

Company Registration No. 2499006

Registered Charity No. 803428

**The Foundation and Friends of the
Royal Botanic Gardens, Kew**

Trustees' Report and Financial Statements

31 March 2023

**The Foundation and Friends of the Royal Botanic Gardens, Kew
Year ended 31 March 2023**

Trustees' Report and Financial Statements 2023

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The Foundation and Friends of the Royal Botanic Gardens, Kew

Year ended 31 March 2023

Reference and administrative details

Jan Pethick – Chair
Nick Baird
Kristina Kenworthy
Jane Reeves
Jantiene Klein Roseboom van der Veer

Company registered No. 2499006

Charity registered No. 803428

Key Management Personnel

The key management personnel are the Foundation's Trustees.

Registered & principal office The Herbarium
Kew Green
Richmond
TW9 3AE

Bankers

Lloyds Bank PLC
3rd Floor
10 Gresham Street
London
EC2V 7AE

CAF (Charities Aid Foundation)
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4TA

Legal advisers

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

Auditor

Haysmacintyre LLP
Statutory Auditor
10 Queen Street Place
London
EC4R 1AG

Investment managers

Handelsbanken
3 Thomas More Square
London
EC1W 1WY

Cazenove Capital Management
1 London Wall Place
London
EC2Y 5AU

The Foundation and Friends of the Royal Botanic Gardens, Kew

Year ended 31 March 2023

Strategic report

Objectives and activities

The Trustees, who are also Directors of the Foundation and Friends of the Royal Botanic Gardens, Kew (the "Foundation") for the purposes of the Companies Act, submit their Trustees' Report, which includes the Directors' Report and Strategic Report for Companies Act purposes and the audited Financial Statements of the Foundation for the year ended 31 March 2023.

Object

The Foundation's object, set out in its Articles of Association, is to provide support for the Royal Botanic Gardens, Kew ("RBG Kew") in such manner as the Foundation shall think fit. The Foundation is a Public Benefit Entity.

Public benefit

RBG Kew's general functions are set out in the National Heritage Act 1983 and are to:

- carry out investigation and research into the science of plants and related subjects, and disseminate the results of the investigation and research;
- provide advice, instruction and education in relation to those aspects of the science of plants with which RBG Kew is concerned;
- provide other services (including quarantine) in relation to plants;
- care for its collections of plants, preserved plant material, other objects relating to plants, books and records;
- keep the collections as national reference collections, ensure that they are available to persons for the purposes of study, and add to and adapt them as scientific needs and RBG Kew resources allow; and
- afford to members of the public opportunities to enter any land occupied or managed by RBG Kew, for the purpose of gaining knowledge and enjoyment from RBG Kew's collections.

The Trustees have reviewed the activities of RBG Kew against the public benefit principles outlined in the guidance issued by the Charity Commission and the Trustees believe that, as these meet the public benefit charitable aims, the Foundation in turn meets the public benefit requirements.

Strategic aims and activities

The Foundation fundraises for RBG Kew, focusing on legacy fundraising and the management of investments. It also holds historic funds which are intended to support the work of RBG Kew through the provision of grants. Examples of projects supported in the year and the process for grant making are set out below.

Grant-making

Total grants made to RBG Kew to support its activities in 2022/23 year were £3.3M (2021/22: £8.5M), of which £0.7M (2021/22: £1.6M) was for specific projects from restricted funds and £2.6M (2021/22: £6.9M) was for projects from unrestricted funds. Key projects supported by the Foundation include:

- **Science (£1.0M granted in 2022/23, £1.2M in 2021/22):** RBG Kew's scientific vision is to help stop biodiversity loss and develop sustainable nature-based solutions to some of humanity's biggest global challenges. RBG Kew aims to understand and protect plants and fungi for the well-being of people and the future of all life on Earth. Grants from Kew Foundation include funds for multiple projects at the Millennium Seed Bank and key strategic outputs from Kew's Science Strategy including the Plant and Fungal Tree of Life and the Tropical Important Plant Areas (TIPAs).
- **Enhancing Visitor Experience (£0.4M granted in 2022/23, £2.4M in 2021/22):** Implementation of a new infrastructure system which is designed to further RBG Kew's objectives by growing revenue and enhancing the engagement of Kew's visitors, members and other supporters.

In addition, trustees approved a grant of £1.5M for the proposed Learning Centre at Kew Gardens.

The Foundation and Friends of the Royal Botanic Gardens, Kew

Year ended 31 March 2023

Strategic report

Grant policy

In order to secure the consent of the Foundation Trustees to release funds, RBG Kew submits a grant request to the Foundation for a particular purpose. All grants must be in line with the strategic aims of RBG Kew, conform to the wishes of the donor where relevant and conform to the statement of public benefit referred to above. If approved, funds are transferred subject to an appropriate audit trail evidencing use of funds.

Fundraising approach and performance

The Trustees oversee all fundraising activities undertaken by the Foundation. The Foundation has engaged RBG Kew Enterprises Ltd to provide legacy fundraising services and services to support the management of grants held by the Foundation but has not worked with other professional fundraising agents in the year. RBG Kew Enterprises Ltd adheres to the Code of Fundraising Practice issued by the Fundraising Regulator and the Trustees receive progress reports on fundraising at each Board meeting in order to review and oversee aspects of fundraising undertaken on their behalf. The Foundation is registered with the Fundraising Regulator. No fundraising complaints have been received by the Foundation in 2022/23 regarding its fundraising practices.

Achievements and performance

In 2022/23, in collaboration with the staff and supporters of RBG Kew, the Foundation raised income of £5.3M (2021/22: £4.3M) and gave grants totalling £3.3M (2021/22: £8.5M) to RBG Kew.

Investments income was £0.1M. Investments recorded unrealised losses of £0.9M for the financial year, as markets experienced a turbulent year with global reopening following the pandemic, inflationary pressures emerging, and the impact of the unfolding conflict in the Ukraine.

Structure, governance and management

The Foundation is a Registered Charity (number 803428) and a Company limited by guarantee (number 2499006). It is governed by its Articles of Association (revised in October 2022).

Trustees and Directors

The Trustees who held office during and at the end of the year are listed on page 1.

The Board votes on the election of new members at its regular meetings. Any new Trustee is elected for a period of three years after which time they may be re-appointed.

New Trustees are given an induction to introduce them to the Foundation as well as to the work of RBG Kew. Trustees receive briefings from management and meet staff to understand and review different aspects of the organisation. New projects that are being undertaken by RBG Kew are explained.

During 2022/23, the Foundation Board of Trustees held two meetings.

Organisational structure

The Foundation has no employees and the Trustees are considered the Key Management Personnel. Services and support to manage legacy, grant and investment income are purchased from RBG Kew and RBG Kew Enterprises Ltd.

Pay and remuneration arrangements

The Trustees are not remunerated for their role.

Related parties

The Foundation Board has a maximum of six Trustees; up to two Trustees can be recommended for appointment by RBG Kew, and up to four trustees are independent. Jantiene Klein Roseboom van der Veer was a Trustee of both RBG Kew and the Foundation during 2022/23 and 2021/22. Nick Baird was appointed as an independent Trustee of the Foundation in November 2021 when he retired as an RBG Kew Trustee. In addition, there were three other independent Trustees.

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Year ended 31 March 2023

Strategic report

The Foundation is deemed to have an associate relationship with RBG Kew, based on the number of Trustees who are appointed by RBG Kew. As such, in accordance with accounting standards, a share of the Foundation's net assets is consolidated into the accounts of RBG Kew reflecting the proportion of Trustees appointable by RBG Kew, which is 33% as at 31 March 2023 financial year (31 March 2022: 33%). RBG Kew does not have the ability to exercise control over the net assets recognised, which remain subject to decision-making by the Foundation's independent Board of Trustees, and these assets are therefore shown as restricted assets in RBG Kew's financial statements.

The Foundation has related party transactions with RBG Kew and also with RBG Kew Enterprises Ltd (a wholly owned subsidiary of RBG Kew). RBG Kew Enterprises Ltd provides legacy fundraising services and services to support the management of grants and investments to the Foundation. RBG Kew provides back office support services to the Foundation including finance services.

One Kew Foundation Trustee (Jan Pethick) was also a member of RBG Kew's Foundation Council in the year. The Council promotes and supports RBG Kew's success in fundraising and provides advice on all aspects of RBG Kew's fundraising and membership activities.

The Kew Asia Foundation Limited was incorporated on 4 March 2015 in Hong Kong to support and promote education, scientific research in the science of plants and related subjects through horticulture collaboration between the community of Hong Kong, and RBG Kew by inspiring and delivering science-based plant conservation worldwide. It was dissolved in July 2021. The Kew Asia Foundation Limited did not have Trustees in common with the Kew Foundation.

Systems of internal control

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- an annual budget approved by the Trustees;
- regular consideration by the Trustees of financial results, variances from budgets and non-financial performance indicators;
- delegation of authority and segregation of duties, where appropriate; and
- the identification and management of risks.

Key risks for the Foundation are outlined on page 6.

Going concern

The Trustees are confident that the Foundation is a going concern. This assessment is based on:

- budgets and forecasts prepared for 2023/24 financial year and beyond, based on forecasts of legacy and investment income
- reserves held which allow the Foundation to meet grant and other expenditure commitments, with healthy unrestricted reserves providing security against any unforeseen operating risks
- cash and liquid investment holdings are sufficient to meet operating cash requirements for the next twelve months.

Financial review

Results for 2022/23

The results for the year are set out in the Statement of Financial Activities (SOFA).

Income received in the year ended 31 March 2023 was £5.5M (2022: £4.3M).

Grants and donations income decreased to £0.0M (2022: £0.4M). Legacy income increased to £5.3M (2022: £3.8M). The Foundation's pipeline of legacy notifications is relatively strong, supporting expectations for legacy income in future years.

Net surplus for the year amounted to £1.0M (2022: £4.2M net deficit) after grants to RBG Kew of £3.3M (2022: £8.5M).

At 31 March 2023, the Foundation's total funds amounted to £20.7M (2022: £19.6M); consisting of £4.6M (2022: £4.9M) in endowments, £5.5M (2022: £5.8M) in donor restricted funds, £4.0M (2022: £3.7M) in general unrestricted

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Strategic report

funds, and £6.5M (2022: £5.3M) in unrestricted funds designated to projects. Although £5.3m of legacies was accounted for in year £3.8m is included in debtors at year end awaiting distribution to the charity. The current fund balances meet the Foundation's Reserves Policy detailed below.

Reserves Policy

The Foundation's policy is to hold at least £0.3M of reserves. This is the anticipated annual expenditure budget of the Foundation going forward. Given that legacy income is variable, reserves will be held at a level to ensure all costs can be covered even if no legacies are received in any one year.

Unrestricted general reserves are currently £3.7M in excess of £0.3M. This balance will be reviewed during 2023/24 to determine if funds should be granted to RBG Kew.

Investment Policy and Statement of Investment Principles

The Foundation holds funds for the short and medium-term to ensure liquidity and to meet the requirements for specific projects and purposes. These funds are invested in short and medium-term deposits and other short and medium-term instruments according to the guidelines set out by the Board, reviewed annually.

The Trustees have delegated the investment management role over its investment portfolios to:

- Cazenove Capital for the Sainsbury Orchid Fund endowment;
- Handelsbanken Investment Managers for other endowment funds and unspent legacy funds;
- Goldman Sachs International for cash management (closed in 2022/23).

Funds invested by Cazenove Capital have an investment objective to maintain the real value of capital while generating a sustainable level of income to support the Research Fellowships at Kew. The portfolio is invested primarily in the Charity Multi-Asset Fund, with some lower risk holdings of bonds and cash investments. The target return is CPI plus 3% per annum, net of fees, over the long term.

For the funds managed by Handelsbanken, the Foundation adopts an 'Absolute Return' approach to investment, recognising the investment return from income and capital gains or losses. The overall investment objective of the funds managed by Handelsbanken is to achieve positive real returns of CPI plus 3% over the long term, while maintaining a medium tolerance to risk.

Funds invested by Goldman Sachs International were all held in the Sterling Money Market Fund. The Trustees decided to close this account and have decided not to reinvest holdings in non-cash holdings at the present time, to preserve liquidity.

The Trustees review annually the performance and service of fund/investment managers, investment principles and guidelines for product investment. In 2021/22 the Trustees decided to transfer the remaining Handelsbanken portfolio to "sustainable funds". The sustainable funds reduce the Foundation's investment in industries such as tobacco, defence and alcohol, and increase investment in areas with more positive environmental, social and governance impacts, including renewable energy and carbon efficiency. All investments are now held in balanced sustainable funds.

Ethics policy

The Trustees do not wish to impose any specific ethical investment policy, but the assets should be invested in line with the charity's aims and conform to the Third Party Engagement Policy and Donor Engagement Review Process.

Investment performance

The Trustees meet each investment advisor at least annually and the commentary below reflects their reporting on performance.

The 2022/23 financial year inflationary pressures, higher interest rates, and the Ukraine crisis have resulted in weaker performance than expected. The total unrealised investment losses for the Foundation's investment portfolios in the year were £0.9M.

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The Handelsbanken portfolios returned total annual performances of between 14% loss and 1% gain in the financial year (2021/22: gains between 9% and 16%), while funds invested with Cazenove returned a loss in value of 6% (2021/22: gain 8%).

Fundraising

The Trustees thank the following for their generous support of our vital work:

Legacies: Qamer Adam, Francis Bangay, Dorothy Booth, Frances Bremner, Sylvia Carter, Vivienne Daniell, Anne Evans, Pamela Farley, Florence Follows, Anna Gofryk, Prudence Green, Elizabeth Grenfell, Margaret Guilder, Evelleen Hain-Wybrow, Ondre Haynes, Jill Hood, William Howard, Sylvia Huggins, Sharon Ickringill, Fay Katz, Margaret Kerr, Richard Kirby, Dora Lockley, Brian Meldrum, Patricia and David Moss, Kathleen Murphy, James Robertson, Nicola Rose, Barbara Rowe, Margaret Ryan, Ann Sayer, Jeremy Stanley-Smith, Vida Voles.

And all other supporters, including those who have chosen to remain anonymous.

Risk management

The Foundation has a robust risk management framework which is updated, presented to and reviewed by Trustees once a year. Each risk has an assigned risk owner who will coordinate actions to mitigate the risk and record progress made and actions completed. The current most significant risks for the Foundation are detailed below:

- Reputational risk from engagement with third parties whose activities could negatively impact the Foundation's reputation. To mitigate this risk, Donor and Third Party Engagement policies are in place, which includes assessment of potential risks from engagements.
- Failure to process personal data in compliance with relevant legislation. To mitigate this risk, a data framework is in place that ensures any donor data held is in compliance with data protection requirements.
- Risk to the Foundation's financial sustainability from reduced income. Annual budgets are prepared and performance monitored through the year, with any risks highlighted to the Trustees. The Foundation holds reserves at a level to meet its operating commitments and any future grant commitments.

Plans for future periods

The Foundation's focus is on developing and growing the legacy programme and stewarding donors to ensure income due from existing donor pledges is delivered. The Foundation will also continue to manage its investment portfolio.

The Foundation will continue to pay grants to RBG Kew from unrestricted and restricted funds.

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Year ended 31 March 2023

Trustees' responsibilities statement

The Trustees (who are also directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; 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 auditor is aware of that information.

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

The Trustees' Report and the Strategic Report were approved by the Trustees and signed on their behalf by:

Jan Pethick
Chair



26 June 2023

Independent auditor's report to the Members and Trustees of The Foundation and Friends of the Royal Botanic Gardens, Kew

Opinion

We have audited the financial statements of The Foundation and Friends of the Royal Botanic Gardens, Kew for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Summary Income and Expenditure Account, the Statement of Cash Flows 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 March 2023 and of the charitable company's net movement in funds, including the 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 charity 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 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 charitable company'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 other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Independent auditor's report to the Members and Trustees of The Foundation and Friends of the Royal Botanic Gardens, Kew (cont.)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the charitable company, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as the taxation environment.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and

Independent auditor's report to the Members and Trustees of The Foundation and Friends of the Royal Botanic Gardens, Kew (cont.)

- Challenging assumptions and judgments made by management in their significant accounting estimates, in particular legacy accrued income.

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

A further description of our responsibilities 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.



Richard Weaver (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP,

10 Queen Street Place
Statutory Auditor
London
EC4R 1AG

26 June 2023

The Foundation and Friends of the Royal Botanic Gardens, Kew

Statement of Financial Activities Year ended 31 March 2023

2022/23

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Income and endowments from:					
Donations, grants and legacies	2	4,855	472	-	5,327
Investments	3	52	-	79	131
Total income		4,907	472	79	5,458
Expenditure on:					
Raising funds	4	(291)	-	(5)	(296)
Charitable activities	4	(2,543)	(742)	-	(3,285)
Total expenditure		(2,834)	(742)	(5)	(3,581)
Net losses on investments	7	(550)	-	(304)	(854)
Net (expenditure) for the year		1,523	(270)	(230)	1,023
Transfers between funds	10	14	75	(89)	-
Net movement in funds		1,537	(195)	(319)	1,023
Funds brought forward	10	8,989	5,727	4,925	19,641
Funds carried forward	10	10,526	5,532	4,606	20,664

All gains and losses recognised for the year are included above. All restricted funds received and expended relate to income funds. Notes 1 to 15 form part of these accounts.

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Statement of Financial Activities
Year ended 31 March 2023

2021/22

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Income and endowments from:					
Donations, grants and legacies	2	1,974	2,242	-	4,216
Investments	3	14	5	93	112
Total income		1,988	2,247	93	4,328
Expenditure on:					
Raising funds	4	(283)	-	(7)	(290)
Charitable activities	4	(6,886)	(1,563)	-	(8,449)
Total expenditure		(7,169)	(1,563)	(7)	(8,739)
Net gains/(losses) on investments	7	45	-	143	188
Net (expenditure)/income for the year		(5,136)	684	229	(4,223)
Transfers between funds	10	-	81	(81)	-
Net movement in funds		(5,136)	765	148	(4,223)
Funds brought forward	10	14,125	4,962	4,777	23,864
Funds carried forward	10	8,989	5,727	4,925	19,641

The Foundation and Friends of the Royal Botanic Gardens, Kew

Summary income and expenditure account Year ended 31 March 2023

	2023	2022
	£'000	£'000
Income		
Donations and legacies	5,327	4,216
Interest and investment income	52	19
Gains/(losses) on investments	(550)	45
Gross income in the reporting period	<u>4,829</u>	<u>4,280</u>
Total expenditure in the reporting period	<u>(3,576)</u>	<u>(8,732)</u>
Net expenditure for the reporting period	<u><u>1,253</u></u>	<u><u>(4,452)</u></u>

As required by the Companies Act 2006, this statement presents the movements on income and expenditure excluding endowment funds.

The Foundation and Friends of the Royal Botanic Gardens, Kew

Balance Sheet as at 31 March 2023

	Notes	2023 £'000	2022 £'000
Fixed assets			
Investments	7	14,067	11,410
Total fixed assets		14,067	11,410
Current assets			
Debtors	8	3,861	1,049
Cash at bank and in hand		3,200	11,019
Total current assets		7,061	12,068
Creditors: amounts falling due within one year	9	(464)	(3,837)
Net current assets		6,597	8,231
Total assets less current liabilities		20,664	19,641
NET ASSETS		20,664	19,641
The funds of the charity:			
Restricted income funds	10	5,532	5,727
Permanent endowment funds	10	2,605	2,758
Expendable endowment funds	10	2,001	2,167
Unrestricted funds – designated	10	6,502	5,314
Unrestricted funds – general	10	4,024	3,675
TOTAL FUNDS		20,664	19,641

Notes 1 to 15 form part of these accounts.

These financial statements of The Foundation and Friends of the Royal Botanic Gardens, Kew (registered number 2499006) were approved and authorised for issue by the Board of Trustees and signed on their behalf by:

Jan Pethick
Chair

26 June 2023



The Foundation and Friends of the Royal Botanic Gardens, Kew

Statement of cash flows Year ended 31 March 2023

	Note	2022/23	2021/22
		£'000	£'000
Net cash flows from operating activities	14	(4,414)	(2,418)
Cash flows from investing activities:			
Dividends and interest from investments		106	112
Proceeds from the sale of investments		291	20,636
Purchase of investments		(3,802)	(10,207)
Net cash flows from investing activities		(3,405)	10,541
Change in cash in the reporting period		(7,819)	8,123
Cash at the beginning of the reporting period		11,019	2,896
Cash at the end of the reporting period		3,200	11,019

Notes 1 – 15 form part of these accounts.

All cash and cash equivalents are included in cash at bank and in hand

The Foundation and Friends of the Royal Botanic Gardens, Kew

Notes to the accounts Year ended 31 March 2023

1. Statement of accounting policies

The principal accounting policies are summarised below. All have been applied consistently throughout the year.

Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP 2019): Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011. The financial statements present information for The Foundation and Friends of the Royal Botanic Gardens Kew ("Kew Foundation" or "the Foundation").

Foundation status

The Foundation is a private company limited by guarantee, incorporated in England and Wales and is a charity registered in England and Wales. It is a Public Benefit Entity. The members of the Foundation are the Trustees. In the event of the Foundation being wound up, the liability in respect of the guarantee is limited to £1 per member of the Foundation.

Going concern

Having reviewed cash flow forecasts and budgets for 2022/23 and beyond, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future, not less than 12 months from the date of signing. Accordingly, they continue to adopt the going concern basis in preparing the Trustees' Report and Financial Statements.

Reserves

The Foundation has a Reserves Policy that seeks to maintain unrestricted reserves (excluding the designated property reserve) at around one year of future operating expenditure (£0.3M). Unrestricted reserves are currently £3.7M in excess of £0.3M. This balance will be reviewed during 2023/24 to determine when funds can be granted to RBG Kew.

Fund accounting

General or unrestricted funds are available for use at the discretion of the Trustees in furtherance of the objectives of the Foundation. These are funds that have not been designated for other purposes.

Designated funds comprise unrestricted funds set aside by the Trustees for particular purposes. The aim and use of each designated fund are set out in the notes to the financial statements.

Restricted funds are funds which have been raised by the Foundation for particular purposes and are to be used in accordance with specific restrictions imposed by donors. The aim and use of each material restricted fund are set out in the notes to the financial statements.

Endowment funds are a mix of restricted and unrestricted funds and may be expendable or permanent. Permanent endowment funds are held by the Foundation as a corporate trustee and do not form part of the corporate property of the charitable company.

During 2014/15 the Sainsbury Orchid Trust Fund (£2.4M) was transferred to the Foundation from the Bentham-Moxon Trust. Using this permanent endowment, the Foundation will provide grants to RBG Kew connected with the advancement of education and learning by the promotion of study and enhancement of the orchid collection and orchid work. The Trust deed confers an oversight role on two other sets of Trustees; Robert and Lisa Sainsbury Art Trust Ltd Trustees (previously known as the Art Trustees), the Gatsby Charitable Foundation Trustees (previously known as the Gatsby Trustees).

Investment income, gains and losses are allocated to the appropriate fund.

Income

All income including grants are included in the Statement of Financial Activities (SOFA) when the Foundation is legally entitled to the income, receipt is probable, and the amount can be measured with sufficient reliability. For

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Notes to the accounts Year ended 31 March 2023

pecuniary legacies, this is upon notification (probate). Residuary legacies are recognised when probate is granted and there is sufficient information to value them (usually receipt of estate accounts). Where legacies include the transfer of property, this is included at valuation.

No amounts are included in the financial statements for services donated by volunteers. Gifts in kind are included at fair value. Donated services or facilities are included in income at a valuation which is an estimate of the financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Expenditure

Expenditure is accounted for on an accruals basis. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of resources.

Unrestricted grants to RBG Kew are recognised when approved and formally communicated with the recipient. Restricted grants to RBG Kew are recognised and awarded to RBG Kew on approval of a valid claim. Gifts in kind to RBG Kew are recognised when the Foundation donates staff time or other assets.

Fundraising costs are incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the Foundation.

Governance costs are incurred in connection with the administration and compliance of the Foundation. Governance and support costs are allocated across the various activities of the Foundation based on an estimate of the time spent by staff.

Grant making

The Foundation raises monies for RBG Kew. A request for payment for various projects proposed by RBG Kew is made to the Foundation Trustees. When applications are received, the Foundation gives independent due consideration to granting such funds, considering the strategy and wishes of the donor and, if approved by the Trustees, payment is made. Proper evidence of expenditure is always required, to the satisfaction of the Trustees.

Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Investment movements as disclosed in the Statement of Cash Flows reflect additions to and withdrawals from the investment portfolio.

Taxation accounting

The Foundation is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes. No tax charge has arisen in the years ended 31 March 2023 or 31 March 2022.

Financial instruments

Investments are accounted for at fair value through profit and loss in accordance with the requirements of FRS 102 sections 11 and 12. Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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Notes to the accounts Year ended 31 March 2023

Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Other than legacy income described in this note, the Trustees do not consider there are any other critical judgements or sources of estimation uncertainty requiring disclosure.

2. Income and endowments from donations, grants and legacies

	2022/23			Total £'000
	Unrestricted £'000	Restricted £'000	Endowment £'000	
Grants and donations	-	-	-	-
Legacies	4,855	472	-	5,327
	<u>4,855</u>	<u>472</u>	<u>-</u>	<u>5,327</u>
	2021/22			Total £'000
	Unrestricted £'000	Restricted £'000	Endowment £'000	
Grants and donations	-	367	-	367
Legacies	1,974	1,875	-	3,849
	<u>1,974</u>	<u>2,242</u>	<u>-</u>	<u>4,216</u>

As at 31 March 2023, the Foundation had been notified of 44 (2022: 51) legacies, estimated to be worth £5.57M in income (2022: £2.41M), £3.86M (2022: £0.85M) of which can be measured with sufficient reliability and therefore this amount has been recognised within accrued income.

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Notes to the accounts Year ended 31 March 2023

3. Income from investments

	2022/23			Total £'000
	Unrestricted £'000	Restricted £'000	Endowment £'000	
Bank interest	25	-	-	25
Dividends & other distributions	27	-	79	106
	<u>52</u>	<u>-</u>	<u>79</u>	<u>131</u>
	2021/22			Total £'000
	Unrestricted £'000	Restricted £'000	Endowment £'000	
Bank interest	-	-	-	-
Dividends & other distributions	14	5	93	112
	<u>14</u>	<u>5</u>	<u>93</u>	<u>112</u>

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Notes to the accounts Year ended 31 March 2023

5. Support and governance costs

	2022/23
	Total
	£'000
Costs incurred	
Governance	14
Office administration and other support	63
	<u>77</u>
	<u><u>77</u></u>

	2021/22
	Total
	£'000
Costs incurred	
Governance	16
Office administration and other support	67
	<u>83</u>
	<u><u>83</u></u>

6. Net (expenditure)/income

This is stated after charging:

	Total	Total
	2022/23	2021/22
	£'000	£'000
Auditor's remuneration:		
Fees payable to the company's auditor for the audit of the Foundation's annual accounts	14	16
Non-audit fees:		
- Tax filing	<u>-</u>	<u>-</u>

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Notes to the accounts Year ended 31 March 2023

7. Fixed asset investments

	Endowment Investments £'000	Other Investments £'000	Total £'000
At 1 April 2022	4,925	6,485	11,410
Sales proceeds	(291)	-	(291)
Purchases	197	3,499	3,696
Income re-invested	79	27	106
Realised and unrealised gains / (losses)	(304)	(550)	(854)
At 31 March 2023	<u>4,606</u>	<u>9,461</u>	<u>14,067</u>

	Endowment Investments £'000	Other Investments £'000	Total £'000
At 1 April 2021	4,777	16,874	21,651
Sales proceeds	(3,665)	(16,971)	(20,636)
Purchases	3,665	6,523	10,188
Income re-invested	5	14	19
Realised and unrealised gains / (losses)	143	45	188
At 31 March 2022	<u>4,925</u>	<u>6,485</u>	<u>11,410</u>

	2023 £'000	2022 £'000
Investment at fair value comprise:		
Commodities	77	48
Equity	4,768	5,791
Bonds	2,424	1,561
Property funds	696	891
Hedge funds	197	232
Liquidity funds (including cash and cash equivalents)	462	129
Charity Multi Asset Funds	5,443	2,758
At 31 March	<u>14,067</u>	<u>11,410</u>
All fixed asset investments are held in the UK.		
Investments at historical cost	<u>10,455</u>	<u>10,161</u>

The Foundation and Friends of the Royal Botanic Gardens, Kew

Notes to the accounts Year ended 31 March 2023

8. Debtors: amounts due within one year

	2023 £'000	2022 £'000
Accrued income	3,861	1,049
	<u>3,861</u>	<u>1,049</u>

Contingent assets: As at 31 March 2023 the Foundation has been notified of 44 (2022: 34) legacies of which £3.82M (2022: £1.05M) has accrued. The remaining £1.71M (2022:£1.23M) has not been recognised as the executors have yet to establish if there are sufficient assets in these estates, after settling any liabilities to pay these legacies. The Foundation is therefore unable to estimate with sufficient accuracy the amount receivable and has not accrued for these legacies on that basis.

9. Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Payable to related undertakings	447	3,820
Accruals	17	17
	<u>464</u>	<u>3,837</u>

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Notes to the accounts Year ended 31 March 2023

10. Statement of funds

	Balance 1 April 2022 £'000	Income £'000	Expenditure £'000	Recognised gains/(losses) £'000	Transfers £'000	Balance 31 March 2023 £'000
Restricted Income Funds	5,727	472	(742)	-	75	5,532
Endowment funds						
Sainsbury Orchid Fund	2,758	52	(5)	(111)	(89)	2,605
Expendable endowments						
Smythies Fund	199	-	-	(16)	-	183
Lennox Boyd Fund	717	-	-	(56)	-	661
Shawdon Fund	63	-	-	(5)	-	58
Bewsey Fund	1,188	27	-	(116)	-	1,099
Total endowment funds	4,925	79	(5)	(304)	(89)	4,606
Total restricted and endowment funds	10,152	551	(747)	(304)	(14)	10,138
Unrestricted designated funds						
Property Fund	800	-	-	-	-	800
Director of Science Research	1,205	-	(353)	-	-	852
Enhancing Visitor Experience	441	-	(441)	-	-	-
Kew Learning Centre	-	80	-	-	1,500	1,580
Other	2,868	12	(149)	-	539	3,270
	5,314	92	(943)	-	2,039	6,502
Unrestricted funds						
General Fund	3,675	4,815	(1,891)	(550)	(2,025)	4,024
Total unrestricted funds	8,989	4,907	(2,834)	(550)	14	10,526
Total funds	19,641	5,458	(3,581)	(854)	-	20,664

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Notes to the accounts Year ended 31 March 2023

	Balance 1 April 2021 £'000	Income £'000	Expenditure £'000	Recognised gains/(losses) £'000	Transfers £'000	Balance 31 March 2022 £'000
Restricted Income Funds	4,962	2,247	(1,563)	-	81	5,727
Endowment funds						
Sainsbury Orchid Fund	2,630	90	(7)	126	(81)	2,758
Expendable endowments						
Smythies Fund	197	-	-	2	-	199
Lennox Boyd Fund	711	-	-	6	-	717
Shawdon Fund	63	-	-	-	-	63
Bewsey Fund	1,176	3	-	9	-	1,188
Total endowment funds	<u>4,777</u>	<u>93</u>	<u>(7)</u>	<u>143</u>	<u>(81)</u>	<u>4,925</u>
Total restricted and endowment funds	<u>9,739</u>	<u>2,340</u>	<u>(1,570)</u>	<u>143</u>	<u>-</u>	<u>10,152</u>
Unrestricted designated funds						
Property Fund	800	-	-	-	-	800
Family Kitchen & Shop	2,433	-	(2,433)	-	-	-
Director of Science Research	1,376	-	(171)	-	-	1,205
Enhancing Visitor Experience	2,617	-	(2,176)	-	-	441
Other	3,375	-	(507)	-	-	2,868
	<u>10,601</u>	<u>-</u>	<u>(5,287)</u>	<u>-</u>	<u>-</u>	<u>5,314</u>
Unrestricted funds						
General Fund	3,524	1,988	(1,882)	45	-	3,675
Total unrestricted funds	<u>14,125</u>	<u>1,988</u>	<u>(7,169)</u>	<u>45</u>	<u>-</u>	<u>8,989</u>
Total funds	<u>23,864</u>	<u>4,328</u>	<u>(8,739)</u>	<u>188</u>	<u>-</u>	<u>19,641</u>

See Note 15 for details of general support to RBG Kew.

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Notes to the accounts Year ended 31 March 2023

10. Statement of funds (continued)

Funds information

Restrictions on the endowment funds are as follows:

- The **Sainsbury Orchid** Fund is used to provide grants to RBG Kew connected with the advancement of education and learning by the promotion of study and enhancement of the orchid collection and orchid work. The Trust deed confers an oversight role on two other sets of Trustees: Robert and Lisa Sainsbury Art Trust Ltd Trustees (previously known as the Art Trustees) and the Gatsby Charitable Foundation Trustees (previously known as the Gatsby Trustees). The transfer from this fund represents realised income which is transferred to the related restricted fund on a quarterly basis.
- The **Smythies** Fund is an unrestricted expendable endowment. Part of the fund should be used to support botanical illustration. The interest is used for budget relief.
- The **Lennox Boyd** Fund is used by Kew to provide education for overseas students through the Lennox Boyd Programme. In particular, emphasis is placed on promoting exchanges of people between British institutions and their counterparts in Commonwealth countries.
- The **Shawdon** Fund is used to support Kew's annual winter lecture series with an emphasis, but not exclusively on any aspects of the uses of plants for medicine.
- The **Bewsey** Fund was received by the Foundation in 2015/16. It is an expendable endowment restricted to conservation and research.

Designations of unrestricted funds are as follows:

- The Property fund represented funds designated in 2016/17 for RBG Kew's capital projects, the balance is held for Kew's use on improvement work around the estate.
- Director of Science research - £0.9M remains of the funds designated in 2019/20 to support the Kew Director of Science's research programme in furtherance of Kew's objectives.
- Enhancing Visitor Experience - £2.1M was transferred in 2021/22 to support this infrastructure project which is designed to further Kew's objectives by growing revenue and enhancing the engagement of Kew's visitors, members and other supporters. This fund was fully utilised in 2022/23.
- Kew Learning Centre - £1.5M was designated in 2022/23 to support this infrastructure project which is designed to provide a modern learning facility to expand Kew's educational programme.
- Other designated funds of £2.7M represent allocations to other, smaller activities and projects, and unrestricted legacy income recognised which the Trustees wish to designate for future use in line with the donors' non-binding wishes. This will be subject to proposals for use to be submitted by RBG Kew.

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Notes to the accounts Year ended 31 March 2023

	Balance 1 April 2022 £'000	Income £'000	Expend- iture £'000	Transfers between funds £'000	Balance 31 March 2023 £'000
<u>Restricted Funds</u>					
Science					
Seed conservation – supporting the collection, storage and viability of seeds, particularly at RBG Kew’s Millennium Seed Bank	1,938	281	(235)	3	1,987
Tropical Important Plant Areas (TIPAs) – supporting identification and conservation of TIPAs	257	0	(129)	(8)	120
Plant and Fungal Tree of Life (PAFTOL)	4	0	(6)	2	0
State of the World’s Plants	183	0	(2)	0	181
Orchid Fellow	187	0	(97)	89	179
Other scientific research and associated activity	674	162	(167)	0	669
Horticulture and botanic gardens					
Evolution Garden	19	0	(16)	0	3
Children’s Garden	42	0	(42)	0	0
Broadwalk Borders	0	0	0	0	0
Wakehurst Place	435	11	0	0	446
Other horticultural activity	1,022	14	(90)	0	946
Education and outreach					
Grow Wild	0	0	0	0	0
Other education and outreach activity	562	0	(79)	0	483
Other					
Library, Art and Archives – supporting acquisition and access to RBG Kew’s Library collections	32	4	(30)	0	6
Other activity in support of RBG Kew	372	0	151	(11)	512
Grand Total	5,727	472	(742)	75	5,532

All of the above funds are available to be granted to RBG Kew upon receipt by the Foundation of the necessary documentation detailing expenditure.

Within restricted funds there are various levels of restriction. Transfers between funds are made as appropriate and reflect allocation to specific activity as confirmed with the donor.

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Notes to the accounts Year ended 31 March 2023

	Balance 1 April 2021 £'000	Income £'000	Expend- iture £'000	Transfers between funds £'000	Balance 31 March 2022 £'000
Restricted Funds					
Science					
Seed conservation – supporting the collection, storage and viability of seeds, particularly at RBG Kew’s Millennium Seed Bank	1,158	788	(122)	114	1,938
Tropical Important Plant Areas (TIPAs) – supporting identification and conservation of TIPAs	390	0	(133)	0	257
Plant and Fungal Tree of Life (PAFTOL)	386	0	(382)	0	4
State of the World’s Plants	203	0	(20)	0	183
Orchid Fellow	206	0	(100)	81	187
Other scientific research and associated activity	882	9	(224)	7	674
Horticulture and botanic gardens					
Evolution Garden	26	0	(7)	0	19
Children’s Garden	115	0	(73)	0	42
Broadwalk Borders	0	0	0	0	0
Wakehurst Place	435	0	0	0	435
Other horticultural activity	488	581	(47)	0	1,022
Education and outreach					
Grow Wild	55	0	(55)	0	0
Other education and outreach activity	63	500	(1)	0	562
Other					
Library, Art and Archives – supporting acquisition and access to RBG Kew’s Library collections	63	0	(31)	0	32
Other activity in support of RBG Kew	492	369	(368)	(121)	372
Grand Total	4,962	2,247	(1,563)	81	5,727

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Notes to the accounts Year ended 31 March 2023

11. Analysis of net assets between funds

Fund balances at 31 March are represented by:

	2023			Total £'000
	Unrestricted £'000	Restricted £'000	Endowment £'000	
Long-term investments	6,201	3,260	4,606	14,067
Cash at bank	2,098	1,102	0	3,200
Debtors	2,531	1,330	0	3,861
Creditors	(304)	(160)	0	(464)
	<u>10,526</u>	<u>5,532</u>	<u>4,606</u>	<u>20,664</u>

	2022			Total £'000
	Unrestricted £'000	Restricted £'000	Endowment £'000	
Long-term investments	4,016	2,469	4,925	11,410
Cash at bank	6,876	4,143	0	11,019
Debtors	473	576	0	1,049
Creditors	(2,376)	(1,461)	0	(3,837)
	<u>8,989</u>	<u>5,727</u>	<u>4,925</u>	<u>19,641</u>

12. Salary and staff costs

No staff are employed by the Foundation. The total remuneration (including pension contributions) of the key management personnel for the year was £nil (2022: £nil).

During the year Trustees received no remuneration or benefits in kind (2022: £nil). No Trustees were reimbursed expenses for travel, subsistence or donor meetings (2022: £nil).

13. Related party transactions

No donations were received from the Trustees in the year (2022: £nil). There were no other related party transactions with trustees in either year.

The Foundation has related party transactions with RBG Kew and also with RBG Kew Enterprises Ltd.

Expenditure includes an amount of £3,283k (2022 £8,451k) and creditors include an amount of £447k (2022: £3,820k) relating to RBG Kew and RBG Kew Enterprises Ltd.

Income includes an amount of £nil (2022: £nil) and debtors include an amount of £nil (2022: £nil) relating to RBG Kew and RBG Kew Enterprises Ltd.

No other related party transactions are noted.

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Notes to the accounts Year ended 31 March 2023

14. Reconciliation of net income to net cash flow from operating activities

	2022/23	2021/22
	£'000	£'000
Net income for the reporting period (as per the statement of financial activities)	1,023	(4,223)
Adjustments for:		
(Gains) / losses on investments	854	(188)
Dividends and interest from investments	(106)	(112)
Operating cash flow before movement in working capital	1,771	(4,523)
(Increase)/Decrease in debtors	(2,812)	216
Increase / (decrease) in creditors	(3,373)	1,889
Net cash provided by operating activities	(4,414)	(2,418)

15. Grants awarded to RBG Kew

	Unrestricted £'000	Restricted £'000	2023 £'000
RBG Kew 2022/23 Support	1,600	-	1,600
Specific purpose grants	943	742	1,685
Grants awarded	2,543	742	3,285

	Unrestricted £'000	Restricted £'000	2022 £'000
RBG Kew 2021/22 Support	1,600	-	1,600
Specific purpose grants	5,286	1,563	6,849
Grants awarded	6,886	1,563	8,449

	2023 £'000	2022 £'000
Reconciliation of unrestricted grants payable		
Commitments as at 1 st April	1,600	26
Commitments made in the year	1,600	1,600
Grants paid during the year	(3,200)	(26)
Commitments as at 31 st March	-	1,600