

**THE NATIONAL GARDEN SCHEME
(A COMPANY LIMITED BY GUARANTEE)**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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**THE NATIONAL GARDEN SCHEME
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Trustees submit their Annual Report and Financial Statements for the year ended 31 December 2017

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1. Objectives

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

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

Certain key measures have been executed through 2017 to assist and support the achievement of the charity's objectives, in particular measures to raise awareness of the charity's gardens (and their quality) and the impact of its charitable activities. The most significant of these have been the launch of new branding (see section 10) and development of the charity's Gardens and Health programme (see section 13).

2. 90th Anniversary

The Trustees are proud that the National Garden Scheme (NGS) celebrated its 90th anniversary in 2017. To mark this occasion they believe it is appropriate to reflect on the charity's origins, heritage and achievements.

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

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

In 2017 some 3,700 gardens opened and raised more than £3.8 million. The practical operation of private gardens opening to visitors has remained largely unchanged since 1927 although the number and variety of gardens has grown considerably. As well as traditional large country gardens there are now large numbers of small gardens opening in towns and cities or together in groups in villages; the wider variety also includes allotments, school and hospice gardens.

In a remarkable testament to the loyalty of many garden owners' support for the charity that, of the 600 gardens that originally opened in 1927, more than 80 were still opening in 2017.

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

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3. Activities

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

The funds are forwarded to the head office which co-ordinates the NGS's activities and produces the annual guidebook (*The Garden Visitor's Handbook*). This provides all relevant details of gardens opening in each county. It promotes the NGS nationally and is the traditional medium for advertising garden openings. Promotion of gardens is greatly enhanced by the county booklets (containing the individual county sections from the annual guide) which are distributed free in their particular areas. In today's digital age the NGS website and social media channels are becoming increasingly important (see Section 11) together with the NGS app.

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

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

Volunteers

The NGS is a charity that is predominantly dependent upon the contributions of volunteers. All the people who open their gardens annually (currently nearly 4,000) do so voluntarily. In addition the necessary work to support the charity throughout England and Wales is carried out by some 370 people, divided into a series of teams, one in each county.

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

Each volunteer team is led by a County Organiser who is responsible for the NGS's activity in each county. Advice and support are available from the Chief Executive and head office staff (who total 11), as well as other county teams. The volunteers are represented on the Board by six regional chairmen, who are ex officio Trustees and are each active members of a county team.

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

The key activities of the County Teams are:

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

2017 Highlights

Not least because the charity was celebrating its 90th anniversary, 2017 was a memorable year on a number of fronts. Gardens began opening in February for the highly successful and popular Snowdrop Festival and continued through to the end of October. In place of the Festival Weekend, held annually in early June, an Anniversary Weekend was held on the last weekend of May, to mark the precise anniversary of the first garden openings in 1927. Many gardens and local groups of county volunteers held special events to mark the 90th anniversary.

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Through June, July and August the charity held its first photographic competition, generously supported by the core sponsor, Investec Wealth and Investment and partnered by BBC Gardener's World Magazine. The competition was a great success with over 1,000 entries. The winners were announced at a reception held in October at the Garden Museum, London, where an exhibition of the winners was on display until the end of the year.

Allied to the launch of new branding which took place in 2017 (see Section 10) the charity launched a small range of branded merchandise. The initial response and take up has been very successful and the branded materials will contribute significantly towards raising public awareness of the charity's gardens and activities.

In August the charity organised its first Gardens and Health Week continuing the charity's long-term leadership in the promotion of gardens and health and more details can be found in Section 13.

In August and September Channel 4 broadcast a three-part series about the National Garden Scheme on their More 4 channel. The series was presented by Dee Hart Dyke (whose opens her garden in Hampshire in aid of the NGS) and whose daughter, the well-known comedian Miranda Hart, also took part in each episode. The series attracted higher than average viewing figures for More 4 and added considerably to the promotion of the National Garden Scheme during the year.

4. Financial Results

In terms of both income and expenditure, the 2017 financial results were in line with the objectives set out in the 2016-20 plan, in particular to maintain the maximum ratio of net income to garden income and to increase the amount available for donation to beneficiaries.

Garden Income of £3.87m (2016: £3.72m) is the charity's principal source of income. Garden Income includes amounts raised by individual gardens and donated to local charities ('share to') as agreed with the NGS (up to a maximum of 20% of their admission fees and usually much less.) In 2017 this amounted to £118k (2016: £99k). Other Unrestricted Income, made up of county income, sponsorship, advertising, royalties, donations and other gifts, totalled £478k (2016: £463k).

Total costs of just over £1.16m (2016: £1.11m) increased by £50k, some 4% more than the previous year. This is the third consecutive year of stable costs which makes a substantial contribution to increasing the total available for distribution to beneficiaries (see Section 16).

Net Income for 2017 was £3.2m (this includes 'share to' as in para 1 above) (2016: £3.1m). The ratio of Net Unrestricted Income to Garden Income (which is collected from our garden visitors) was 83.1% (2016: 82.6%) exceeding the level of 80% that we aim for.

5. Achievements and Performance

2017 proved to be another record year for the NGS with the highest ever total of Garden Income at £3.87m (2016: £3.72m) which represents growth of 4% over the previous year and 13.8% growth in the last three years.

The recorded number of visits to the gardens in 2017 fell slightly, from 670,000 in 2016 to 660,000. This reduction of around 1% follows the decrease in the number of gardens opening and in the quantity of open day events. These figures represent the numbers of actual visits rather than individual people with many people making more than one visit. They are dependent on reports from individual gardens and so inevitably contain some estimates.

6. Financial Review

Distribution to Beneficiaries

The Trustees have decided to make a total distribution from funds raised in 2017 of £3.1m. This includes a contribution of £17k from the reserves (see Section 7). This total ensures that, as customary, the full net income available is distributed to beneficiaries; at the same time the small contribution from the reserves allows for an increase in total donations from 2016. The full list of beneficiaries and individual donations is set out in Section 16 on page 8.

Additional Donations by Garden Owners to other Charities

As stated earlier, the 2017 accounts include in the Garden Income the amounts raised by garden owners and distributed directly by them to a local charity of their choice. This amount totalled £118k (2016: £99k).

In addition, a further £235k (2016: £267k) was raised on NGS open days by the sale of teas and plants organised by other charities which retained the proceeds of those sales. This compares to the amounts retained by the NGS of £608k (2016: £577k) from sales of teas and plants at other garden openings. These amounts are included in the Garden Income total and the Trustees believe that sale of teas and plants are areas of potential income growth.

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Risk Management

The NGS operates within an annual budget agreed by the Board. In any one year, the funds available for distribution to beneficiaries is determined by the funds raised by garden openings and the resulting net income.

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

- Prolonged bad weather through a garden opening season
- Accidental loss of IT and communications systems

An agreed management process and the charity's financial reserves policy (see below) are in place to minimise the impact of these unlikely risks.

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

At the end of 2017 the Chief Executive and his staff engaged in a comprehensive review of the charity's risks which will be presented to the Board of Trustees in 2018 for discussion and approval. This review will include the requirements of GDPR which will come into effect in May 2018.

7. Distribution and Reserves Policy

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

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

As set out earlier, in 2017 the Trustees have decided to distribute £3.1m (2016: £3m) to beneficiaries which includes a transfer of £17k from reserves. At the year end the unrestricted reserves stood at £382k or 33% of current annual costs.

Since 2015 the NGS Legacy Fund has added to the funds the charity holds in reserve. As explained in Section 12 below, the NGS Legacy Fund has been established to enhance the charity's performance by making funds available for specific projects, and to increase the charity's financial security, independent of funds received from garden openings.

8. Plans for the Future: Developing the 2016-20 Strategic Plan

In 2017 the Trustees further developed the Strategic Plan launched in 2016, in order to maximise results through the year and to ensure that the charity is best placed for long-term delivery of the Plan's objectives through to the end of 2020. This involved some adjustments to the staffing at the head office to strengthen Marketing and Communications, in particular in the digital and social media arenas. It also involved an emphasis on maintaining the quality of gardens in order to ensure that the expectations of the visiting audience continue to be satisfied.

The Plan is comprised of two sections, each of which has four strategic objectives:

ONE GOAL

To maximise the amount of funds donated each year to inspirational nursing and caring charities through the opening of gardens across the UK.

Four Strategic Objectives

- Increase the number of **visitors** to our gardens each year
- Increase the levels of **supporter engagement** with the NGS
- **Position** the NGS as a lead protagonist of the health benefits of gardens
- Increase and expand our **core fundraising** and **additional fundraising channels**.

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ONE NGS

Underpinning our strategy is a determination to become one NGS, a more effective, efficient and collaborative organisation speaking with one voice to raise awareness of who we are and what we do.

Four strategic objectives

1. Create an organisation united behind a **common goal**
2. Maintain and improve the **strength of our county teams**
3. Develop our **systems** to improve knowledge sharing and communications
4. Implement ongoing **research** to provide evidence for continuous improvement.

Some further details are given in Section 9 (Strategy) and 13 (Gardens and Health) below.

9. Strategy

The NGS's strategy focuses on growing its core activity of increasing funds raised by garden opening events. Key to future growth of the charity is the need to reach a wider audience, to make the general public more aware of the varied attractions and rewards of visiting private gardens. Increasing levels of public awareness of the charity and of our gardens is vital in order for us to achieve growing numbers of visitors.

As part of the campaign to achieve this, in 2013 we launched the NGS Festival Weekend which has provided an annual focus for national publicity and the NGS's ongoing campaign to raise awareness. We are also developing a clear succession of highlights at the gardens through the seasons, from snowdrops in February to tulips in April and May, roses in June and kitchen gardens and autumn foliage in September and October.

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

A recent element of the strategy has been to identify the NGS as a leader in the promotion of the benefits of gardens and gardening for public and individual health and well-being. The Trustees believe that this is an area of growing importance and relevance and one to which the NGS, with its long-established experience in both areas, is uniquely positioned to contribute. (See Section 13).

10. Rebranding

The rebranding which was agreed by the Trustees in 2016 was introduced to all levels of the charity's activities in 2017. Key elements are the new garden gate logo incorporating the charity's full name (rather than the acronym NGS used in the past), a selection of unique illustrative material and a consciously friendly tone of voice.

Public and media response to the new branding has been universally positive and we are confident that over the coming years it will make a substantial improvement in public perception and awareness of the charity.

11. Developing Digital Channels

As part of the rebranding exercise, a comprehensive review and upgrade of the NGS website was launched in 2017, with a second phase due in early 2018.

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

Website usage saw substantial increase during 2017 which was no doubt partially due to the impact of the rebranding. The growth is expected to continue through 2018:

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

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The three main channels used by the National Garden Scheme are Facebook, Twitter and Instagram. 2017 saw large growth for these accounts.

Channel	Followers 1 January 2017	Followers 31 December 2017	% Increase
Facebook	11,800	15,153	28%
Twitter	9,800	12,570	28%
Instagram	10,400	14,700	41%

12. Legacies

The NGS Legacy Fund was formally established at the end of 2015 as a portfolio of investments managed for the NGS by Investec Wealth & Investment. The investments are managed as part of their Master Portfolio Service, and the portfolio is classified as medium-high risk, growth.

In 2017 the charity received a further legacy of £41k from the estate of the late Derek John Watkins. The Trustees noted, with considerable gratitude, correspondence from Mr Watkins' executor, his sister-in-law, whose letter included the following about Mr Watkins and his wife: "They loved nothing more than to visit gardens through your Scheme, and it was their express wish that your organisation should benefit in order help your work for the benefit of others in the future."

In 2017 the Trustees agreed that the costs of the following special projects be covered by the NGS Legacy Fund:

- Development and roll-out of new branding and associated materials
- Rebranding and further development of the NGS website
- Continued development of a fundraising strategy to develop legacies to the NGS, with a view launched this strategy in 2018

A large proportion of the costs of these special projects were covered by the growth in the investments in the Legacy Fund during 2017. Full details of the fund's income and expenditure for the year are shown in the accounts under Designated Funds

The Trustees reiterate their gratitude for the generosity of individuals who have decided to support the charity with legacy funds and they look forward to developing this support in the future.

13. Gardens and Health

Through 2017 the National Garden Scheme continued to lead in the promotion of the benefits of gardens and gardening to people's health and wellbeing, and in increasing public awareness of these benefits. The initiative is closely linked to the core activity of opening gardens and encouraging the public to visit. At the same time it strengthens and enhances the NGS's charitable profile and activities.

The major event of the year was the first ever Gardens and Health Week which the charity organised in August. More than 150 gardens which normally open on a fundraising basis for the NGS took part; each garden welcomed a group of visitors organised by either one of the NGS's beneficiary charities or by another local or national charity in the nursing, caring and healthcare sector. Visits were free of charge.

The main priority of the event was to offer access to a garden to groups of people, for many of whom access to a garden is often not possible for either social or health reasons, and many of whom had never visited a garden. Reports from both garden owners who took part and visitors were unanimously positive and the event received widespread publicity including a live feature on the Radio 4 'Today' programme.

Gardens and Health Week will be repeated in 2018.

14. Constitution, Governance, Structure and Management

The National Garden Scheme is a company limited by guarantee.

Organisation

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

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

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

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

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

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

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

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

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

Trustees who have served during the period and since the period-end are set out on page 11. Trustees are provided with guidelines when appointed and most find it helpful to visit the office at Hatchlands Park, Surrey. The office assists them by providing support and personal contact. The office also arranges induction and refresher days for new and existing volunteers which Trustees are able to attend.

15. Public Benefit

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

This activity is also the NGS's chief source of fundraising and, from the funds raised by opening gardens, the NGS continues to make annual donations to beneficiary charities whose principal objective is public benefit in the form of nursing, caring or other support for individuals. A list of beneficiary charities is set out in Section 16.

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

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16. Beneficiary Policy and Distributions

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

The charity operates a programme of regular contact and review with beneficiary charities to ensure that NGS understands their needs and that money donated to each one is put to best use.

The annual donations that the National Garden Scheme makes to its group of main beneficiaries and the number of years that the donations have been in place mean that it is the largest single charitable funder of all of them except Parkinson's UK which was added to the group only in 2016. In some cases such as Queen's Nursing Institute and Hospice UK, the NGS donations make up a substantial proportion of those charity's annual fundraising.

2017 saw some significant developments in how various beneficiary charities used all or part of their donations.

In June the new NGS Macmillan Cancer Unit was formally opened at the Chesterfield Royal Hospital, Derbyshire, transforming the quality of service offered to cancer sufferers in the large surrounding area. The NGS committed a total of £1.5m to the unit which was 50% of the amount contributed by Macmillan.

Notable training and development initiatives were launched with three other beneficiaries:

- The £375k donation from 2016 to the NGS's founder, the Queen's Nursing Institute included £125k which launched an ambitious leadership programme for Queen's Nurses. The programme provides specialist training for nurses to give them the qualifications for taking on any one of the senior leadership roles within the nursing profession; currently none of these roles are filled by a district or community nurse.
- Part of the donation to Marie Curie was used to launch a new programme of Nursing Bursaries for Marie Curie nurses. The bursaries will fund specific courses and training for individual nurses so as to enable them to develop their careers to the highest possible level.
- Similarly a new scheme was launched by Hospice UK, using part of their donation from the NGS to fund specific training and development for a variety of hospice nurses and other professionals.

The distribution of funds raised in 2017 is as follows:

Beneficiary Charity	£'000
Macmillan Cancer Support	500
Marie Curie	500
Hospice UK	500
Carers Trust	400
Queen's Nursing Institute	250
Perennial	130
Parkinson's UK	185
MS Society (Guest Charity)*	145
Maggie's Centres (Gardens & Health)**	120
Leonard Cheshire Disability (Gardens & Health) **	120
Horatio's Garden (Gardens & Health) **	50
Gardening for Disabled Trust (Gardens & Health) **	6
ABF The Soldiers' Charity ***	80
WRAGS (Work and Retrain as a Gardener Scheme)***	65
National Botanic Garden of Wales Trainee***	20
Professional Gardeners' Trust***	19
Garden Museum Trainee	10
TOTAL	3,100
Total of donations to local charities agreed with individual garden owners	118

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*The Beneficiary Policy allows for a guest charity from time to time. Guest charities are appointed for a minimum of two years and, following review of the partnership, a possible third year. Guest charities are recommended by the NGS's county volunteers and criteria for selection include:

- A focus on nursing and caring is preferred but wider terms of reference could be considered for guest charities, subject to them demonstrating that they deliver value to local communities.
- Charities involved in research may be considered as guest charities, provided they meet the NGS's 'community test'.
- Organisations which provide social benefit and which are involved in nursing and caring could be considered even if they are not charities. However, they should be constituted in some legal form as a 'social enterprise' (e.g. Community Interest Company).

The Trustees were pleased to agree that MS Society should continue for its third and final year as a guest charity through 2018.

**In 2017 Trustees approved a substantial increase in the donations to charities to support various projects focusing on Gardens and Health. Donations are being made to a total of four charities, up from one in previous years and this reflects the charity's commitment to developing and demonstrating the wider benefits of gardens and gardening to health and wellbeing.

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

17. Beneficiary Activities

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

During 2017 we carried out combined marketing activities with all beneficiary charities acting together in support of the NGS. At the same time, a series of joint campaigns with individual charities, including Macmillan, Marie Curie and Parkinson's UK, were mounted at different times in the year to raise awareness of our gardens and charitable activities.

Planning such joint activities from one year to the next is made possible by the long-term funding commitment that is implicit in the National Garden Scheme's support of its major beneficiaries. In recent years, when this policy has been developed, it has proved a significant addition to the charity's marketing and communications impact and the Trustees acknowledge the contribution of the beneficiary charities.

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

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

In addition, the NGS Elspeth Thompson Bursary Fund (established by the Board in 2011 and held in cash as a designated fund) allows for a series of annual bursaries to be selected in conjunction with the Royal Horticultural Society. These bursaries are given to support specific community gardening projects all over England and Wales and since its establishment the Bursary Fund has proved of considerable value to different local communities.

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

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


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19. Statement of Trustees' Responsibilities

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

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charitable Company and to enable them to ensure that the Financial Statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees confirm that there is no information relevant to the audit of which the auditors are unaware and that the Trustees have taken the necessary steps to ensure they are aware of all relevant audit information and made sure the auditors are aware of it.



A. Martin McMillan OBE
Chairman of the Board of Trustees

23.3.2018

**THE NATIONAL GARDEN SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Reference and Administrative Information

Patron: His Royal Highness The Prince of Wales

President: Mary Berry CBE

Vice-Presidents:

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

Ambassadors:

Emma Bridgewater CBE; Alan Gray; Joe Swift

The Board of Trustees

Chairman: A. Martin McMillan OBE

Deputy Chairman: Heather Skinner*

Hon Treasurer: Andrew Ratcliffe FCA*

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

*(*member of an NGS county team)*

All Trustees were in office for the whole of the year except for Maureen Kesteven who was appointed on 1st November on the resignation of Biddy Marshall, and Mark Porter who was appointed on 13 March 2017.

Chief Executive: George Plumptre

Head Office

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

Auditor

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

Bankers

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

Investment Advisers

Royal London Asset Management Limited, 55 Gracechurch Street, London EC3V 0RL

Investec Wealth & Investment Limited, 30 Gresham Street, London EC2V 7QN

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

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

Opinion

We have audited the financial statements of The National Garden Scheme Ltd (the 'charitable company') for the year ended 31 December 2017 which comprise the statement of financial activities, statement of financial position, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement in section 19 of the Trustees' Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Churchdown Chambers
Bordyke
Tonbridge
Kent TN9 1NR

J. Duncan 26.3.18
J. Duncan FCA
Senior Statutory Auditor
for and on behalf of
GILBERT ALLEN & CO.
Registered Auditor
Chartered Accountants

THE NATIONAL GARDEN SCHEME
STATEMENT OF FINANCIAL ACTIVITIES (SOFA)
FOR THE YEAR ENDED 31 DECEMBER 2017

Total Year to 31.12.2016 £		Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Year to 31.12.2017 £
	Income from:					
3,720,290	Garden income		3,873,165	-	-	3,873,165
311,520	Other fundraising activities	(2)	345,942	-	-	345,942
176,652	Donations and legacies	(3)	130,413	40,936	-	171,349
19,878	Investment income	(4)	1,784	6,280	2,445	10,509
<u>4,228,340</u>	Total income		<u>4,351,304</u>	<u>47,216</u>	<u>2,445</u>	<u>4,400,965</u>
	Expenditure on:					
3,116,157	Charitable activities	(5)	3,218,588	56,276	2,445	3,277,309
979,684	Fundraising activities	(6)	921,773	-	-	921,773
226,784	Management and administration		234,855	-	-	234,855
<u>4,322,625</u>	Total expenditure		<u>4,375,215</u>	<u>56,276</u>	<u>2,445</u>	<u>4,433,936</u>
56,403	Profit on revaluation of investment assets		6,513	42,260	5,004	53,777
<u>(37,882)</u>	Net movement in funds		<u>(17,398)</u>	<u>33,200</u>	<u>5,004</u>	<u>20,806</u>
893,968	Funds brought forward at 1 January 2017		398,955	380,890	76,241	856,086
<u>856,086</u>	Funds carried forward at 31 December 2017		<u>381,557</u>	<u>414,090</u>	<u>81,245</u>	<u>876,892</u>

THE NATIONAL GARDEN SCHEME
Company number 5631421
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

31.12.2016				Unrestricted	Designated	Restricted	31.12.2017
Total			Notes	Funds	Funds	Funds	Total
£				£	£	£	£
8,831	Fixed assets	Tangible assets	(11)	6,569	-	-	6,569
53,462		Intangible assets	(11)	44,258	-	-	44,258
425,445	Financial assets	Investments	(12)	-	374,022	81,245	455,267
487,738				50,827	374,022	81,245	506,094
	Current assets						
-		Stocks of merchandise		8,471	-	-	8,471
50,836		Trade and other receivables	(13)	33,397	-	-	33,397
3,524,661		Cash and cash equivalents	(14)	3,462,635	40,068	2,445	3,505,148
3,575,497				3,504,503	40,068	2,445	3,547,016
	Less:						
	Creditors: amounts falling due within one year						
3,000,000		Funds not yet distributed	(5)	3,100,000	-	2,445	3,102,445
207,149		Trade and other payables	(15)	73,773	-	-	73,773
3,207,149				3,173,773	-	2,445	3,176,218
368,348	Net current assets			330,730	40,068	-	370,798
856,086	Net assets			381,557	414,090	81,245	876,892
	Represented by:						
398,955	Unrestricted funds			381,557	-	-	381,557
380,890	Designated funds		(8)	-	414,090	-	414,090
76,241	Restricted funds		(9)	-	-	81,245	81,245
856,086				381,557	414,090	81,245	876,892

Approved by the trustees on 23.3.2018



A. Martin McMillan
Chairman of the Board of Trustees

THE NATIONAL GARDEN SCHEME
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

2016		2017
£		£
	Operating activities	
3,021,872	Net movement in funds before charitable activities	3,201,190
4,975	Add back depreciation charge	30,033
-	Add back decrease in intangible assets	15,000
-	(Increase) decrease in stock	(8,471)
(17,662)	(Increase) decrease in debtors	17,439
48,681	(Decrease) increase in creditors	(130,931)
3,057,866	Cash generated by operating activities	3,124,260
(2,799,002)	Payments to beneficiaries	(3,118,588)
(17,155)	Designated and restricted payments	(9,060)
241,709	Net cash (consumed) generated by operating activities	(3,388)
	Investing activities	
(66,709)	Purchase of fixed assets	33,567
1	Disposal of fixed assets	-
(264,973)	Purchase of investments	(182,259)
150,457	Sale of investments	132,567
(181,224)		(16,125)
60,485	(Decrease) Increase in cash and cash equivalents in the year	(19,513)
3,464,176	Cash at bank at 1 January 2017	3,524,661
3,524,661	Cash at bank at 31 December 2017	3,505,148

**THE NATIONAL GARDEN SCHEME
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Principal accounting policies

(a) Basis of preparation

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

(b) Group financial statements

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

(c) Income recognition

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

(d) Employment benefits

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

(e) Fixed assets

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

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

(f) Stocks

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

(g) Financial assets

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

(h) Cash and cash equivalents

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

**THE NATIONAL GARDEN SCHEME
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Other fundraising activities income	2016		2017	
	£		£	
Sale of visiting guides	88,821		105,160	
Advertising revenue	193,997		200,460	
Other income	28,702		40,322	
	<u>311,520</u>		<u>345,942</u>	
3. Donations and legacies	2016		2017	
	£		£	
Sponsorship	105,000		105,000	
Donations	35,567		25,413	
Legacies	36,085		40,936	
	<u>176,652</u>		<u>171,349</u>	
4. Investment income	2016		2017	
	£		£	
Bank interest received	12,182		1,784	
Income from quoted investments	7,696		8,725	
	<u>19,878</u>		<u>10,509</u>	
5. Unrestricted Charitable activities expenditure	Due at 31.12.2016	Paid in year	Distribution	Due at 31.12.2017
	£	£	£	£
Nursing Beneficiaries				
The Queen's Nursing Institute	375,000	(375,000)	250,000	250,000
Macmillan Cancer Support	500,000	(500,000)	500,000	500,000
Marie Curie	500,000	(500,000)	500,000	500,000
Hospice UK	500,000	(500,000)	500,000	500,000
Carers Trust	400,000	(400,000)	400,000	400,000
Perennial	130,000	(130,000)	130,000	130,000
Parkinson's UK	150,000	(150,000)	185,000	185,000
MS Society	130,000	(130,000)	145,000	145,000
Horatio's Garden	-	-	50,000	50,000
National Autistic Society (Gardens & Health Beneficiary)	130,000	(130,000)	-	-
ABF The Soldiers' Charity	80,000	(80,000)	80,000	80,000
WRAGS (Work & Retrain as a Gardener Scheme)	65,000	(65,000)	65,000	65,000
National Botanic Garden Wales	20,000	(20,000)	20,000	20,000
Professional Gardeners' Trust	10,000	(10,000)	19,000	19,000
Maggie's Centres	-	-	120,000	120,000
Leonard Cheshire Disability	-	-	120,000	120,000
Gardening for Disabled Trust	-	-	6,000	6,000
Other Beneficiaries				
Garden Museum	10,000	(10,000)	10,000	10,000
Local charities nominated by garden owners	-	(118,588)	118,588	-
Total Funds for Distribution	<u>3,000,000</u>	<u>(3,118,588)</u>	<u>3,218,588</u>	<u>3,100,000</u>

**THE NATIONAL GARDEN SCHEME
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. Fundraising activities expenditure	2016	2017
	£	£
Garden opening	498,910	493,560
Marketing and publicity	480,774	428,213
	<u>979,684</u>	<u>921,773</u>

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

7. Staff costs, trustees remuneration and interests

Key management personnel

Key management personnel are those persons having authority for planning, directing and controlling the activities of NGS. These comprise members of the Board and the Chief Executive. The total remuneration of the NGS's key management personnel was £92,009 (2016: £88,400) for the year of which £4,942 (2016: £4,447) was employer's pension contributions.

Board members

NGS board members are the Trustees of NGS for charitable law purposes. Trustees received no remuneration and waived no remuneration during the year (2016: £nil). Expenses relating to travel and subsistence of £9,478 (2016: £11,976) were reimbursed to 13 (2016:13) Trustees. Of this amount, an equivalent donation of £6,136 (2016: £10,259) was received with gift aid. NGS maintains indemnity insurance for its Trustees,

Staff costs:	2016	2017
	£	£
Salaries	334,039	369,152
Social security and pension costs	60,036	61,849
	<u>394,075</u>	<u>431,001</u>

The average weekly number of employees during the period was:	<u>11</u>	<u>10</u>
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8. Auditors remuneration	£	£
Audit of the financial statements	5,340	5,400
All other assurance services	1,000	-
	<u>1,000</u>	<u>-</u>

9. Designated funds

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

	31.12.2016	Incoming Resources	Outgoing Resources	Revaluation surplus	31.12.2017
	£	£	£	£	£
The NGS Elspeth Thompson Bursary Fund	51,603	-	(16,574)	-	35,029
The NGS Legacy Fund	329,287	47,216	(39,702)	42,260	379,061
	<u>380,890</u>	<u>47,216</u>	<u>(56,276)</u>	<u>42,260</u>	<u>414,090</u>

For details of Designated and Restricted funds see also section 18 of the Trustees Annual report.

10. Restricted funds

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

	31.12.2016	Incoming Resources	Outgoing Resources	Revaluation surplus	31.12.2017
	£	£	£	£	£
Elsie Wagg Gardens Scheme Fund	<u>76,241</u>	<u>2,445</u>	<u>(2,445)</u>	<u>5,004</u>	<u>81,245</u>

**THE NATIONAL GARDEN SCHEME
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. Fixed assets	Tangible Equipment	Intangible Software	Total
	£	£	£
Cost at 1 January 2017	21,640	53,462	75,102
Additions in year	-	33,567	33,567
Decrease in year	-	(15,000)	(15,000)
Cost at 31 December 2017	<u>21,640</u>	<u>72,029</u>	<u>93,669</u>
Depreciation at 1 January 2017	12,809	-	12,809
Charge in year	2,262	27,771	30,033
Depreciation at 31 December 2017	<u>15,071</u>	<u>27,771</u>	<u>42,842</u>
Net book value at 31 December 2017	<u>6,569</u>	<u>44,258</u>	<u>50,827</u>
Net book value at 31 December 2016	<u>8,831</u>	<u>53,462</u>	<u>62,293</u>
12. Financial assets		2016	2017
		£	£
Fair value at 1 January 2017		254,526	425,445
Additions		264,973	115,125
Disposals		(150,457)	(132,567)
Increase in value in the year		56,403	53,777
Fair value at 31 December 2017		<u>425,445</u>	<u>461,780</u>
Investments at fair value comprised:			
Fixed interest		39,244	47,898
UK equities		146,971	154,392
Overseas equities		188,516	206,301
Alternative assets		31,922	43,796
Property		18,792	9,393
		<u>425,445</u>	<u>461,780</u>
13. Trade and other receivables		2016	2017
		£	£
Trade debtors		2,557	8,204
Prepayments		23,786	25,192
Other debtor		24,492	-
NGS Enterprises Limited		1	1
		<u>50,836</u>	<u>33,397</u>
14. Cash and cash equivalents		2016	2017
		£	£
Co-operative Bank		217,028	206,296
Royal London Cash Management		3,303,058	3,274,297
Investec Wealth and Investment		4,575	24,555
		<u>3,524,661</u>	<u>3,505,148</u>

**THE NATIONAL GARDEN SCHEME
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

15. Trade and other payables	2016	2017
	£	£
Trade creditors	20,204	17,701
Accruals	59,617	5,400
HMRC - VAT	64,032	26,637
Deferred income	35,153	20,384
Other creditors	28,143	3,651
	<u>207,149</u>	<u>73,773</u>

16. Lease obligations

At 31 December 2017 the Charitable Company had an annual commitment under a non-cancellable operating lease (property rental) as set out below:

	2016	2017
	£	£
Operating lease which expires:		
Within one year	21,000	14,000
Within two to five years	<u>14,000</u>	<u>-</u>
	<u>35,000</u>	<u>14,000</u>