

FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

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**FRIENDS OF WESTONBIRT ARBORETUM
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees E Bottril
C L Burt (resigned 15 December 2020)
M Green
M Howarth (resigned 15 December 2020)
V E Morriss (appointed 15 December 2020)
J Parker (appointed 15 December 2020)
M Smith
R Walker
L Grant
M Mintram

Company registered number 04965522

Charity registered number 293190

Registered office The Great Oak Hall
Westonbirt, The National Arboretum
Tetbury
Gloucestershire
GL8 8QS

Chief executive officer M Coe

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Bankers Lloyds Bank PLC
14 Castle Street
Cirencester
Gloucestershire
GL7 1QJ

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

CCLA Investment Management Ltd
80 Cheapside
London
EC2V 6DZ

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

The Trustees present their Annual Report, together with the audited Financial Statements of the Friends of Westonbirt Arboretum (the "Charity") for the year 1 January 2020 to 31 December 2020. The Trustees confirm that the Annual Report and Financial Statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

WELCOME FROM THE CHAIR

2020 was a year unlike any other in the history of the charity with our response to Covid-19 impacting the organisation like so many others and dominating our operational response at a time when we would have been celebrating our 35th anniversary as a charity.

Our initial decisions were taken with the safety of both staff, members and visitors at the forefront of our thinking and in line with government restrictions. The period of closure at Westonbirt was the most challenging time with uncertainty for everyone alongside the potential effect on our ability to financially support the key work at the arboretum.

Our staff team at FOWA also had to adapt from being based at Westonbirt to having to manage the charity from home. This was made even more challenging as it came at a time where we were migrating to a new membership management system. I want to pay tribute to our FOWA staff who overcame the challenge of introducing new technology and ways of operating to deliver better service to our members. I also wanted to pay our deepest thanks to our FE colleagues on site who managed the reopening of the arboretum when restrictions lifted and ensured we could all return to Westonbirt when permitted.

In January, we also set up a trading subsidiary (FOWA Enterprises Limited) to take over the running of the shop at Westonbirt. Operating the shop proved even more challenging due to government restrictions and the reduced availability of stock from manufacturers and suppliers.

We also had to cancel most events taking place in the Great Oak Hall including our own 35th anniversary exhibition further reducing our revenue and engagement opportunities onsite.

Projects which had been planned for completion in 2020 including the Community Shelter and Quarantine house had to be delayed to 2021 due to the collaborative nature of the work involved.

However, despite all these challenges the charity has shown incredible resilience and continued to support the critical work at the Arboretum. For the first time in our history we reached over 35,000 members (in our 35th year) something that we had only dreamed of achieving as a charity.

We increased funding to the Quarantine House and Coppice Shelter alongside supporting path, signage and parking works at Westonbirt to improve the visitor experience.

We also managed to deliver a near break-even position for the shop at Westonbirt, something that would seem almost inconceivable when we first had to close in March. Despite the interruptions to business, the shop continued to provide income to the Arboretum, with significant growth expected in 2021.

In partnership with Forestry England the Arboretum is now developing a masterplan of proposed works in order to achieve the new and aspirational 10-year vision "To be a world leader in trees, inspiring people through education, participation and conservation". This scheme of programmes will involve significant expenditure of capital, investing in new infrastructure and improved engagement with members and visitors. The charity is gearing up to deliver a significant increase in activity to support Westonbirt Arboretum and achieve our vision.

**FRIENDS OF WESTONBIRT ARBORETUM
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Finally, I wanted to take this opportunity to thank our members for their continued membership donations throughout the lockdown period and beyond. You have had to adapt to a new system of online booking to maintain social distancing and were unable to access the arboretum for a period of time. However, your ongoing support and the significant growth in our membership has enabled us to continue to support Westonbirt despite the tragedy of a global pandemic.

M A Mintram

Chair

Date:

ABOUT THE CHARITY

The Arboretum at Westonbirt is the location of a historic, Victorian picturesque landscape and internationally important tree and shrub collection that is managed by Forestry England with the support of the Charity. The 15,000 labelled specimens come from Britain, China, North America, Japan, Chile and other temperate climates.

The Arboretum now covers 635 acres and consists of three main areas: the Old Arboretum is a carefully designed landscape dating from the 1850s offering beautiful vistas, stately avenues and trees from around the world; Silk Wood is an ancient, semi natural woodland which has exotic planting throughout its landscape; and the Downs is a Grade 1 registered landscape and hosts species rich grassland.

The Friends of Westonbirt Arboretum is a local charity, now with over 35,000 members and supporters established to further the public enjoyment and knowledge of the Arboretum and to secure its sustainable future.

The Charity is a company regulated under company law, and as a registered charity regulated under charity law. It is governed for public benefit by the Trustee Board according to the Charity's Articles.

The strategic direction and development of the Charity is set by the Trustee Board, which met six times during the year. There is a Finance and Risk Panel, which provides additional financial control and a Joint Working Panel, which ensures collaborative working to support Forestry England on site.

The day-to-day operation of the Charity is delegated to the Chief Executive and staff team.

The Charity is committed to good governance and good practice in fundraising.

The charity is committed to good practice in Fundraising, is a fully paid member of the Fundraising Regulator and seeks to follow the Fundraising Codes of Practice in all of its fundraising activities.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

OBJECTIVES AND ACTIVITIES

a. Objectives

The object of the charity is “To further public enjoyment and knowledge of this world renowned tree collection and to secure its sustainable future by engaging, informing and increasing its membership, and also by giving financial support and practical assistance to the management and development of Westonbirt Arboretum”.

- Providing support to the Arboretum in promoting public understanding of the critical role of trees to the environment and society;
- Providing support for the Arboretum’s research and education in all fields relating to trees;
- Providing support for the conservation, maintenance and development of the unique tree collection and historic landscape for future generations;
- Providing funds to enhance the public’s experience and the Arboretum;
- Acting as an advocate for the Arboretum, promoting its values and the need for continuing funding;
- Providing support to the Arboretum by cultivating the Charity’s relationship with its members to encourage long-term relationships and fundraising opportunities.

b. Strategies

In December 2019, a new vision for the Arboretum was launched entitled ‘Our Place in a Changing World’ and focusses on our response to the challenges faced by both trees and people over the next 10 years as both the climate and society changes. The vision is for the Arboretum to be a world leader in trees, inspiring people through conservation, education and participation.

2020 saw the organisation start to deliver the 3-year FOWA strategy, devised to move the Arboretum and the Charity forward under seven strategic aims.

1. Arboretum Development Masterplan – a significant development across the whole site extending beyond 2023, but needing firm plans with capacity building lead-time.
2. Arboretum Development projects – delivering important projects already in progress.
3. Supporter Journey – thoughtfully developing our engagement with current supporters and developing future relationships.
4. Stakeholder Engagement – building our relationship with wider stakeholders and influencers.
5. Forestry England Development – deepening shared understanding of each other’s distinct but complementary roles.
6. Efficient Charity Operations – making the most of our staff and capability.
7. Financial goals – running smooth and prudent financial processes.

Even though we faced significant challenges under Covid restrictions FOWA moved forward with a number of developments in line with the plan with significant emphasis on our charity digital transformation. This enabled us to develop the supporter experience leveraging technology for a more efficient organisation.

c. Grant making policies

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The beneficiaries of the Charity’s activities are conservation, education and participation activities at Westonbirt the National Arboretum and these are achieved principally by the award and monitoring of grants and payments made to support and develop the Arboretum.

In addition to maintaining, developing and documenting the Arboretum and its tree collection as a world class resource for science and learning, the grants and payments provided by the Charity enable Forestry England to provide onsite educational activities to young people each year and reach out to encourage a broader audience to learn from, participate in and enjoy the Arboretum’s trees and heritage supporting access for all.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Inclusive multi-sensory participation activities also aim to engage and inspire those groups who need it most to find a connection with the trees at Westonbirt.

ACHIEVEMENTS AND PERFORMANCE

a. Main financial achievements in 2020

In common with many organisations, 2020 was a financially challenging year for the charity due to the impact of COVID-19 on revenue generating activities. However, despite the challenges the charity has achieved a financial surplus of £296k in 2020 which is a significant, despite the current economic climate.

The charity group accounts show significant revenue growth in the year with total income for 2020 of £1,636k, an increase of £203k (14.2%) in comparison with 2019. This income growth was due to the new retail enterprise which commenced trading in February 2020 and generated £286k during 2020.

The company income figure for the charity, which excludes the revenue generated through the enterprise, was £1,350k. This represents a reduction in income from 2019 of £83k (5.8%).

The majority of the charity's income is generated through the membership subscription scheme and this income stream proved to be resilient despite the challenges of 2020. The membership subscription income for 2020 was £1,260k, which is an increase of £34k (2.8%) from 2019's figure of £1,226k. This growth in membership subscription income is a huge achievement for the charity given the challenging nature of 2020 and the closure of the arboretum during spring 2020.

Of the £1,260k of membership subscription income, £210k is Gift Aid. This represents 17% of the total membership subscription income. Gift Aid is an important source of income for the charity and helps us in our aim to support the Arboretum's development.

Although Membership income grew in 2020, income from other sources fell. Revenue from other donations and legacies reduced significantly, driven largely by a pause in projects and reduced interactions at Westonbirt due to Covid-19. Legacy income fell by £59k (2020: £6k; 2019: £65k) and donations fell by £47k (2020: £66k; 2019: £113k).

Trading income from the Great Oak Hall was also significantly reduced as events were cancelled due to COVID-19. Trading Income from the Great Oak Hall fell by £16K from £22k in 2019 to £6k in 2020. We anticipate that revenues will be reduced throughout 2021 due to continuing restrictions and reductions in large-scale bookings.

Investment income was significantly reduced in 2020 partly through a reduction of amounts invested due to 2019's £750K grant for the purchase of Silk Wood House, but also a reduction in market interest rates. As part of the charity's commitment to achieve the best value from our reserves we are developing a new investment policy with an aim to optimise investment returns.

The Charity received income from the government during 2020 which supported our position. The Enterprise subsidiary received £27k in unrestricted government grants and overall the charity received £28k under the government's COVID-19 Job Retention Scheme (£19k for the Enterprise and £9k for the Charity).

In 2020 the charity's total expenditure was £1,341k in comparison with £2,024k in 2019, a reduction of £683k. However, in 2019 there was one-off grant of £750k for the purchase of Silk Wood House. The expenditure figure for 2020 also includes £273k of expenditure on the Enterprise which only commenced trading during 2020. Once the expenditure figures are adjusted for these figures, comparable expenditure between 2019 and 2020 decreased by £206k (16.2%).

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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

77% of all expenditure in 2020 was for a charitable purpose. Although a cautious approach was employed by trustees towards spending under the backdrop of Covid, Trustees committed to increasing the designation of funds towards the Quarantine House (£28k), Coppice Shelter (£23k) and the Westonbirt Car Park and signage improvements (£48k).

Direct costs decreased by £1,019k between 2019 and 2020. This reduction is largely due to the purchase of Silk House in 2019 for £750k. Once this is taken into account, the decrease in comparable expenditure between 2020 and 2019 is £269k, and this is almost entirely due to a reduction in grants to Forestry England (£189k). The Arboretum Access Rights payments were also lower in 2020 than in 2019. This was because Forestry England waived these payments for April and May 2020 when the arboretum was closed to visitors, which saved the charity £96k.

Support costs significantly increased within the group with the addition of the Enterprises subsidiary and the charity also invested in a new Finance Manager and Team Leader role. There were also significant increases in our IT infrastructure costs recognised in 2020 linked to the development of a new Customer Relationship Management (CRM) database that drives the charity administration and also the installation and operation of a new leased fibre broadband line improving the connectivity infrastructure to drive the CRM. There was also significant expenditure in response to homeworking and the charity digital transformation leading to an increase of £23K on previous year.

The Charity made an operating surplus of £296K in the period driven by reduced costs and a deliberately cautious approach to committing charitable expenditure in 2020. This approach has increased the Arboretum Development Fund 30% to £616k for projects within the 10-year vision masterplan for the development of the Arboretum.

b. Review of activities

During the year, the Charity's activities fell into the following main areas:

- Arboretum Access Rights Payment (AARP)
- Development and growth of the membership scheme
- Fundraising
- Awarding of Grants
- Development of Charity Governance

Arboretum Access Rights Payment (AARP)

The Trustee Board reviewed and maintained the member-linked calculation for the Arboretum Access Rights Payments (AARP) in 2020. The payments for 2020 were anticipated to be £578k for the year. However, while the Arboretum was closed for two months in April and May the AARP was waived, saving the charity £96k. The overall AARP for 2020 was therefore £482k.

The money paid to FE through the ARP is used to support further activities including:

- Tree management including collection and landscape management, propagation activity, dendrology, survey and inventory work, and volunteer, student and work experience;
- Learning and interpretation, including enabling schools to use the Arboretum to support the learning of their pupils and supporting visitors' understanding of the importance of trees in general, and Westonbirt in particular, as well as widening access from underrepresented audiences;
- Volunteer support including the Volunteer Coordinator and Volunteer Assistant;
- Improving access to the Arboretum, including the maintenance of mobility scooters.

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Development and growth of the membership scheme

As a membership organisation, our members' donations raise the charitable funds for us to meet our charitable objectives in support of Westonbirt Arboretum and the new 10-year vision. The rise in membership numbers directly increases the level of Arboretum Access Rights Payments the Charity makes to the Arboretum: more membership numbers result in more money for the Arboretum.

During 2020, our membership was significantly affected by COVID-19 from May to July, with a drop in members, followed by a summer plateau. However, there was a significant recovery in the Autumn with membership growing to just over 35,000, maintaining our retention rate above 80%. This was a significant achievement in the current environment and is testimony to the loyalty of members and the value of the offer. In the difficult circumstances of 2020 we postponed the June price increase to 2021 to compensate for the Arboretum closure.

The number of member visits was understandably reduced during 2020 with significant distancing and travel restrictions making an impact. This has led to much greater membership churn with delays to renewals but also an increase in new member sales to maintain growth through 2020.

The first quarter of 2020 saw the Membership Team complete the work of migrating from the Thank Q system that was no longer supported to the new Raisers Edge NXT database, a significant move to reduce any organisational data risk and future proof the charity with cloud-based integration. This major piece of work saw over 100,000 contacts cleaned and ready for go live in March 2020, a giant step forward for the Charity.

This digital transformation was accelerated due to the contactless nature of member interactions following COVID-19. The charity had to move from in person, volunteer sign ups to a digital transactional approach within the space of a few weeks through the Spring. This was something that had been planned to take over two years in the Charity's strategic roadmap. The achievements in this digital strategy are documented by the increase to over 35,000 members and the significant workload taken on by the supporter team was admirable with additional support given by new recruitment of Team Leader Julia Bartlett.

Fundraising

Fundraising:

In addition to membership donations, additional fundraising opportunities are offered to members and supporters including direct mail appeals and onsite donations. In addition, grants and donations from charitable trusts, grant givers and companies are sought for discrete projects in line with the charity's key priorities. These fundraising activities are only carried out by members of the staff team with oversight from the CEO. We did not record any complaints during the year that related to our direct Fundraising practices.

We have a number of ways in which we seek to treat donors fairly and protect vulnerable people which includes (any specific supporter care training), (a robust opt in to all marketing preferences) and (any donation of an exceptional amount being reported to the CEO so that it can be reviewed in line with the Chartered Institute of Fundraising's Treating Donors Fairly guidance).

Due to the effects of COVID-19, fundraising outside of membership donations in 2020 was significantly limited. There were no external funding campaigns or third parties used through the year with projects deferred to 2021. Plans in 2021 include using a fundraising consultancy to bring together a new funding strategy and structure to drive forward charitable giving to the Arboretum

Our Fundraising Team suffered significant disruption, a temporary fundraising manager was brought in to the team while a review of the fundraising operation across the site was planned but delayed. However, COVID-19 driven furlough absences and the retirement of long-serving Fundraising Administrator Gill Ball, combined with the integration into a new supporter team meant that fundraising capacity was restricted and projects placed on hold until 2021.

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FOR THE YEAR ENDED 31 DECEMBER 2020**

We received grants and donations of £30,771 to support some of our specific projects with Forestry England. This was comprised of £28.2k for the Community Shelter, £1.7k for the Quarantine House and £0.8k for the Westonbirt Signage Project. Other unrestricted fundraising from individuals was significantly reduced due to the impact of COVID-19.

The strategic fundraising review (including a resource and KPI review) to be carried out in 2021 will guide an enhanced understanding of the strategic fundraising aims across the site. This should mean that FOWA is better able to fulfil the role and scope of fundraising at Westonbirt.

Great Oak Hall:

The Great Oak Hall and charity support services were significantly affected by Covid with the majority of events cancelled and only a small window of exhibitions allowed in the Autumn period. This caused significant restrictions to the capacity for generating revenue, with income down 76%

Awarding of Grants:

Projects

- Community Shelter

Through 2020, we supported the work of Forestry England in developing a Community Shelter, through extending the financial commitment to the project for completion in 2021. Whilst we have been unable to work with community groups, the planned groundworks have still managed to go ahead, transforming the area ready for development in the coming year. The funding for the completion of the project has been sourced. Overall, the Charity has committed £105k towards this project.

- Quarantine House

The Charity has continued to support the Arboretum in 2020 through increasing the overall financial contribution for the Quarantine House to £60k. During 2020, £28k was added to the designated reserve for this project to reach the £60k contribution. This large structure will significantly boost the biosecurity at the Arboretum, as it will be a specialist, purpose-built facility, allowing the Tree Team to monitor and inspect all new plants and seeds.

- Coppice Shelter

In 2020, we continued to raise money for a Coppice Shelter to revitalise a Westonbirt tradition, bringing history to life and ensure forty-five acres of Silk Wood are sustainably managed. Alongside sustaining an ancient tradition, this provides the Arboretum coppicers with the facilities required to carry out their day-to-day activities. A permanent timber-built structure will provide shelter from the elements throughout the year helping the coppicers to continue this important tradition, as well as providing a place to store their coppicing equipment safely. The structure will also provide a drying area for material to be readied for the charcoal kiln. In 2020, we committed a further £23K in designated money from the Arboretum Development Fund to support this project and overall the charity will have contributed £40k towards this project. We anticipate that this project will not now be completed until 2022, having been postponed by a year due to Covid-19

- Signage and Path Improvements

During 2020, the Charity spent £1.2k and designated a further £1.3K to support car park, footpath and signage improvements, developing the visitor journey and experience around site while trying to reduce the impact of these visits on the natural environment. The funds provided by the charity have supported new directional signage allowing visitors to better navigate the Arboretum and engage with the site, something that has been well received by our members. The majority of work was completed in 2020 but there is some residual work to be completed early 2021 and there is a designated reserve of £3.4k for this purpose.

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- Car Park Project

During 2020 the charity has committed £48k to support improvement works for the visitor car park and there is a designated reserve set aside specifically for this project. This work is anticipated to be delivered in 2021.

- Student Arborists

During 2020, the Charity spent £16k to support the salaries of the student arborists at Westonbirt. The 12-month placement here at Westonbirt provides a year's salaried placement for students who are either part way through or nearing the end of their degrees in Countryside Management, Arboriculture, Horticulture, Forestry or a related subject which is beneficial in providing first class training for the UK's future arborists. This is a unique and practical experience for the students, and one Westonbirt is committed to, knowing the importance of supporting the next generations of young people who care about the countryside. This scheme gives them the best start when it comes to their careers in woodland and countryside management.

Development of Charity Governance

2020 was, of course, significantly affected by Covid. Governance developments were focussed on the forming of a new subsidiary, financial modelling and enhancing cash flow forecasting.

The new Friends of Westonbirt Arboretum Enterprises subsidiary took significant resource to establish in the first quarter of 2020 with significant legal and accounting provision. A new Finance Manager, Emma Frost was recruited to oversee the operational financial management of the enlarged group.

The launch of the 10 Year Vision and three-year strategy saw FOWA start to develop the digital transformation. In March 2020 the migration to Raisers Edge CRM saw a significant improvement in the charity financial oversight with improvements in transparent reporting and better connectivity of the supporter journey whilst also reducing accountancy costs to the charity through continuous improvement to financial operations.

Due to the impact of Covid the AGM had to be postponed from May and moved to November to allow for the impacts of the virus on events to be better understood. The AGM was held virtually, which was a success, allowing a greater audience both at and post-AGM to engage with the meeting and 2021 will see a continuation of the virtual set up. At the AGM there were two retiring trustees, Mike Howarth and Christine Burt, who volunteered tirelessly with the Charity and supported it through a challenging 2020. Two new Trustees, Veronica Morriss and John Parker, were recruited to the board. Both have significant experience in the fields of conservation development to add to the breadth of Trustee oversight.

We welcomed an official visit from our Royal Patron HRH The Duchess of Cornwall who was enthusiastic in her support of the conservation, education and participation aims of the Arboretum. She also engaged with the response of the arboretum to chalara dieback of ash within Silk Wood. Her Royal Highness also renewed her Patronage of the Friends for a further five years, and we are delighted to have such high-profile support of our cause.

INVESTMENTS

a. Investment Policy

The Charity's Investment Policy is reviewed from time to time and amended when necessary. The current Investment Policy is conservative, limiting investments to deposits with high quality counterparties and Investments in CCLA's money market fund.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

FINANCIAL REVIEW

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

In response to COVID-19 the trustees are actively considering the impact of the pandemic on the charity. The closure of the arboretum from March 23rd to 3rd June 2020 did have an impact on membership income as members could not access the arboretum and some chose to cancel or not to renew their memberships. However, this position recovered during the latter part of 2020 as people re-joined once the arboretum re-opened. The final membership income for 2020 was only 4% lower than the original plan for 2020. This is a very positive result given the challenging and unprecedented environment.

The shop, the running of which we took over from the end of February also had to be closed from 23rd March until late June in 2020 and was again closed in November 2020 to comply with lockdown restrictions, meaning that there was no sales income for these periods of closure. Even when it was open it was subject to restrictions. Bookings for using the Great Oak Hall for corporate events were also cancelled and fundraising, from individual donors, trusts and grant-awarding bodies was adversely affected.

To mitigate against these losses of income, the charity took actions to try and reduce costs wherever possible. Where appropriate staff were furloughed utilising the government's Job Retention Scheme which has reduced costs. The charity were also active in seeking additional funds and received government grants totalling £27,000 to support the Enterprise (retail shop). The charity also took advantage of deferred rental payments, as offered by Forestry England (the landlord), to assist with managing the cash position of the Enterprise. The charity also reviewed any discretionary spend and postponed projects and other expenditure where it was appropriate to do so.

In 2021, the Arboretum has been allowed to stay open under the Government's lockdown regulations enabling members access for local exercise. Membership income in the first quarter of 2021 has been robust and is in line with the charity's financial plan for 2021.

The shop has again been closed since January 2021 with a view to re-opening on 12th April in line with Government guidance so there has been no sales revenue for the Enterprise. As in 2020, the charity has sought to reduce costs where possible and have utilised the government's Job Retention Scheme where appropriate. The charity has also been proactive in seeking additional funds to mitigate against the reduced revenue and has been awarded a government grant of £13,900 to support the Enterprise. Bookings for the Great Oak Hall in 2021 have also been affected and this has been reflected in the financial plans for the charity for 2021.

The charity is in a strong financial position with healthy reserves. The cash balance as at 31st December 2020 was £1.6m and we consider that the charity holds sufficient funds to mitigate against the risks of any loss of income. The Trustees are reviewing the financial forecasts for 2021 on a regular basis and performance in the first quarter of 2021 is in line with the financial plan. Therefore, although the effects of COVID-19 will clearly have some impact on the income received by the charity, we are in a financially resilient position to manage these risks.

b. Reserves Policy

The charity's reserves policy is that free reserves held by the charity should be at a minimum of three months running costs, including salary costs. Free reserves are funds that are not otherwise restricted or designated and which are not invested in tangible fixed assets.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

In 2019 the free reserves required for the charity was calculated as being £285k. For 2020 this has been increased to £325k, which is comprised of £290k for the charity and £35k for the shop. These figures cover three months of salary costs for all staff, estimated redundancy costs and other payments (such as leases and rental payments) which the charity would be obligated to pay.

The free reserves recorded in these statutory accounts is £325k. This is in line with the Charity's Reserves Policy.

c. Risk Management

The trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The management of risk is an integral part of the Board's decision-making processes. The Charity's Scheme of Delegation, which is reviewed annually by the Board, sets out the delegated authority to the Finance & Risk Panel with individual risks established in a matrix and reviewed quarterly.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

Friends of Westonbirt Arboretum is registered as a charitable company limited by guarantee.

b. Methods and appointment of Trustees

The management of the Charity is the responsibility of the trustees, who are elected and co-opted under the terms of the company's Articles of Association.

c. Organisational structure and decision making policies

The Trustees are responsible for the Charity and its decision-making. The trustees particularly focus on developing and agreeing the organisation's strategy, holding the Management Team to account for its implementation and for significant areas of the Charity's grant making. The trustees delegate operational decision-making to the Chief Executive. Trustees review each year a scheme of delegation, which ensures that both trustees and management understand their responsibilities. Financial decisions are reviewed by the Finance and Risk panel quarterly.

d. Policies adopted for the induction and training of Trustees

All trustees are made aware of their obligations and the charitable company's Articles of Association and are provided with regular updates on its financial performance and status. Trustees are encouraged to avail themselves of Charity Commission guidance, including "The Essential Trustee" and other trustee training material is made available. Trustees also have access to the Board Chair and the Charity's administrative staff. The Board aims to use a skills matrix to identify gaps in its group competencies so that selection, induction and training of trustees is targeted as effectively as possible.

e. Diversity, equality and inclusion

One of the key components of the 10-year vision is to increase our focus on the diversity and inclusivity of the Arboretum. FOWA and our Forestry England Partners have a commitment to make Westonbirt more inclusive for both staff and the members and visitors that come to the Arboretum recognising that we must do more with current low BAME representation. In terms of gender equality FOWA fares much better with 60% of the Senior Leadership Team and 38% of the Trustee Board female. A working Inclusion, Access & Diversity group of staff has been established for 2021 to develop a set of strategic goals to support this within the Arboretum.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

f. Pay policy for key management personnel

The Trustees consider all staff remuneration in the same way on an annual basis. The Charity's pay policy allows for an annual cost of living increase and performance bench marked against the voluntary sector.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- So far that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the Board of Trustees and signed on their behalf, by:

M A Mintram

Chair

Date:

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

M Mintram

Chair

Date:

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRIENDS OF WESTONBIRT ARBORETUM

OPINION

We have audited the financial statements of Friends of Westonbirt Arboretum (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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 the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRIENDS OF WESTONBIRT ARBORETUM
(CONTINUED)**

We have nothing to report in this regard.

OPINION 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.
- the Trustees' Report has 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 Companies Act 2006 requires us to report to you if, in our opinion:

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

As explained more fully in the Trustees' Responsibilities Statement, 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 Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRIENDS OF WESTONBIRT ARBORETUM
(CONTINUED)**

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:

- We have considered the nature of the sector, control environment and financial performance throughout the year;
- We have considered the results of enquiries with management and Trustees in relation to their own identification and assessment of the risk of irregularities within the entity; and
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act, Companies Act and FRS 102 (SORP).

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Assessing year end reserve balances, classification of funds and in year transfers between the funds;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve 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 Auditors' Report.

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRIENDS OF WESTONBIRT ARBORETUM
(CONTINUED)**

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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Butler FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date:

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:					
Donations and legacies	2	58,539	13,941	72,480	178,209
Charitable activities	3	1,260,539	-	1,260,539	1,225,993
Other trading activities	4	245,803	-	245,803	21,817
Investments	5	2,744	-	2,744	7,004
Other income	6	54,963	-	54,963	-
TOTAL INCOME		1,622,588	13,941	1,636,529	1,433,023
EXPENDITURE ON:					
Raising funds	7	312,527	-	312,527	51,882
Charitable activities	8	1,024,606	3,574	1,028,180	1,972,367
TOTAL EXPENDITURE		1,337,133	3,574	1,340,707	2,024,249
NET MOVEMENT IN FUNDS		285,455	10,367	295,822	(591,226)
RECONCILIATION OF FUNDS:					
Total funds brought forward		831,107	44,179	875,286	1,466,512
Net movement in funds		285,455	10,367	295,822	(591,226)
TOTAL FUNDS CARRIED FORWARD		1,116,562	54,546	1,171,108	875,286

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:04965522**

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
FIXED ASSETS			
Intangible assets	11	7,813	-
Tangible assets	12	67,502	82,527
		<u>75,315</u>	<u>82,527</u>
CURRENT ASSETS			
Stocks	14	29,988	-
Debtors	15	71,359	84,341
Cash at bank and in hand		1,639,208	1,344,797
		<u>1,740,555</u>	<u>1,429,138</u>
Creditors: amounts falling due within one year	16	(635,411)	(613,583)
		<u>1,105,144</u>	<u>815,555</u>
NET CURRENT ASSETS			815,555
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,180,459</u>	<u>898,082</u>
Creditors: amounts falling due after more than one year	17	(9,351)	(22,796)
TOTAL NET ASSETS		<u><u>1,171,108</u></u>	<u><u>875,286</u></u>
CHARITY FUNDS			
Restricted funds	18	54,546	44,179
Unrestricted funds	18	1,116,562	831,107
TOTAL FUNDS		<u><u>1,171,108</u></u>	<u><u>875,286</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

M A Mintram
Chair
Date:

The notes on pages 22 to 42 form part of these financial statements.

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:04965522**

**CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	12	66,377	82,527
Investments	13	1,000	-
		<u>67,377</u>	<u>82,527</u>
CURRENT ASSETS			
Debtors	15	129,352	84,341
Cash at bank and in hand		1,587,801	1,344,797
		<u>1,717,153</u>	<u>1,429,138</u>
Creditors: amounts falling due within one year	16	(600,197)	(613,583)
NET CURRENT ASSETS		<u>1,116,956</u>	<u>815,555</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,184,333</u>	<u>898,082</u>
Creditors: amounts falling due after more than one year	17	(9,351)	(22,796)
TOTAL NET ASSETS		<u><u>1,174,982</u></u>	<u><u>875,286</u></u>
CHARITY FUNDS			
Restricted funds	18	54,546	44,179
Unrestricted funds	18	1,120,436	831,107
TOTAL FUNDS		<u><u>1,174,982</u></u>	<u><u>875,286</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

M A Mintram
Chair
Date:

The notes on pages 22 to 42 form part of these financial statements.

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash used in operating activities	313,927	(564,563)
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends, interests and rents from investments	2,744	7,004
Purchase of fixed assets	(22,260)	(38,084)
	<hr/>	<hr/>
NET CASH USED IN INVESTING ACTIVITIES	(19,516)	(31,080)
	<hr/>	<hr/>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	294,411	(595,643)
Cash and cash equivalents at the beginning of the year	1,344,797	1,940,440
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	1,639,208	1,344,797
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 22 to 42 form part of these financial statements

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Friends of Westonbirt Arboretum meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

The charity is in a strong financial position with healthy reserves. The cash balance as at 31st December 2020 was £1.6m and we consider that the charity holds sufficient funds to mitigate against the risks of any loss of income. The Trustees are reviewing the financial forecasts for 2021 on a regular basis and performance in the first quarter of 2021 is in line with the financial plan. Therefore, although the effects of COVID-19 will clearly have some impact on the income received by the charity, we are in a financially resilient position to manage these risks. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortised over the expected useful economic life of the asset. If a reliable estimate of the useful economic life cannot be determined, the life shall not exceed five years.

Amortisation is provided on the following basis:

Goodwill	- 20 % Straight line
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1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Leasehold improvements	- 5% straight line
Fixtures and fittings	- 20% straight line
IT assets	- 10% and 33% straight line

1. ACCOUNTING POLICIES (continued)

1.8 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.9 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

1.10 DEBTORS

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

1.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash, cash held in deposit accounts and also any 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 are also included within this balance.

1.12 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

1.13 FINANCIAL INSTRUMENTS

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.14 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES (continued)

1.15 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	52,423	13,941	66,364	113,209
Legacies	6,116	-	6,116	65,000
	<hr/>	<hr/>	<hr/>	<hr/>
	58,539	13,941	72,480	178,209
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL 2019	130,449	47,760	178,209	
	<hr/>	<hr/>	<hr/>	

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Grants	1,000	1,000	-
Membership subscriptions	1,259,539	1,259,539	1,225,993
TOTAL 2020	<u>1,260,539</u>	<u>1,260,539</u>	<u>1,225,993</u>

4. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Friends of Westonbirt Arboretum Enterprises	239,705	239,705	-
Letting fees and commission relating to the Great Oak Hall	6,098	6,098	21,817
	<u>245,803</u>	<u>245,803</u>	<u>21,817</u>

5. INVESTMENT INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	2,744	2,744	7,004
	<u>2,744</u>	<u>2,744</u>	<u>7,004</u>

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Other Unrestricted Government Grants	27,000	27,000	-
Coronavirus Job Retention Scheme grant income	27,963	27,963	-
	<u>54,963</u>	<u>54,963</u>	<u>-</u>

7. EXPENDITURE ON RAISING FUNDS

FUNDRAISING TRADING EXPENSES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Friends of Westonbirt Arboretum Enterprises Limited	186,570	-	186,570	-
Purchases for events	460	-	460	4,177
The Great Oak Hall expenses	180	-	180	9,894
Donated facilities - The Great Oak Hall	5,625	-	5,625	5,625
Fundraising and Trading Staff Costs	119,692	-	119,692	32,186
	<u>312,527</u>	<u>-</u>	<u>312,527</u>	<u>51,882</u>
TOTAL 2019	<u>51,839</u>	<u>43</u>	<u>51,882</u>	

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Direct and support costs	581,850	446,330	1,028,180	1,972,367
TOTAL 2019	1,599,130	373,237	1,972,367	

Analysis of direct costs

	Activities undertaken directly 2020 £	Total funds 2020 £	Total funds 2019 £
Arboretum access rights	481,863	481,863	551,151
Grant Expenditure	15,583	15,583	202,960
Arboretum Development Fund expenditure (Silk Wood House)	-	-	750,000
Membership Activities	29,695	29,695	38,959
Westonbirt magazine costs	49,084	49,084	50,435
Donated facilities - The Great Oak Hall	5,625	5,625	5,625
	<u>581,850</u>	<u>581,850</u>	<u>1,599,130</u>

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Supporting Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	295,080	295,080	252,659
Depreciation	27,403	27,403	15,101
Other staff expenditure	1,015	1,015	2,593
Staff recruitment and development	10,314	10,314	6,548
Governance	18,179	18,179	19,423
Telephone	557	557	611
Rates	1,321	1,321	1,128
Utilities	2,374	2,374	3,399
Insurance	8,269	8,269	7,960
Printing, post and stationary	1,267	1,267	1,703
General maintenance	2,978	2,978	3,863
Information technology	62,362	62,362	39,362
Marketing	302	302	2,102
Miscellaneous expenses	6,960	6,960	6,363
Bank charges	87	87	115
Accounting services	7,862	7,862	10,307
	<u>446,330</u>	<u>446,330</u>	<u>373,237</u>

9. STAFF COSTS

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	372,114	239,975	285,645	239,975
Social security costs	15,755	20,667	15,755	20,667
Contribution to defined contribution pension schemes	26,903	24,203	26,903	24,203
	<u>414,772</u>	<u>284,845</u>	<u>328,303</u>	<u>284,845</u>

Staffing costs comprises of £295,080 (2019: £252,659) within support costs and £119,692 (2019: £42,080) within fundraising trading expenses.

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. STAFF COSTS (CONTINUED)

The average number of persons employed by the Charity during the year was as follows:

Group 2020 No.	Group 2019 No.
20	11

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Charity comprise the Trustees (who do not receive remuneration for their role as a Trustee) and the Chief Executive Officer. The total amount of employee benefits (including Employer pension contributions) received by key management personnel for their services to the Charity was £52,464 (2019: £51,414).

10. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

11. INTANGIBLE ASSETS

Group

	Goodwill £
COST	
Additions	9,567
At 31 December 2020	9,567
AMORTISATION	
Charge for the year	1,754
At 31 December 2020	1,754
NET BOOK VALUE	
At 31 December 2020	7,813
At 31 December 2019	-

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. TANGIBLE FIXED ASSETS

GROUP

	Leasehold improvements £	Fixtures and fittings £	IT assets £	Total £
COST OR VALUATION				
At 1 January 2020	33,518	30,280	135,634	199,432
Additions	-	-	12,693	12,693
Acquired assets	-	19,876	-	19,876
At 31 December 2020	<u>33,518</u>	<u>50,156</u>	<u>148,327</u>	<u>232,001</u>
DEPRECIATION				
At 1 January 2020	18,204	28,787	69,914	116,905
Charge for the year	1,675	994	25,482	28,151
Charge for assets acquired	-	19,443	-	19,443
At 31 December 2020	<u>19,879</u>	<u>49,224</u>	<u>95,396</u>	<u>164,499</u>
NET BOOK VALUE				
At 31 December 2020	<u>13,639</u>	<u>932</u>	<u>52,931</u>	<u>67,502</u>
At 31 December 2019	<u>15,314</u>	<u>1,493</u>	<u>65,720</u>	<u>82,527</u>

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. TANGIBLE FIXED ASSETS (CONTINUED)

COMPANY

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION				
At 1 January 2020	33,518	30,280	135,634	199,432
Additions	-	-	11,253	11,253
At 31 December 2020	<u>33,518</u>	<u>30,280</u>	<u>146,887</u>	<u>210,685</u>
DEPRECIATION				
At 1 January 2020	18,204	28,787	69,914	116,905
Charge for the year	1,675	686	25,042	27,403
At 31 December 2020	<u>19,879</u>	<u>29,473</u>	<u>94,956</u>	<u>144,308</u>
NET BOOK VALUE				
At 31 December 2020	<u>13,639</u>	<u>807</u>	<u>51,931</u>	<u>66,377</u>
At 31 December 2019	<u>15,314</u>	<u>1,493</u>	<u>65,720</u>	<u>82,527</u>

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Charity	
COST OR VALUATION	
Additions	1,000
AT 31 DECEMBER 2020	<u>1,000</u>
NET BOOK VALUE	
AT 31 DECEMBER 2020	<u>1,000</u>

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Friends of Westonbirt Arboretum Enterprises Limited	12410907	The Great Oak Hall, Westonbirt, The National Arboretum, Tetbury, Gloucestershire, United Kingdom, GL8 8QS	Other retail sale of new goods in specialised stores
Class of shares	Holding	Included in consolidation	
Ordinary	100%	Yes	

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net liabilities £
Friends of Westonbirt Arboretum Enterprises Limited	285,668	(289,542)	(3,874)	(2,874)

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

14. STOCKS

	Group 2020 £	Group 2019 £
Finished goods and goods for resale	29,988	-

15. DEBTORS

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
DUE WITHIN ONE YEAR				
Trade debtors	2,120	9,938	2,120	9,938
Amounts owed by group undertakings	-	-	58,512	-
Prepayments and accrued income	69,239	74,403	68,720	74,403
	71,359	84,341	129,352	84,341

**FRIENDS OF WESTONBIRT ARBORETUM
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade creditors	17,076	33,365	11,443	33,365
Other taxation and social security	38,003	22,886	31,969	22,886
Accruals and deferred income	580,332	557,332	556,785	557,332
	635,411	613,583	600,197	613,583
	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Deferred income at 1 January	476,702	439,528	476,702	439,528
Resources deferred during the year	539,874	476,702	539,874	476,702
Amounts released from previous periods	(476,702)	(439,528)	(476,702)	(439,528)
	539,874	476,702	539,874	476,702

The deferred income balance of £539,874 relates to membership subscriptions which were purchased during 2020 but for which the membership period ends in the following financial year.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Deferred income	9,351	22,796	9,351	22,796

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

18. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Arboretum Development Fund	472,351	-	-	143,287	615,638
Wood Centre	-	-	439	(439)	-
Quarantine House	-	-	-	28,428	28,428
Coppice Shelter	9,476	-	5,000	22,836	37,312
Community Shelter	58,845	16,000	-	(12,160)	62,685
Disability Transport	3,740	-	(3,680)	(60)	-
Student Arborist Fund	1,695	-	(16,103)	14,408	-
Westonbirt Signage Project	-	830	1,233	1,335	3,398
Westonbirt Car Park Project	-	-	-	47,975	47,975
	<u>546,107</u>	<u>16,830</u>	<u>(13,111)</u>	<u>245,610</u>	<u>795,436</u>
GENERAL FUNDS					
General Funds	285,000	1,320,090	(1,034,480)	(245,610)	325,000
Friends of Westonbirt Arboretum Enterprises	-	285,668	(289,542)	-	(3,874)
	<u>285,000</u>	<u>1,605,758</u>	<u>(1,324,022)</u>	<u>(245,610)</u>	<u>321,126</u>
TOTAL UNRESTRICTED FUNDS	<u>831,107</u>	<u>1,622,588</u>	<u>(1,337,133)</u>	<u>-</u>	<u>1,116,562</u>
RESTRICTED FUNDS					
Community Shelter	16,662	12,241	(1,994)	-	26,909
Quarantine House	24,829	1,700	-	-	26,529
Coppice Shelter	2,688	-	(1,580)	-	1,108
	<u>44,179</u>	<u>13,941</u>	<u>(3,574)</u>	<u>-</u>	<u>54,546</u>
TOTAL OF FUNDS	<u>875,286</u>	<u>1,636,529</u>	<u>(1,340,707)</u>	<u>-</u>	<u>1,171,108</u>

**FRIENDS OF WESTONBIRT ARBORETUM
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

18. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2019 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Arboretum Development Fund	1,187,686	-	(750,000)	34,665	472,351
Westonbirt Project Fund	-	34,071	(71,928)	37,857	-
The Wood Centre	-	529	(87,704)	87,175	-
Community Shelter	-	-	-	58,845	58,845
Disability Transport	-	-	-	3,740	3,740
Student Arborist Fund	-	1,481	(8,833)	9,047	1,695
Coppice Shelter	-	-	-	9,476	9,476
Shuttle Bus	-	-	(8,280)	8,280	-
	<u>1,187,686</u>	<u>36,081</u>	<u>(926,745)</u>	<u>249,085</u>	<u>546,107</u>
GENERAL FUNDS					
General Funds	260,000	1,349,182	(1,080,261)	(243,921)	285,000
	<u>260,000</u>	<u>1,349,182</u>	<u>(1,080,261)</u>	<u>(243,921)</u>	<u>285,000</u>
TOTAL UNRESTRICTED FUNDS	<u>1,447,686</u>	<u>1,385,263</u>	<u>(2,007,006)</u>	<u>5,164</u>	<u>831,107</u>
RESTRICTED FUNDS					
Student Arborists Fund	5,164	-	-	(5,164)	-
Disability Transport	-	6,200	(6,200)	-	-
Community Shelter	12,162	10,500	(6,000)	-	16,662
Coppice Shelter	-	7,688	(5,000)	-	2,688
Quarantine House	1,500	23,372	(43)	-	24,829
	<u>18,826</u>	<u>47,760</u>	<u>(17,243)</u>	<u>(5,164)</u>	<u>44,179</u>
TOTAL OF FUNDS	<u>1,466,512</u>	<u>1,433,023</u>	<u>(2,024,249)</u>	<u>-</u>	<u>875,286</u>

18. STATEMENT OF FUNDS (CONTINUED)

Unrestricted Funds:

Unrestricted funds are available to be spent for any of the purposes of the Charity and includes designated funds where the Trustees have set aside money for a specific purpose.

Purpose of designated and restricted funds:

Designated Funds

1. The Arboretum Development Fund – this fund seeks to raise funds for operational and revenue needs to promote the sustainability and development of the arboretum.
2. Wood Centre – the fundraising for this project ended in 2019 with the completion and official opening of the Westonbirt Woodworks in May 2019. The main focus was on the Westonbirt Wood Centre creating an area suitable for a tenant business to operate, adding financial value to the Arboretum and also enhancing the visitor experience and understanding the lifecycle of tree management. The final costs for this project were incurred in 2020 and the project has now been completed.
3. Quarantine House - the purpose of this fund is to support the fundraising for a new Quarantine House on-site to support our conservation objectives. This large structure which will significantly boost the biosecurity at the Arboretum as it will be a specialist, purpose-built facility, allowing the Tree Team to constantly monitor and regularly inspect all new plants and seeds.
4. Coppice Shelter – the purpose of this fund is to provide a shelter for the Arboretum Coppicers and to provide them with the facilities required to carry out their day-to-day activities and enable them to store their equipment safely. The shelter will help to sustain an ancient tradition and ensure that Silk Wood can be sustainably managed.
5. Community Shelter – the purpose of this fund is to support the work of Forestry England to develop a Community Shelter to be used exclusively for community activities
6. Disability Transport – the purpose of this fund is to support mobility access across Westonbirt in line with our participation objectives. This fund is to provide additional wheelchairs on site with better capacity to manage rough terrain. This helps us to provide access for all, which is a fundamental objective for the charity. This project was completed in 2020.
7. Student Arborists Fund – the purpose of this fund is to support the salary for one student arborist. The fund provides a year's salaried placement for students who are either part way through or nearing the end of their degrees in Countryside Management, Arboriculture, Horticulture, Forestry or a related subject which is beneficial in providing first class training for the UK's future arborists.
8. Westonbirt Signage Project - the purpose of this project is to improve the signage within the Arboretum to enhance the visitor experience. As an example, signage for running routes across the arboretum were installed during 2020. The Signage project was largely completed in 2020 with the final retention expenditure due in early 2021.
9. Westonbirt Car Park Project – the purpose of this project is to improve the Car Parking facilities at the Arboretum with a view to including charging points for Electric Vehicles in support of our commitment to the environment and sustainability. Construction work on this project is anticipated in summer 2021.

**FRIENDS OF WESTONBIRT ARBORETUM
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

18. STATEMENT OF FUNDS (CONTINUED)

Restricted Funds:

1. Student Arborists - the purpose of this fund is as per the Designated Fund description above. This fund just pertains to the element of the fund that is funded through restricted sources. This restricted fund was cleared in 2019. There is no restricted balance for this fund in 2020.
2. Disability Transport - the purpose of this fund is as per the Designated Fund description above. This fund just pertains to the element of the fund that is funded through restricted sources. This restricted fund was cleared in 2019. There is no restricted balance for this fund in 2020.
3. Community Shelter – the purpose of this fund is as per the Designated Fund description above. This fund just pertains to the element of the fund that is funded through restricted sources.
4. Coppice Shelter – the purpose of this fund is as per the Designated Fund description above. This fund just pertains to the element of the fund that is funded through restricted sources.
5. Quarantine House – the purpose of this fund is to support the fundraising for a new Quarantine House on-site to support our conservation objectives. This large structure which will significantly boost the biosecurity at the Arboretum as it will be a specialist, purpose-built facility, allowing the Tree Team to constantly monitor and regularly inspect all new plants and seeds.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	67,502	-	67,502
Intangible fixed assets	7,813	-	7,813
Current assets	1,686,009	54,546	1,740,555
Creditors due within one year	(635,411)	-	(635,411)
Creditors due in more than one year	(9,351)	-	(9,351)
TOTAL	1,116,562	54,546	1,171,108

**FRIENDS OF WESTONBIRT ARBORETUM
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**NOTES TO THE FINANCIAL STATEMENTS
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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	82,527	-	82,527
Current assets	1,384,959	44,179	1,429,138
Creditors due within one year	(613,583)	-	(613,583)
Creditors due in more than one year	(22,796)	-	(22,796)
TOTAL	<u>831,107</u>	<u>44,179</u>	<u>875,286</u>

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2020 £	Group 2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	<u>295,822</u>	<u>(591,226)</u>
ADJUSTMENTS FOR:		
Depreciation charges	47,594	15,101
Amortisation charges	1,754	-
Interest Received	(2,744)	(7,004)
Decrease/(increase) in stocks	(29,988)	-
Decrease/(increase) in debtors	12,982	(34,516)
Increase in creditors	8,383	53,082
Acquisition of fixed assets	(19,876)	-
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	<u>313,927</u>	<u>(564,563)</u>

**FRIENDS OF WESTONBIRT ARBORETUM
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2020 £	Group 2019 £
Cash in hand	643,583	602,194
Notice deposits (less than 3 months)	995,625	742,603
TOTAL CASH AND CASH EQUIVALENTS	<u>1,639,208</u>	<u>1,344,797</u>

22. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	1,344,797	294,411	1,639,208
	<u>1,344,797</u>	<u>294,411</u>	<u>1,639,208</u>

23. RELATED PARTY TRANSACTIONS

The group has a close relationship with the Forestry England.

The Arboretum is managed by Forestry England. Membership of the Friends of Westonbirt Arboretum follows payment of a prescribed fee. Members are entitled to visit the Arboretum during the opening hours without having to pay an entrance fee to Forestry England. Friends of Westonbirt Arboretum purchase access rights for its members from Forestry England. The cost for the current year was £481,863 (2019: £550,918).

The charity operates from the Great Oak Hall at Westonbirt Arboretum which is leased from Forestry England at a peppercorn rent. The purpose of the Great Oak Hall is to provide administrative offices for the Charity and a hall for the use of the Charity, Forestry England and for commercial lettings. The value of these donated facilities has been quantified at the value of £11,250 (2019: £11,250) and recognised in the financial statements.

In the prior year, the Charity paid £750,000 to Forestry England as a contribution towards the purchase of Silk Wood House. No such transaction occurred this year.

The charity has taken advantage of the exemption available in FRS 102 whereby it has not disclosed transactions or balances with the wholly owned subsidiary of the group.

**FRIENDS OF WESTONBIRT ARBORETUM
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

24. COVID-19

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

In 2021, the Arboretum has been allowed to stay open under the Government's lockdown regulations enabling members access for local exercise. Membership income in the first quarter of 2021 has been robust and is in line with the charity's financial plan for 2021. The shop has again been closed since January 2021 but has since re-opened on 12th April in line with Government guidance. As in 2020, the charity has sought to reduce costs where possible and have utilized the government's Job Retention Scheme where appropriate. The charity has also been proactive in seeking additional funds to mitigate against the reduced revenue and has been awarded a government grant of £13,900 to support the Enterprise. Bookings for the Great Oak Hall in 2021 have also been affected and this has been reflected in the financial plans for the charity for 2021.

The charity is in a strong financial position with healthy reserves. The cash balance as at 31st December 2020 was £1.6m and we consider that the charity holds sufficient funds to mitigate against the risks of any loss of income. The Trustees are reviewing the financial forecasts for 2021 on a regular basis and performance in the first quarter of 2021 is in line with the financial plan. Therefore, although the effects of COVID-19 will clearly have some impact on the income received by the charity, we are in a financially resilient position to manage these risks

25. CONTROLLING PARTY

The company is limited by guarantee and therefore there are no individual controlling parties. The company is controlled by the Directors and its Members.