
Market value At 1st February 2022	587,220
Additions	439,606
Disposals	(612,096)
Revaluations	(4,297)
Market value Cash	<u>410,433</u> 4
At 31st January 2023	<u>410,437</u>

The listed investment is comprised entirely of shares in the CF Ruffer Total Return Fund. The objective of this fund is low volatility and positive returns in all market conditions from an actively managed portfolio of equities or equity related securities (including convertibles) and corporate and government bonds and currencies. The constituent investments are located both within and outside the UK.

Cost or valuation is represented by:

	Group and charity £
Valuation	(1,662)
Cost	412,099
At 31st January 2023	<u>410,437</u>

Investment in subsidiary company

Investments held by the charity include an investment of £105,000 in the subsidiary company at cost.

The Batsford Foundation**Notes to the Financial Statements - continued
for the Year Ended 31st January 2023****17. STOCKS**

	2023	2022
	£	£
Stocks	274,272	203,512

No stocks were held by the charity.

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022	2023	2022
	Group	Group	Charity	Charity
	£	£	£	£
Trade debtors	73,396	-	71,482	10,585
Amounts due from subsidiary undertakings	-	-	226,247	-
Income tax recoverable	7,135	-	7,135	12,439
Social security and other taxes	2,536	-	2,536	-
Other debtors	13,297	-	13,297	22,965
Prepayments and accrued income	22,384	-	22,384	23,180
	<u>118,748</u>	<u>-</u>	<u>343,081</u>	<u>69,169</u>

The amounts due from subsidiary undertakings represents a loan from the charity at commencement of trading together with financial support since as the subsidiary experienced a delay opening a bank account during the year and had to rely on the charity to perform the banking function. The figure includes £208,591 falling due after more than one year.

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022	2023	2022
	Group	Group	Charity	Charity
	£	£	£	£
Trade creditors	57,244	-	43,824	50,352
Value Added Tax	79,756	-	43,449	5,460
Social security and other taxes	4,856	-	-	-
Other creditors	2,453	-	2,453	2,820
Accruals and deferred income	131,222	-	109,393	264,022
	<u>275,531</u>	<u>-</u>	<u>199,119</u>	<u>322,654</u>

The Batsford Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st January 2023

20. MOVEMENT IN FUNDS

	At 1/2/22 £	Net movement in funds £	At 31/1/23 £
Unrestricted funds			
General fund	5,083,435	176,192	5,259,627
Restricted funds			
Leaves for Learning project	46,781	(3,423)	43,358
Play Area project	2,500	(1,500)	1,000
The Art of Conservation lino print	1,016	(152)	864
Bricks in the Wall project	13,028	2,980	16,008
Head gardener seed collection travel costs	5,000	-	5,000
Forest School project	630	(149)	481
	<u>68,955</u>	<u>(2,244)</u>	<u>66,711</u>
TOTAL FUNDS	<u>5,152,390</u>	<u>173,948</u>	<u>5,326,338</u>

Net movement in funds, included in the above, are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,836,138	(1,655,649)	(4,297)	176,192
Restricted funds				
Leaves for Learning project	-	(3,423)	-	(3,423)
Play Area project	-	(1,500)	-	(1,500)
The Art of Conservation lino print	-	(152)	-	(152)
Bricks in the Wall project	3,743	(763)	-	2,980
Forest School project	-	(149)	-	(149)
	<u>3,743</u>	<u>(5,987)</u>	<u>-</u>	<u>(2,244)</u>
TOTAL FUNDS	<u>1,839,881</u>	<u>(1,661,636)</u>	<u>(4,297)</u>	<u>173,948</u>

The Batsford Foundation

Notes to the Financial Statements - continued
for the Year Ended 31st January 2023

20. MOVEMENT IN FUNDS - continued

Comparatives for movements in funds

	At 1/2/21 £	Net movement in funds £	At 31/1/22 £
Unrestricted funds			
General fund	4,512,128	571,307	5,083,435
Restricted funds			
Leaves for Learning project	50,230	(3,449)	46,781
Play Area project	4,000	(1,500)	2,500
The Art of Conservation lino print	1,195	(179)	1,016
Bricks in the Wall project	11,669	1,359	13,028
Head gardener seed collection travel costs	5,000	-	5,000
Forest School project	779	(149)	630
	<u>72,873</u>	<u>(3,918)</u>	<u>68,955</u>
TOTAL FUNDS	<u>4,585,001</u>	<u>567,389</u>	<u>5,152,390</u>

Net movement in funds, included in the above, are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,119,074	(1,591,280)	43,513	571,307
Restricted funds				
Leaves for Learning project	-	(3,449)	-	(3,449)
Play Area project	-	(1,500)	-	(1,500)
The Art of Conservation lino print	-	(179)	-	(179)
Bricks in the Wall project	2,122	(763)	-	1,359
Forest School project	-	(149)	-	(149)
	<u>2,122</u>	<u>(6,040)</u>	<u>-</u>	<u>(3,918)</u>
TOTAL FUNDS	<u>2,121,196</u>	<u>(1,597,320)</u>	<u>43,513</u>	<u>567,389</u>

The Batsford Foundation**Notes to the Financial Statements - continued
for the Year Ended 31st January 2023****21. CAPITAL COMMITMENTS**

	2023	2022
	£	£
Contracted but not provided for in the financial statements	-	468,720

22. RELATED PARTY DISCLOSURES

During the year, J P Moody, company secretary, provided secretarial and advisory services to the charity amounting to £12,000 (2022: £12,000).

During the year, S Priest (director of operations) occupied a property on the premises necessarily for the proper performance of his duties and paid rent during the year of £5,000 (2022: £5,000) by salary sacrifice. The open market rental value might be about £13,000 per year.

23. ULTIMATE CONTROLLING PARTY

The charity is jointly controlled by the trustees.

24. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

25. LEAVES FOR LEARNING PROJECT

The charity launched an appeal in 2013 to raise funds to construct a classroom on the premises.

A classroom was required to enhance the educational opportunities the charity offers youngsters to learn about the conservation work the charity does at Batsford as well as National Curriculum subjects such as how trees and plants grow, ecosystems and the importance of wildlife and the environment.

The target of £40,000 has been achieved, the construction is now complete and we are pleased to announce that the classroom is available for hire. The names of donors have been attached to a large tree mural which has become a permanent feature in the new facility.

The classroom will also allow the charity to increase the range of events for adults, including horticultural evenings and countryside courses.

We would like to thank each and every donor for their generous support.

The Batsford Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31st January 2023**

26. BRICKS IN THE WALL PROJECT

The charity launched an appeal in 2018 to raise funds to restore and conserve our Victorian grade II listed kitchen garden wall.

The project will provide opportunities for members of the public to attend demonstrations and workshops directly related to the restoration with topics including stonemasonry, brick laying, dry stone walling and lime mortar preparation.

The project will also create training and apprenticeship opportunities in heritage wall repairs to ensure that these skills are passed on to the next generation and bring to life the garden tools of the past by displaying them in a "Potting Shed" museum.

The fundraising target is £80,000.

27. FOREST SCHOOL PROJECT

We provide opportunities for pre-schoolers up to the age of 4 to engage with nature and explore our newly established Forest School site led by our Forest School leader.

Activities include a mud kitchen, hunts for bugs, exploring, play and stories.

The sessions last for an hour and a half and we provide a snack and a drink as part of the admission fee. Adults and children in arms are free.

We are appealing for donations to fund running costs.

28. HERITAGE ASSETS

The Foundation holds heritage assets in the form of an arboretum and plant collection of international importance that has developed over more than a century and covers an area of approximately 60 acres.

This collection includes acers, bamboo, magnolias, pines, Japanese cherries, oaks and sorbus and is held in furtherance of the charity's objects.

In the opinion of the trustees there are substantial difficulties over attributing a value to the arboretum and plant collection and they are excluded from the balance sheet for this reason.