

Registered number: 04584694
Charity number: 1095435

The Alnwick Garden Trust

(A company limited by guarantee)

Annual report

31 March 2022

The Alnwick Garden Trust

(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1
Chairman's statement	2
Trustees' report	3 - 14
Trustees' responsibilities statement	15
Independent auditor's report	16 - 19
Consolidated statement of financial activities	20
Consolidated balance sheet	21
Company balance sheet	22
Consolidated statement of cash flows	23
Notes to the financial statements	24 - 51

The Alnwick Garden Trust

(A company limited by guarantee)

Reference and administrative details

Year ended 31 March 2022

Trustees	The Duchess of Northumberland Jonathan Blackie CBE, Chair Richard Hutton (resigned 22 June 2021) John Lovett Sir James Leigh-Pemberton Sir James Mackey Catherine Brenda Kalson (appointed 23 July 2021)
Company registered number	04584694
Charity registered number	1095435
Registered office	The Alnwick Garden Gardeners Cottage Greenwell Road Alnwick Northumberland NE66 1HB
Chief executive officer	Mark Brassell
Independent auditor	UNW LLP Citygate St James' Boulevard Newcastle upon Tyne NE1 4JE
Bankers	Barclays Bank Morpeth Northumberland NE61 3YY
Solicitors	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne NE1 3DX

The Alnwick Garden Trust

(A company limited by guarantee)

Chairman's statement Year ended 31 March 2022

The chairman presents his statement for the year.

The year under review, April 2021 to March 2022, was once again a year that required The Garden to adapt to rapidly changing conditions. The beginning of the year saw great uncertainty caused by the Covid-19 pandemic. As time progressed and restrictions eased, visitors returned in considerable numbers to The Garden and, remarkably, it turned out to be one of our most successful years since opening. It demonstrated the resilience of Mark and the team. The team's ability to innovate and respond to the challenges brought by the pandemic ensured our visitors, staff and beneficiaries of our community programmes felt safe in a secure environment. The team improved and built upon the successful 2020 Christmas offer, broadening both the season and the enjoyment for the visitor.

The year saw The Garden win an unprecedented three VisitEngland Gold Accolades at the North East Tourism Awards. This gave a real boost to both staff and volunteers. The team do a great job and the trustees are very appreciative of all their efforts. Food and beverage have made a great contribution both in terms of delivering a quality food offer as well as a full calendar of events. The financial contribution the Treehouse, Pavilion and Bakery make to our accounts is considerable. Financially, it has been one of our best years, putting us in an excellent position for the anticipated testing times ahead with the looming cost of living crisis.

As we emerged from the pandemic's restrictions, we reassessed our Community and Education programmes to ensure they were still relevant to the needs of the local community we serve. This process saw the launch of our Climate Action Programme which will play an increasingly important role as time goes on. The demonstrable impact of our programmes secured support and funding from the North of Tyne Combined Authority particularly around the empowerment of young people. Our Elderberries programme continues to be one of our most effective initiatives, offering a very attractive 'drop in' facility and a full calendar of formal events supporting and improving the wellbeing of lonely and isolated older people from the area.

Lilidorei, our exciting new play village, really started taking shape this year. We completed the majority of the ground work and covered off all our planning application requirements and we look forward to opening in Spring 2023. The Duchess has been able to create another unique and exciting facility in Northumberland. We have managed to raise over £17m in capital funding, and Lilidorei promises to be a formidable asset for the North East tourism industry for decades to come.

As well as the Duchess, thanks are also due to the Duke of Northumberland and Northumberland Estates for their support and advice.

On the board, we said farewell to Richard Hutton and welcomed Cate Kalson. Richard was a great asset and is responsible for our excellent financial competence. Cate brings a wealth of experience from the digital sector and is able to advise us on our marketing and social media strategies. Thanks are also due to Sir James Mackey, John Lovett who has acted as a lead trustee for Lilidorei, and Sir James Leigh-Pemberton who chairs our Financial and Audit Committee, instrumental in raising funds for Lilidorei.

It is pleasing to report that we have had another excellent year and are in a great position to tackle the next phases of The Garden's development.



Jonathan Blackie CBE, Chairman

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report

Year ended 31 March 2022

The trustees present their annual report together with the audited financial statements of the group and the charitable company for the year 1 April 2021 to 31 March 2022. The report satisfies the requirements of a strategic report under the Companies Act 2006 and the trustees annual report under the Charities Act 2011. 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 2019).

Objectives and Activities

Policies and objectives

The mission of The Alnwick Garden is to inspire and connect people in an inclusive space of beauty and learning that ultimately enriches people's lives.

Our values

Community

Charity

Access for all

Bold imagination

Innovation

Our goals

Embed our roots in the surrounding community and grow together

Provide a social and educational space for those in need

Promote inclusivity with access for all abilities

Enrich people's lives with memorable experience

Create engaging learning opportunities for all ages

Our goals

In order to achieve the Trust's charitable objectives, The Alnwick Garden's strategic plan identifies the following five medium term goals:

Goal 1 - To be a key driver of social and economic support for Alnwick and the wider area

Goal 2 - Commercially sustained success through growth in visitor numbers and memberships

Goal 3 - Commercial growth through an excellent food and beverage offer that includes a wide variety of events

Goal 4 - To be a leader in the fight against Climate Change, educating others and tackling the challenge of reducing carbon in the atmosphere while protecting biodiversity.

Goal 5 - Happy and high functioning team to ensure the continued success of the Trust

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued)

Year ended 31 March 2022

Main activities undertaken to further the charity's purposes for the public benefit

The trustees have due regard to the Charity Commission's guidance on public benefit. The Alnwick Garden's on site activities encompass a number of the charitable purposes referred to in The Charities Act 2011, namely:

- The advancement of education.
- The relief of those in need, by reason of youth, age, ill health, disability, financial hardship or other disadvantage.
- The advancement of the arts, culture, heritage or science.
- The advancement of health or the saving of lives.
- The advancement of citizenship or community development.

The Alnwick Garden was able to fulfil its public benefit requirement due to meticulous planning and responsiveness to the rapidly changing COVID restrictions in place throughout the year. The Community and Education team responded to the COVID pandemic by exploring the impact of "Lockdown" and the effects it had on our local community. Wellbeing and economic recovery featured highly in our analysis; a subsequent review of our provision incorporated activities that would address these emerging issues.

A phased action plan was developed to allow delivery to begin as soon as the various restrictions were lifted. The Garden had the added benefit of being able to offer activities outside and new initiatives were introduced to achieve our charitable objectives whilst indoor rules were still in place. This included "Open Garden" an initiative aimed at over 55's, giving them free access to The Alnwick Garden to exercise and meet with others outside, addressing both physical and mental wellbeing. Once all restrictions were lifted a full range of programmes were ready and accessible to all of our beneficiaries immediately.

During our analysis of community needs, we also assessed other critical issues, and from there we responded by launching our Climate Action Programme. The programme will focus on reducing The Garden's greenhouse gas emissions while developing a ground-breaking education programme teaching individuals and businesses what they can do to reduce their own carbon footprint. Climate and ecological themes will also be built into our other education and community engagement programmes to inspire others to take action to address the climate crisis.

Achievements and performance

Review of the five charitable objectives against activities delivered in 2021/22

Promoting skills and lifelong learning

Objectives

Provide opportunities for people of all ages and abilities to learn and grow.

Activities

Inspiring learning and skills development is a culture embedded within The Alnwick Garden's ethos and values and our educational provision covers multiple aspects of the national curriculum. All provision encourages learning and growth through a diverse range of activities and events. Our programmes capture the imagination of both the young and our aging population. We use our outdoor space as an educational environment, providing opportunities to explore different ways of gaining new knowledge and learning life skills.

Our school education programmes began with a new focus of addressing the climate crisis in 2021, delivering sessions to explore biodiversity loss and ways to take action.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued)

Year ended 31 March 2022

Our Drugs Education programme was also reactivated in 2021. The Poison Garden attracts visitors of all ages and delivers key messages around the dangers of substance use through our narcotic plants. The outreach drugs education programme is aimed towards young people to prevent early onset of substance use, empowering them to make informed decisions and reduce the risk of drug related harm.

Education also became a key theme when our Elderberries programme resumed after the pandemic. Tea and Tech sessions give our Elderberries participants the opportunity to learn how to use devices such as mobile phones and laptops to access services that are available digitally and navigate through ever changing technology.

Encouraging people to think differently about disability

Objectives

Encouraging children of different abilities to play together.

Activities

The Young Gardeners programme works with families where a child (or children) has an additional need or disability. The aim of the programme is to improve communication, social development and fitness alongside learning new skills through gardening. Children engage in a variety of gardening activities in a safe and calm environment that ensure inclusivity and accessibility. It also allows families to have time together as well as creating new friendships. Through engaging in gardening and new experiences, children build trusting relationships with staff and others attending the programme, in turn building their confidence and self esteem.

It is hoped that families use these new skills in their own gardens to make creative and imaginative environments for them all to enjoy and develop support networks outside of the gardening sessions. We were able to re-start The Young Gardeners Programme before the other programmes with it being an outside activity and the families reported immediate benefits.

Enabling experience of the arts

Objectives

Enabling people to experience a variety of art forms such as architecture and sculpture; live music and choirs; street theatre and storytelling.

Activities

The Garden is a place of unique style that delivers a vast variety of immersive art, entertainment, and talent to the wider community. Using the natural beauty of The Garden as a centre piece for creativity that draws the imagination of everyone.

The Garden provides a platform for new talent that encourages people of all ages and ability to unleash their potential, working with buskers, orchestras, singers, and musicians to inspire and empower the talent of tomorrow.

The Alnwick Garden is an active member of the local community and with kindness and understanding we strive to support and develop partnerships. The arts particularly took a great hit throughout COVID, and The Garden became an outreach for many. New alliances and contacts were made, and this ensured we had an action-packed event plan for our visitors.

- Alnwick in Wonderland – Trail, activity pack to take home, meet the characters.
- Alnwick Round Table - Duck Trail made by the local families of Alnwick and the surrounding areas.
- Northumberland College Zoo – Meet the animals and ask the experts.
- Adventure Northumberland – Outdoor survival skills, fairy house making and stick people creation.
- Tyne and Wear Museum – event share where we went to them with a pop-up poison garden, and they came to us with their historical props.
- Gay Day – The finals of Mr Gay England. Music, fun and laughter in an accepting and welcoming location.
- Outdoor Theatre – Wonder with Grimm and Mr Stink.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2022

- Halloween – Day and Evening offer.
- Father Christmas and Light Trail
- Buskers who included the Duchess's High School band

Encouraging healthy activity for all

Objectives

Running programmes that promote health, happiness and wellbeing for all ages; raising awareness among children and families on how to achieve a healthier lifestyle. Using the unique indoor and outdoor spaces of The Garden to encourage participation in a range of physical activity workshops.

Activities

Elderberries is the longest running and most established programme at The Alnwick Garden. The programme works with people aged over 55 to combat isolation, provide stimulating and mind provoking activities, as well as increase physical exercise and promote mental wellbeing. The Trust ensures that every activity and group follow at least one of the NHS 5 Steps to Wellbeing, which are:

- Connect with other people
- Be physically active
- Learn new skills
- Give to others
- Mindfulness

The Walking Group was the first of our Elderberries initiatives to recommence in 2021 followed closely by Gentleman's Garden as both were outdoor activities. As restrictions eased, we were able to offer our full programme including Blooming Well, which offers group-based activities to stimulate and improve quality of life for those with early onset dementia or memory issues. Yoga and Pilates sessions commenced shortly thereafter. New initiatives including Cricket and "Ukulele for fun" were introduced to enrich our wellbeing offer and were well received.

The Elderberries Drop-In opened its doors again and welcomed back those who attend to connect with others, make friends and engage in social activities. There were 1,899 attendances at the Drop-In during 2021/22.

Following a successful and well received Christmas hamper initiative in 2020, we continued with this provision and created Christmas gift bags that were delivered to 100 Elderberries who had been referred by external services. Many of the reasons for referral included social isolation, knowing that this may be the only gift they receive.

In terms of our young people programme, the Roots and Shoots programme supports schools across Northumberland to tackle childhood obesity and promote healthy living in children and young people. Throughout the growing season schools are allocated their own plot where they prepare the soil, plant produce and harvest the vegetables. The practical sessions are coupled with classroom education around healthy eating, living well and the importance of exercise. The children can then take this learning home and help transform their own garden and prepare tasty meals with the produce they have grown. Due to restrictions in place schools were unable to participate in our Roots and Shoots programme in 2021. Information on course content was sent to selected schools to inspire them to create their own allotment space and provide ongoing learning around healthy lifestyles. Enrolment for the 2022 season has commenced and all plots are fully subscribed.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued)

Year ended 31 March 2022

Community Development

Objectives

To empower young adults in either securing employment or starting a business.

Activities

Our Grow Into Work initiative is an employment support programme part funded by The Mercers Company and North of Tyne Combined Authority. Its aim is to help people in Northumberland to gain the skills, knowledge, and confidence to secure sustainable employment.

The programme is a mix of work experience and classroom-based sessions where beneficiaries develop CV writing skills, application form completion and interview and presentation skills. Support is offered and can continue once beneficiaries have completed the programme for up to six months after completion.

Seeds for Success, a new initiative for 2021/22, also funded through North of Tyne Combined Authority, provides workshops offering in depth support on the basics of starting a small business. Opportunities to link in with The Alnwick Garden platform to initially promote their business are also offered as part of the programme.

Economic impact of The Garden

The Alnwick Garden has had a tremendous impact on the local community from both a financial and social perspective over the last 21 years. 7 million visitors have visited The Garden in this time and this footfall can nearly be doubled when considering non-ticketed visitors using the retail shop and The Treehouse.

The Garden is a proud supporter of local businesses. Strong relationships have been built with suppliers and producers in the North East. This not only boosts local businesses but also reduces carbon emissions through reduced transportation distances. Our relationship with the local creative sector continues to flourish with more and more local artists being stocked in our retail shop.

This year also saw the most successful Festive Season on record for The Garden with over 37,000 tickets sold for the Christmas Light Trail. Once again, we brought in local independent food vendors throughout the show run. These small businesses generated £65,000 over the period.

The success of the use of the vendors has also allowed us to develop a calendar of pop ups over the spring/summer season to assist in both managing the volumes but also enhancing the visitor experience with different food offers. We have built strong partnerships with the regular vendors we use, and we are always planning the next event/opportunity whilst looking for new and interesting food and drink vendors to work with.

Quite often our events team are asked if the vendors can also be utilised at their wedding or event creating additional opportunities. We are continuing to work with stakeholders in the town to drive as much economic activity into the town as possible particularly during winter and shoulder periods. It is estimated that The Garden has contributed £340m to the local economy since its inception. Of this, £175m has been spent directly with local suppliers. This economic activity has supported 3,200 jobs since opening.

The Alnwick Garden is an inspirational project that has put Alnwick, Northumberland and the North East on the international tourist map. The investment has strengthened the local economy and created an attraction that brings international visitors to Northumberland. As an active partner in the sector The Garden is working with Northumberland Tourism and other Northumberland stakeholders in their development of a new Destination Management Plan that will guide tourism development in the medium and long term.

The new Lilidorei development will build on the success of The Alnwick Garden and is on track to open in Spring 2023.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2022

Fundraising activities

Fundraising efforts this year were targeted towards the provision of our community programmes.

Applications were made to a range of charitable trusts, public bodies and individuals, and the key donors were as follows:

- North of Tyne Combined Authority
- Community Foundation
- CEO Sleepout
- The Mercers Company
- Hubbub Foundation
- David Tennant

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued)

Year ended 31 March 2022

Financial review

Financial key performance indicators

Full details of the charitable company's financial position can be found in the accompanying financial statements attached to this report. The consolidated statement of financial activities shows total incoming resources of £6,975,611 (2021: £3,924,212), total resources expended of £6,383,524 (2021: £4,616,640) and net incoming resources for the year of £592,087 (2021: net outgoing resources of £692,428).

When assessing the consolidated balance sheet it is important to note that in the year to 31 March 2022, the creditors amount includes a long term interest free loan which the charity has received from Northumberland Estates. FRS 102 requires that such loans are recognised at net present value as calculated by reference to an applicable discount rate. The charity has calculated the net present value of the £8m loan to be £1,770,854 at 31 March 2022 (£1,664,950 at 31 March 2021), based on a discount rate of 6%, the agreed repayment structure and the settlement date in 2047.

Non financial key performance indicators

The Garden rebounded remarkably well in its first full financial year without a lockdown although some restrictions were in place through parts of the year. Some of the non financial key performance indicators included:

- 322,219 Garden Visitors (2020/21 170,871)
- 46,475 Adventure Golf Visitors (2020/21 29,042)

Delivering our social impacts remained the key priority of the Community and Education team and they strived to re-establish all programmes despite the ever changing guidance. The achievements this year included:

- 681 individuals reached through our Elderberries programmes;
- 1,899 attendances at The Elderberries Drop-In;
- 225 young people engaged in our outreach drugs education programmes;
- 593 pupils attended our educational programmes aimed at increasing knowledge of: The climate crisis, climate action and lifecycle of plants;
- 21 beneficiaries engaged with our employability and enterprise programmes with 62% moving into employment upon completion;
- 5 families engaged in our Young Gardeners initiative;
- 130 young people benefitted from career support and guidance;
- 20 vegetable hampers donated to young people making transition into independent living;
- 850 beneficiaries attended Light Trail Community Night;
- 126,726 visitors to Poison Garden received education piece on drug use;
- 100 Christmas Gift Bags delivered to most vulnerable Elderberries;
- Directly supported three local food businesses during the Light Trail run.

More information on the Trust's social impacts is contained in the 2021/2022 Social Impact Report on The Alnwick Garden website.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2022

Financial performance summary

	2021-22	2020-21	2019-20	2018-19	2017-18
	£	£	£	£	£
Revenue					
<i>Admissions (including Friends and Gift Aid)</i>	2,837,413	1,441,331	2,558,414	2,545,925	2,506,961
<i>Retail Sales</i>	571,257	276,718	560,697	697,793	701,672
<i>Catering Sales</i>	2,044,675	356,335	-	1,318,618	1,375,645
<i>Rental and Other Revenue</i>	211,806	139,038	728,782	421,318	328,879
<i>Other Income</i>	182,185	763,043	34,989	27,139	4,714
Total Revenue	5,847,336	2,976,465	3,882,882	5,010,793	4,917,871
Direct Costs					
<i>Admissions Direct Costs</i>	847,364	626,382	972,711	815,472	749,878
<i>Retail Cost of Sales and direct costs</i>	490,193	321,490	474,382	549,605	519,790
<i>Catering Cost of Sales and direct costs</i>	1,443,047	431,803	-	1,069,116	1,177,810
<i>Other Direct Costs</i>			15,613	12,144	14,999
Total Direct Costs	2,780,604	1,379,675	1,462,706	2,446,337	2,462,477
Gross Profit	3,066,733	1,596,790	2,420,176	2,564,456	2,455,394
Operating Costs					
<i>Garden Maintenance</i>	303,477	277,004	334,928	339,292	303,251
<i>Marketing and Communication</i>	232,857	190,675	337,956	371,536	351,099
<i>Management and Administration</i>	457,232	398,593	392,117	420,154	424,140
<i>Other Staff Costs</i>	18,710	7,422	9,141	14,015	17,992
<i>Other Overheads</i>	94,721	95,071	90,357	94,267	101,093
<i>Premises Costs</i>	333,674	246,182	448,552	316,482	320,237
<i>Repairs and Maintenance</i>	249,981	182,799	153,003	217,720	213,311
Total Operating Costs	1,690,652	1,397,746	1,766,054	1,773,466	1,731,123
Operating Revenue before Capital Investment and Impact Activity	1,376,081	199,044	654,122	790,990	724,271
Capital Investment - Charged to Profit and Loss	188,988	164,031	233,720	194,636	236,284
Capital Investment - Capitalised	278,653	227,618	297,517	272,584	408,555
EBITDA Before Impact Activity	908,440	(192,605)	122,885	323,770	79,432
Costs of Impact Activity	135,888	137,192	250,830	181,786	161,059
Donations toward Impact Activity	(53,444)	(23,166)	(98,350)	(109,134)	(146,974)
EBITDA After Impact Activity	825,996	(306,631)	(29,595)	251,117	65,347

The table above demonstrates The Garden's strong rebound after the COVID pandemic. This has been underpinned by a stringent control over costs and a solid visitor footfall. The operating revenue surpluses are reinvested in the operations of The Garden, with decisions made by trustees on a case-by-case basis. There are primarily three areas for ongoing investment to expand and enhance the Charity's public benefit which are:

- Firstly, delivering The Garden's social impacts through its Community and Education activities. A significant amount is also received from external donations to supplement this however in recent years there has been less reliance on external donations due to the healthy cash flows The Garden has been able to generate.
- Secondly, capital investment required as part of the infrastructure maintenance plan.
- Thirdly, investment in the development of new projects such as the envisaged Education Centre and Lilidorei developments.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2022

Footnote:

The numbers above are presented in non statutory form to demonstrate the underlying profitability of the garden operations prior to the Trust taking on significant debt as set out elsewhere in the report. Classifications between income and expenditure of different operations in this format and the statutory headings and charitable functions described elsewhere in financial statements differ due to some charitable activities being income generating in order to support the wider operations of the garden. The total income and expenditure set out above can be reconciled to the previously audited financial statements of the group.

Reserves policy

The impact of the COVID pandemic totally transformed the way The Trust viewed its reserves. UK charities were severely impacted by the pandemic and one of the reasons for this was that they were carrying too few reserves. The Garden, too, would be in a more challenging financial position had it not been for the successful festive season. During the periods of lockdown, much was learnt about the true costs of The Garden when it was closed. We now have a much better feel for what The Garden's fixed and variable costs are.

The impact of the COVID pandemic caused the trustees to reassess the Trust's reserve levels. They agreed, in 2020/21, the need to be more robust against major risks in the future and thus it was agreed that free reserves should be increased accordingly. Trustees decided that the free reserves target should be adjusted to six months of operating costs. The average monthly running costs of The Garden in 2020 amounted to £236k; six months of these costs would amount to £1.416m. With an inflationary increase this target sits at approximately £1.5m. The goal of the Trust was to grow the reserves to this level over the next four years, however, the exceptional performance this year has meant that this target has been achieved well within that time scale.

The Trust's operating cash amounted to £1,584,618 at year end. After Net Working Capital Adjustments the Trust's estimated free cash was £1,689,856. The end of the financial year coincides with the time of year when the Trust's cash reserves are at their lowest before the main income generating season commences. Based on this the Trustees are comfortable that the reserve levels are in line with the target identified in the Reserves Policy.

Going concern

The strong financial performance this year allowed the Trust not only to settle in full the CBILS loan but to build free cash reserves to the targeted level in the Trust's Reserves Policy. This has gone a long way to making the Trust more robust and able to deal with unexpected challenges and periods of instability within the tourism sector.

In addition, a complete 12 year cash flow forecast has been produced to project both Lilidorei and The Garden's cash flows. This forecast includes the costs of the Bonds as well as their redemption. This forecast will be regularly updated based on actual performance and industry trends.

For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2022

Risk management

The major risks to which the charitable company is exposed have been identified, and systems have been established to mitigate those risks. A full review of all risks is carried out annually. A risk management committee meets regularly to keep track of major risks and mitigation measures put in place.

Principal funding

Grants and donations were received from the Friends, private individuals, trusts and corporate donors. Fundraising in general is increasingly difficult on account of both economic conditions and sources of funding having fewer resources as well as a higher number of applications.

The charity is registered with the Fundraising Regulator and the fundraising activities undertaken by the charity are carried out in accordance with reference to the Code of Fundraising Practice. All complaints received by the charity are recorded and investigated in line with the charity's complaints procedures. During the year the charity received no complaints related to its fundraising activities (2021: zero). No complaints were received from the Fundraising Regulator.

As a charity we do not use the services of unsolicited fundraising methods, external call centres or external sales canvassing companies to support our fundraising activities.

The charity provides guidance and training to staff and volunteers on dealing with people in vulnerable circumstances.

Relationship with Northumberland Estates

The charitable company and Northumberland Estates have a close working relationship. The charitable company has received significant financial support dating back to when The Garden was first created and currently comprises of an interest free loan to the value of £8m. In addition to this the Trust occupies land under a number of long term leases with Northumberland Estates.

In the 2019/20 financial year the legal relationship with Northumberland Estates was altered significantly. Firstly, the repayment date of the interest free loan was extended for a further 12 years to 31st March 2047. In addition to this the leases were also extended to the year 2047 to align with the loan repayment date. This secures the future of The Alnwick Garden in its current form until 2047 and ensures charitable outputs for a further 12 years. Transitionally each year certain categories of expenditure involving both Alnwick Garden Enterprises and Alnwick Castle that have been incurred by The Garden are recharged back to Alnwick Castle to ensure The Garden only bears its share of the cost. Also, all admission charges for Alnwick Castle are banked by Alnwick Garden Enterprises in the first instance but are reimbursed to Alnwick Castle after the end of each month. These arrangements provide managerial and financial benefits to the charitable group.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued)

Year ended 31 March 2022

Structure, governance and management

Constitution

The Trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 29 October 2002. The Trust is constituted under its Memorandum of Association and is a registered charity (number 1095435). Updated Articles of Association of the charitable company were adopted by a special resolution on 7 June 2010. The Articles of Association have been approved by the Charity Commission.

The principal objects of the Trust as stated in the Appendix to the Articles of Association are the acquisition, preservation and improvement for the benefit of the public of places of historical or archaeological interest or of natural or cultivated beauty in the County of Northumberland and the provision of ready access to them by the public; and the advancement of the education of the public through such means as the trustees think fit in accordance with the Law of Charity.

Trustees

The management of the Trust is the responsibility of the trustees. New trustees are selected by existing trustees and are appointed by Members of the Trust at the Trust's annual general meeting. New trustees receive a full induction on appointment to the Board. The trustees hold no shares in the Trust but each trustee, as a member, is a guarantor of the Trust to an amount not exceeding £1 in the event of the Trust being wound up.

Organisational structure and decision making

The Trust is responsible for the development and activities of The Garden. The Trust is the sole member of Alnwick Garden Enterprises Limited and has the power to appoint or remove directors of that company.

The activities of the subsidiary company are commercial in nature. These activities include non charitable retailing, catering and events activities. In total the non charitable activities are self financing and are carried out to support The Garden and to assist in keeping admission prices to visitors to a minimum.

The day to day running of the Trust and its subsidiary company is delegated to appropriate members of staff and to the directors of the subsidiary company. Trustees exercise financial control over the activities of the subsidiary company by means of an agreed annual budget, substantial variations thereto having to be agreed in advance. Trustees meet quarterly to review the activities of the Trust and its subsidiary. Between these meetings, trustees are informed on a monthly basis of actual performance of both entities.

The Trust's Chief Executive Officer was Mark Brassell for the entire reporting period. There is a scheme of delegation whereby the trustees have granted powers for the Chief Executive Officer to act on their behalf with the exception of specified matters. Trustees have also instigated an annual governance assessment in line with the new Charity Governance Code to ensure The Garden is managed ethically and in compliance with industry best practice. Policies and practices are adjusted based on the outcomes of this assessment.

Post Year End Update on the impact of the COVID 19 Pandemic and Future Plans

The Trust has continued to see strong visitor numbers since March 2022. June and July saw visitor numbers similar to pre pandemic levels. The cost of living crisis has depressed visitor numbers through the summer but operational adjustments are being made to mitigate this.

Although secondary spend levels are lower due to economic conditions, improvements to our overall food and beverage offer have meant that revenue levels remain strong.

Work on the Lilidorei play village continues with the new attraction on track to open in spring 2023.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2022

In terms of the completion of The Garden, the charitable company remains committed to completing the development. Phases I and II are completed and it is proposed the final stage, Phase III, will include:

- A new Education Centre and gardeners' facility allowing The Garden to significantly grow its education programmes;
- A specialist lighting project including the Cascade;
- Lilidorei play village development

Disclosure of information to auditor

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

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditor is 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 charitable group's auditor is aware of that information.

Auditor

UNW LLP has indicated its willingness to continue in office and a resolution concerning its reappointment will be proposed in accordance with section 485 of the Companies Act 2006.

Approved by order of the members of the board of trustees on 22 September 2022 and signed on their behalf by:



Jonathan Blackie CBE

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' responsibilities statement Year ended 31 March 2022

The trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the trustees' report including the strategic 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 company 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Independent auditor's report to the members of The Alnwick Garden Trust

Opinion

We have audited the financial statements of The Alnwick Garden Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the consolidated balance sheet, the company 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 March 2022 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.

Basis for opinion

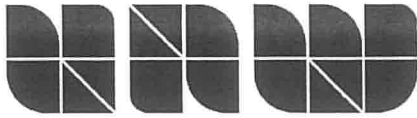
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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.



Independent auditor's report to the members of The Alnwick Garden Trust (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic 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 including the Strategic report.

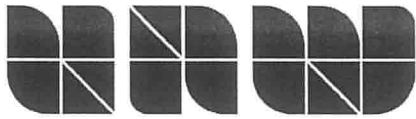
We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- 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.

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.



Independent auditor's report to the members of The Alnwick Garden Trust (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

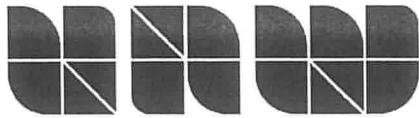
We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the trustees and other management (as required by auditing standards) and from inspection of the charity's legal correspondence and we discussed with the trustees and other management the policies and procedures regarding compliance with the laws and regulations. We communicated identified laws and regulations within our audit team and remained alert to any indications of non compliance throughout the audit.

Firstly, the charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related charity legislation), distributable profits legislation and taxation legislation and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charity is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines and litigation. We identified the following areas as those most likely to have such an effect; health and safety, employment law, data protection, environmental law and certain aspects of charity legislation, recognising the nature of the charity's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we have not become aware of any actual or suspected non-compliance material to the financial statements.

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

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



Independent auditor's report to the members of The Alnwick Garden Trust (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. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Anne Hallowell

**Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor**

Chartered Accountants
Newcastle upon Tyne

22 September 2022

The Alnwick Garden Trust

(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)

Year ended 31 March 2022

	Note	Unrestricted Capital fund 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and legacies	3	-	1,050,170	109,574	1,159,744	1,775,902
Charitable activities	4	-	-	2,810,894	2,810,894	1,385,444
Other trading activities	5	-	4,391	2,947,705	2,952,096	753,211
Other income	6	-	-	52,877	52,877	9,655
Total income		-	1,054,561	5,921,050	6,975,611	3,924,212
Expenditure on:						
Raising funds		93,477	-	2,531,212	2,624,689	1,258,692
Charitable activities	8	1,423,569	32,146	2,303,120	3,758,835	3,357,948
Total expenditure		1,517,046	32,146	4,834,332	6,383,524	4,616,640
Net income / (expenditure)		(1,517,046)	1,022,415	1,086,718	592,087	(692,428)
Transfers between funds	20	2,290,870	(1,000,000)	(1,290,870)	-	-
Net movement in funds		773,824	22,415	(204,152)	592,087	(692,428)
Reconciliation of funds:						
Total funds brought forward		13,221,356	539,342	243,798	14,004,496	14,696,924
Net movement in funds		773,824	22,415	(204,152)	592,087	(692,428)
Total funds carried forward		13,995,180	561,757	39,646	14,596,583	14,004,496

The notes on pages 24 to 51 form part of these financial statements.

The Alnwick Garden Trust

(A company limited by guarantee)

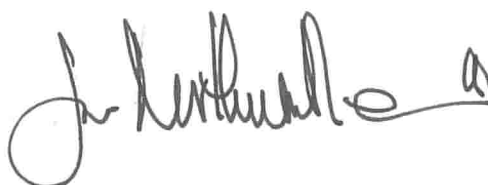
Consolidated balance sheet At 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	17,914,049	16,011,973
		<u>17,914,049</u>	<u>16,011,973</u>
Current assets			
Stocks	16	123,313	101,678
Debtors	17	850,089	402,993
Cash at bank and in hand		11,157,932	10,486,424
		<u>12,131,334</u>	<u>10,991,095</u>
Creditors: amounts falling due within one year	18	(1,354,163)	(1,472,291)
Net current assets		<u>10,777,171</u>	<u>9,518,804</u>
Total assets less current liabilities		<u>28,691,220</u>	<u>25,530,777</u>
Creditors: amounts falling due after more than one year	19	(14,094,637)	(11,526,281)
Total net assets		<u>14,596,583</u>	<u>14,004,496</u>
Charity funds			
Capital fund	20	13,995,180	13,221,356
Restricted funds	20	561,757	539,342
Unrestricted funds	20	39,646	243,798
Total funds		<u>14,596,583</u>	<u>14,004,496</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 were approved and authorised for issue by the trustees on 22 September 2022 and signed on their behalf by:

The Duchess of Northumberland



The notes on pages 24 to 51 form part of these financial statements.

The Alnwick Garden Trust

(A company limited by guarantee)

Balance sheet At 31 March 2022

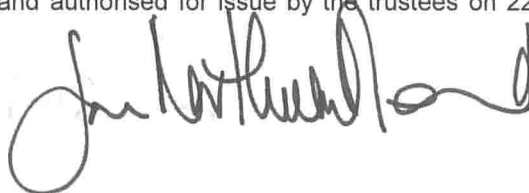
	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	17,468,080	15,619,012
Investments	15	2	2
		<u>17,468,082</u>	<u>15,619,014</u>
Current assets			
Debtors	17	480,990	203,926
Cash at bank and in hand		9,783,065	10,059,477
		<u>10,264,055</u>	<u>10,263,403</u>
Creditors: amounts falling due within one year	18	(1,194,868)	(2,184,786)
Net current assets		<u>9,069,187</u>	<u>8,078,617</u>
Total assets less current liabilities		<u>26,537,269</u>	<u>23,697,631</u>
Creditors: amounts falling due after more than one year	19	(13,562,843)	(10,964,035)
Total net assets		<u><u>12,974,426</u></u>	<u><u>12,733,596</u></u>
Charity funds			
Capital fund		14,081,005	13,328,144
Restricted funds		561,757	539,342
Unrestricted funds		(1,668,336)	(1,133,890)
Total funds		<u><u>12,974,426</u></u>	<u><u>12,733,596</u></u>

The company's net movement in funds for the year was £240,830 (2021 - £(823,738)).

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 were approved and authorised for issue by the trustees on 22 September 2022 and signed on their behalf by:

The Duchess of Northumberland



Company registered number: 04584694

The notes on pages 24 to 51 form part of these financial statements.

The Alnwick Garden Trust

(A company limited by guarantee)

Consolidated statement of cash flows Year ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	22	1,960,368	1,705,805
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,861,871)	(1,830,929)
Interest on Retail Charity Bond capitalised		(512,928)	(500,000)
Net cash used in investing activities		(3,374,799)	(2,330,929)
Cash flows from financing activities			
Receipt of loans		2,400,000	500,000
Repayment of loans		(312,500)	(187,500)
Net cash provided by financing activities		2,087,500	312,500
Change in cash and cash equivalents in the year		673,069	(312,624)
Cash and cash equivalents brought forward		10,486,424	10,799,048
Cash and cash equivalents at the end of the year	23	11,159,493	10,486,424

The notes on pages 24 to 51 form part of these financial statements

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Alnwick Garden Trust 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 financial statements are presented in pounds sterling which is the functional currency of the company and are rounded to the nearest £1.

1.2 Company status

The company is a company limited by guarantee, incorporated and domiciled in England. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Basis of consolidation

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.

1.4 Going concern

The group forecasts predict future income of the group will be sufficient to enable the trustees to reasonably conclude that the charitable group will be able to continue to meet its liabilities as they fall due for the foreseeable future. Consequently, the trustees continue to believe the going concern basis of accounting is appropriate in preparing these financial statements.

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

1. Accounting policies (continued)

1.5 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.

The capital fund isolates the capital cost of The Garden from the revenue expenditure required to open The Garden for public benefit. The costs of depreciating The Garden over the lease term, and the finance costs relating to borrowings to create the asset are channelled through this fund. The costs associated with the development of the Lilidorei project are also being channelled through this fund, as well as all finance costs and liabilities. The fund remains unrestricted.

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. Where funds are raised for specific capital expenditure, the funds are restricted until expended on the capital project, and are then transferred to the capital fund as the restriction has been released. The aim and use of each restricted fund is set out in the notes to the financial statements.

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

1. Accounting policies (continued)

1.6 Income

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

Income from visitors comprises admissions to The Garden, net of VAT, and is recognised as it is received.

Income from Friends is deferred over the period in which the Friends are entitled to obtain access to The Garden.

Trading income comprises amounts received for catering, car park and retail services and is recognised as the goods or services are supplied.

Grants are included in the consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102) the volunteer time of the Friends is not recognised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

The Alwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

1. Accounting policies (continued)

1.7 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Charitable activities comprise visitor services, provision of programmes, and garden maintenance.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements. They are apportioned against the activities of the charity in line with the estimated usage of those costs.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

Depreciation is provided on the following bases:

Garden infrastructure	- 25 years straight line basis
Motor vehicles	- between 3 and 4 years
Fixtures, fittings and equipment	- between 3 and 10 years

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

1. Accounting policies (continued)

1.9 Fixed asset investments

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

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 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.

1.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Creditors 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 company 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 within interest payable and similar charges.

1.14 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade, intercompany and other accounts receivable and payable, cash and bank balances, and loans from third parties.

All such instruments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, in which case the transaction is measured at the present value of the future receipts discounted at a market rate of interest. All financial instruments are subsequently carried at amortised cost using the effective interest method.

1.15 Concessionary loan

The Trust has received a concessionary loan which it recognises at amortised cost using the effective interest rate method.

The Alwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

1. Accounting policies (continued)

1.16 Operating leases

All of the group's leasing arrangements are operating leases. Rental payments under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term, even if payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1.17 Pensions

The company 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.

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates included within these financial statements include depreciation charges and the imputed interest rate in respect of the concessionary loan. None of the estimates made are considered to carry significant estimation uncertainty, nor to bear significant risk of causing a material adjustments to carrying amounts of assets and liabilities within the next financial year.

In preparing these financial statements the trustees do not consider there were any significant areas of judgement that were required in applying the charity's accounting policies as set out above.

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	50,170	25,889	76,059
Grants	1,000,000	83,685	1,083,685
	<u>1,050,170</u>	<u>109,574</u>	<u>1,159,744</u>
	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Donations	5,507	4,485	9,992
Grants	1,000,000	765,910	1,765,910
	<u>1,005,507</u>	<u>770,395</u>	<u>1,775,902</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Gift Aid and admissions donations	397,107	397,107	217,406
Business interruption insurance claim	100,000	100,000	-
Admissions	2,313,787	2,313,787	1,168,038
Total 2022	2,810,894	2,810,894	1,385,444

5. Income from other trading activities

Income from fundraising events

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Fundraising	4,391	89	4,480
Sponsorship	-	3,807	3,807
	4,391	3,896	8,287

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Fundraising	9,750	-	9,750
Sponsorship	-	2,800	2,800
	9,750	2,800	12,550

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

5. Income from other trading activities (continued)

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Subsidiary trading to third parties	2,943,809	2,943,809	740,661

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Interest income	52,877	52,877	9,655

7. Expenditure on raising funds

	Unrestricted Capital fund 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Subsidiary trading costs	93,477	2,531,212	2,624,689

	Unrestricted Capital fund 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Subsidiary trading costs	108,319	1,150,373	1,258,692

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted Capital fund 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Visitor services	105,904	-	1,425,493	1,531,397
Charitable programmes	-	32,146	106,889	139,035
Garden maintenance	1,317,665	-	770,738	2,088,403
	<u>1,423,569</u>	<u>32,146</u>	<u>2,303,120</u>	<u>3,758,835</u>

	Unrestricted Capital fund 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Visitor services	99,910	-	1,169,439	1,269,349
Charitable programmes	-	2,806	134,346	137,152
Garden maintenance	1,318,265	-	633,182	1,951,447
	<u>1,418,175</u>	<u>2,806</u>	<u>1,936,967</u>	<u>3,357,948</u>

9. Analysis of expenditure by activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £
Visitor services	942,609	588,788	1,531,397
Charitable programmes	139,035	-	139,035
Garden maintenance	2,000,119	88,284	2,088,403
	<u>3,081,763</u>	<u>677,072</u>	<u>3,758,835</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

9. Analysis of expenditure by activities (continued)

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £
Visitor services	760,184	509,165	1,269,349
Charitable programmes	137,152	-	137,152
Garden maintenance	1,851,537	99,910	1,951,447
	<u>2,748,873</u>	<u>609,075</u>	<u>3,357,948</u>

10. Direct costs

11. Support costs

	2022 £	2021 £
Office costs	282,180	242,010
Staff costs	306,608	267,155
Interest	88,284	99,910
	<u>677,072</u>	<u>609,075</u>

12. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £9,500 (2021 - £9,350), and an accounting services fee of £1,750 (2021 - £1,750).

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

13. Staff costs

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Staff costs were as follows:				
Wages and salaries	2,330,834	1,660,318	101,988	116,596
Social security costs	176,013	129,639	8,242	10,437
Contribution to defined contribution pension schemes	81,230	69,794	2,121	3,029
	<u>2,588,077</u>	<u>1,859,751</u>	<u>112,351</u>	<u>130,062</u>

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

	Group 2022 No.	Group 2021 No.
Facilities management	2	2
Food and beverage	43	15
Gardeners	14	12
Visitor services	45	42
Arts	3	2
Finance and administration	9	5
Commercial	4	3
Retail	9	7
Community and education	4	6
	<u>133</u>	<u>94</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £80,001 - £90,000	1	-
In the band £100,001 - £110,000	1	1

Key management personnel are deemed to be those having authority and responsibility delegated to them by the trustees for planning, directing and controlling the activities of the charity. During 2021/22 they have been determined to be the members of the senior management team, comprising the following:

Chief Executive Officer
Director of Lildorei
Head of Community and Education
Head of People Services
Head of Finance
Head of Visitor Services
Head of Food and Beverage
Head of Commercial Operations
Head of Garden Operations
Head of Facilities and Maintenance
Head of Information Technology
Executive Assistant and Office Manager

The total employee benefits of the key management personnel of the charity were £535,218 (2021: £378,921).

During the year one trustee received £106 in reimbursement of expenses (2021: one trustee received £290).

The Alwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

14. Tangible fixed assets

Group

	Assets under construction £	Fixtures, fittings and equipment £	Motor vehicles £	Garden infrastructure £	Total £
Cost or valuation					
At 1 April 2021	2,247,060	1,427,408	85,377	30,850,105	34,609,950
Additions	3,097,844	225,735	-	51,219	3,374,798
Disposals	-	(90,871)	-	(39,426)	(130,297)
At 31 March 2022	<u>5,344,904</u>	<u>1,562,272</u>	<u>85,377</u>	<u>30,861,898</u>	<u>37,854,451</u>
Depreciation					
At 1 April 2021	-	1,019,429	83,362	17,495,187	18,597,978
Charge for the year	-	108,601	2,014	1,278,175	1,388,790
On disposals	-	(23,866)	-	(22,499)	(46,365)
At 31 March 2022	<u>-</u>	<u>1,104,164</u>	<u>85,376</u>	<u>18,750,863</u>	<u>19,940,403</u>
Net book value					
At 31 March 2022	<u>5,344,904</u>	<u>458,108</u>	<u>1</u>	<u>12,111,035</u>	<u>17,914,048</u>
At 31 March 2021	<u>2,247,060</u>	<u>407,980</u>	<u>2,015</u>	<u>13,354,918</u>	<u>16,011,973</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

14. Tangible fixed assets (continued)

Company

	Assets under construction £	Fixtures, fittings and equipment £	Garden infrastructure £	Total £
Cost or valuation				
At 1 April 2021	2,247,060	304,063	30,704,950	33,256,073
Additions	3,097,844	12,245	51,219	3,161,308
Disposals	-	-	(39,426)	(39,426)
At 31 March 2022	<u>5,344,904</u>	<u>316,308</u>	<u>30,716,743</u>	<u>36,377,955</u>
Depreciation				
At 1 April 2021	-	241,128	17,395,933	17,637,061
Charge for the year	-	21,824	1,273,489	1,295,313
On disposals	-	-	(22,499)	(22,499)
At 31 March 2022	<u>-</u>	<u>262,952</u>	<u>18,646,923</u>	<u>18,909,875</u>
Net book value				
At 31 March 2022	<u>5,344,904</u>	<u>53,356</u>	<u>12,069,820</u>	<u>17,468,080</u>
At 31 March 2021	<u>2,247,060</u>	<u>62,935</u>	<u>13,309,017</u>	<u>15,619,012</u>

The charitable company occupies land from Northumberland Estates under a lease expiring on 9 October 2098 and containing an entitlement to terminate by either side on 4 March 2047. No capital payments have been made by the charitable company for this lease and no value has been attributed to the lease within these financial statements.

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

15. Fixed asset investments

Principal subsidiaries

The charity holds 2 shares of £1 each in its wholly owned trading subsidiary which is incorporated in England.

The following was a subsidiary undertaking of the company:

Name	Company number	Holding	Included in consolidation
Alnwick Garden Enterprises Limited	04579518	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
Alnwick Garden Enterprises Limited	3,007,994	2,656,732	351,257	1,622,159

16. Stocks

	Group 2022 £	Group 2021 £
Goods for resale	123,313	101,678

17. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	5,434	3,263	2,342	-
Amounts owed by related parties	10,182	772	2,388	772
Other debtors	235,391	104,565	6,339	1,364
Prepayments and accrued income	599,082	294,393	469,921	201,790
	<u>850,089</u>	<u>402,993</u>	<u>480,990</u>	<u>203,926</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

18. Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	-	250,000	-	-
Trade creditors	384,268	293,192	57,296	158,260
Amounts owed to group undertakings	-	-	689,233	1,605,842
Amounts owed to related parties	-	114,312	-	-
Other taxation and social security	44,368	44,620	1,618	1,651
Other creditors	54,519	28,596	1,482	-
Accruals and deferred income	871,008	741,571	445,239	419,033
	1,354,163	1,472,291	1,194,868	2,184,786

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

19. Creditors: amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Other loans	1,770,854	1,664,950	1,239,060	1,165,204
Bank loans	-	62,500	-	-
Retail Charity Bond	12,200,783	9,798,831	12,200,783	9,798,831
Accruals and deferred income	123,000	-	123,000	-
	<u>14,094,637</u>	<u>11,526,281</u>	<u>13,562,843</u>	<u>10,964,035</u>

Other loans

The group is in receipt of an interest-free loan of £8m from Northumberland Estates. Control of this entity is exercised by a Board of trustees, of which the Duke of Northumberland, husband of the Duchess of Northumberland (a director of the company) is a member.

FRS 102 requires that long term interest-free loans are discounted to present value and amortised using the effective interest method. The imputed interest rate is 6%.

The loan was renegotiated during the year and is repayable in full at the end of the term in 2047. Previously the loan was repayable by instalments from 2020.

The loan was previously secured by a fixed and floating charge over the assets of the charitable company and by a fixed charge over land and buildings. This charge was released in the year. This loan is now unsecured and is subordinated to the other indebtedness of the company.

Bank loans comprises an amount under the Coronavirus Business Interruption Loan Scheme of £500,000 which was drawn down in May 2020 and is payable over 2 years in quarterly installments. The Interest accruing on this loan, on a floating rate basis, during the initial 12 month holiday will be settled by the government.

Retail Charity Bond

In March 2020 Retail Charity Bonds plc (RCB) launched the AGT1 Retail Charity Bond, which was issued through and is listed on the London Stock Exchange Retail Bonds platform. RCB raised £10m from the issue of this bond.

The full amount of the funds raised by RCB have been loaned to the Trust under the terms of a loan agreement between the Trust and RCB.

The loan is repayable in full in March 2030. Interest is payable at a rate of 5% per annum.

The Trust was advanced £9.8m net of the bond issue costs. The bond issue costs, together with other costs associated with the advance of this loan, including legal and accountancy fees totalling £224k have been offset against the loan and are being amortised over the life of the Bond.

During the year, an additional amount was advanced totalling £2.544m net of bond issue costs. The bond issue costs totalling £20.4k have been offset against the loan and are being amortised over the remaining life of the bond.

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Appeals	23,523	3,807	(1,191)	-	26,139
Programme Fundraising	38,125	5,888	(258)	-	43,755
Tractors	408	-	-	-	408
Bee Project	-	20,000	(475)	-	19,525
General fund					
General fund	181,742	5,891,355	(4,832,408)	(1,290,870)	(50,181)
Total Unrestricted funds	243,798	5,921,050	(4,834,332)	(1,290,870)	39,646
Unrestricted funds - capital					
Capital fund	13,221,356	-	(1,517,046)	2,290,870	13,995,180

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

20. Statement of funds (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Restricted funds					
Roots & Shoots	50,096	1,462	(4,676)	-	46,882
Urban Project	2,325	-	-	-	2,325
Young Gardeners	8,680	-	(26)	-	8,654
Drugs Education	15,124	704	(551)	-	15,277
Enterprise Programme	33,700	26,700	(2,648)	-	57,752
Elderberries	38,588	10,905	(13,619)	-	35,874
Travelling Elderberries	3,794	-	-	-	3,794
Blooming Well	33,575	448	(307)	-	33,716
Play Area	22,902	-	-	-	22,902
Family Fun Day	153	-	-	-	153
All Our Stories	281	-	-	-	281
Winter Lighting Project	3,959	-	(30)	-	3,929
Mobility Scooters	6,432	-	-	-	6,432
Elderberries Centre - Capital	16,704	-	(536)	-	16,168
Elderberries Centre - Costs	7,286	1,893	-	-	9,179
Capital donations	295,743	1,000,000	-	(1,000,000)	295,743
Community Fridge	-	3,000	-	-	3,000
Seeds for Success	-	3,262	(3,391)	-	(129)
Grow into Work	-	6,187	(6,362)	-	(175)
	<u>539,342</u>	<u>1,054,561</u>	<u>(32,146)</u>	<u>(1,000,000)</u>	<u>561,757</u>
Total of funds	<u><u>14,004,496</u></u>	<u><u>6,975,611</u></u>	<u><u>(6,383,524)</u></u>	<u><u>-</u></u>	<u><u>14,596,583</u></u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds					
Appeals	20,953	2,800	(230)	-	23,523
Programme Fundraising	33,817	4,484	(176)	-	38,125
Tractors	408	-	-	-	408
General funds					
General funds	605,336	2,901,671	(3,086,934)	(238,331)	181,742
Total Unrestricted funds	660,514	2,908,955	(3,087,340)	(238,331)	243,798
Unrestricted funds - capital					
Capital fund	13,536,219	-	(1,526,494)	1,211,631	13,221,356

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

20. Statement of funds (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Restricted funds					
Roots & Shoots	50,122	997	(1,023)	-	50,096
Urban Project	2,325	-	-	-	2,325
Young Gardeners	7,430	1,250	-	-	8,680
Drugs Education	12,724	2,260	140	-	15,124
Enterprise Programme	-	7,000	-	26,700	33,700
Elderberries	39,989	500	(1,901)	-	38,588
Travelling Elderberries	3,794	-	-	-	3,794
Blooming Well	33,623	-	(48)	-	33,575
Play Area	22,902	-	-	-	22,902
Family Fun Day	153	-	-	-	153
All Our Stories	281	-	-	-	281
Winter Lighting Project	3,933	-	26	-	3,959
Mobility Scooters	6,432	-	-	-	6,432
Elderberries Centre - Capital	16,704	-	-	-	16,704
Elderberries Centre - Costs	7,286	-	-	-	7,286
Capital donations	292,493	1,003,250	-	(1,000,000)	295,743
	<u>500,191</u>	<u>1,015,257</u>	<u>(2,806)</u>	<u>(973,300)</u>	<u>539,342</u>
Total of funds	<u>14,696,924</u>	<u>3,924,212</u>	<u>(4,616,640)</u>	<u>-</u>	<u>14,004,496</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

Designated funds

The trustees have designated the following funds for specific purposes:

Appeals

Unrestricted donations received through appeals and from donations to sponsor benches and trees in The Garden are set aside by the trustees to be used for specific charitable purposes and activities rather than to support the general running of The Garden.

Programme Fundraising

This fund represents general donations, mainly from donation boxes in The Garden. These funds are used to top up specific programmes when needed.

Tractors

This fund represents donations received to purchase and maintain ride-on tractors.

Bee Project

Project to address the Climate Crisis, including the Bee Project that addresses biodiversity loss and how action can be taken to protect biodiversity as well as climate change action. The donation received will be used to build a climate action interpretive centre

Unrestricted capital fund

This represents the capital cost of The Garden; as assets are purchased the amounts are transferred into this fund. Where long term loan finance is used to finance the development of The Garden, the corresponding liability is also transferred into the fund as the funds are spent.

Restricted funds

Funds with specific restrictions on their utilisation are as follows:

Roots & Shoots (Young People & Enterprise)

This project is focused on educating school children and families on the benefits of healthy living, whilst having fun in the Roots and Shoots garden. The project is funded mainly by The Shears Foundation as well as other smaller donations in the year.

Urban Project (Young People & Enterprise)

This project delivers visits for schools from disadvantaged areas of Newcastle upon Tyne, supported by the William Leech Trust.

Young Gardeners (Young People & Enterprise)

This project provides horticultural, inclusive activities for families with children who have additional needs.

Drugs Education (Young People & Enterprise)

The Drugs Education programme is funded via donations from visitors to The Poison Garden and seeks to reach young people across Northumberland, to educate them around the dangers of substance misuse and encourage their resilience to make positive lifestyle choices.

Enterprise Programme

The Grow into Work programme funded by The Mercers' Company seeks to support young people into sustainable employment. Through empowering young people, it supports them to harness their entrepreneurial talent, offers flexible work experience placements and gives them the necessary skills to enable them to success in the workplace.

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

Elderberries

The Elderberries programme is funded through fundraising activities, along with the remaining grant from The Stuart Halbert Foundation and a donation from Sir John and Lady Mae Hall.

Travelling Elderberries

This project is funded by the Combatting Isolation Fund at The Community Foundation for Tyne & Wear and Northumberland to extend Elderberries activities into the local communities who have not yet accessed our older peoples work.

Blooming Well (Elderberries)

This project provides therapeutic horticultural and wellbeing activities for those in the early stages of dementia, and is funded by the Kavli Trust.

Play Area

Funds were received from the Hobson Trust and Northumberland County Council's Aiming High project towards the construction of a children's play area, this being one of the future project aims of the trustees.

Winter Lighting Project

This fund represents donations received from weddings held at The Garden and is to be used to fund further installations of winter lighting.

Mobility Scooters

In 2014 Motability Operations Limited donated some mobility scooters to be used by visitors to The Garden.

Elderberries Drop In Centre (capital and costs)

In 2014 The Rank Foundation awarded a substantial grant to part fund the capital build of a new centre for the Elderberries programme. The Drop In Centre is a wonderful facility with a home from home feel to support those aged over 55 to reduce isolation.

Capital Donations

This was established in 2014 as a result of a significant donation received. A further substantial donation was received from The Barbour Foundation in 2015. The funds are to be used for the upkeep or purchase of assets for The Garden.

Community Fridge

Funded through Hubbub, this is an initiative to reduce food waste. Provides a social space for people to learn about sustainable eating as well as exchanging food to reduce waste and its environmental impact.

Grow into Work

Employability Programme funded through North of Tyne Combined Authority that incorporates a work placement alongside classroom-based sessions on employability skills.

Seeds for Success

Business start-up course funded by North of Tyne Combined Authority providing workshops to help entrepreneurs start up their own small businesses.

Transfers

Transfers from both unrestricted and restricted funds in the year relate to the ongoing investment in Lilidorei.

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted Capital fund 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	17,914,049	-	-	17,914,049
Current assets	-	561,757	11,569,577	12,131,334
Creditors due within one year	-	-	(1,354,163)	(1,354,163)
Creditors due in more than one year	(3,918,869)	-	(10,175,768)	(14,094,637)
Total	13,995,180	561,757	39,646	14,596,583

Analysis of net assets between funds - prior year

	Unrestricted Capital fund 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	16,011,973	-	-	16,011,973
Current assets	771	539,342	10,450,981	10,991,094
Creditors due within one year	(771)	-	(1,471,519)	(1,472,290)
Creditors due in more than one year	(2,790,617)	-	(8,735,664)	(11,526,281)
Total	13,221,356	539,342	243,798	14,004,496

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<u>592,087</u>	<u>(692,428)</u>
Adjustments for:		
Depreciation charges	1,388,793	1,404,236
Loss on the sale of fixed assets	83,894	15,980
Decrease/(increase) in stocks	(21,635)	16,450
Decrease/(increase) in debtors	(447,096)	85,866
Increase in creditors	341,973	853,349
Non cash changes to loan finance	22,352	22,352
Net cash provided by operating activities	<u><u>1,960,368</u></u>	<u><u>1,705,805</u></u>

23. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	11,159,493	10,486,424
Total cash and cash equivalents	<u><u>11,159,493</u></u>	<u><u>10,486,424</u></u>

24. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	Other non- cash changes £	At 31 March 2022 £
Cash at bank and in hand	10,486,424	671,508	-	11,157,932
Debt due within 1 year	(250,000)	250,000	-	-
Debt due after 1 year	(1,664,950)	-	(105,904)	(1,770,854)
	<u>8,571,474</u>	<u>921,508</u>	<u>(105,904)</u>	<u>9,387,078</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

25. Capital commitments

At 31 March 2022 the charitable company had capital commitments as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	<u>6,039,808</u>	<u>840,579</u>	<u>6,039,808</u>	<u>840,579</u>

26. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £81,230 (2021: £69,794). Contributions totalling £30,087 (2021: £8,522) were payable to the fund at the balance sheet date and are included in creditors.

27. Operating lease commitments

At 31 March 2022 the group and the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £
Amounts payable:		
Not later than 1 year	<u>12,157</u>	<u>10,143</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2022

28. Related party transactions

The charitable company is controlled by its trustees who hold a majority of the voting rights.

Various entities of Northumberland Estates are related parties of the group. Control of these entities is exercised by a Board of Trustees, of which the Duke of Northumberland, husband of the Duchess of Northumberland (a director of the charitable company) is a member.

The charitable company and Northumberland Estates have a close working relationship. With effect from 1 October 2009 certain categories of expenditure involving both The Garden and Alnwick Castle Ventures have been incurred by Alnwick Garden Enterprises Limited and recharges have been made to ensure The Garden only bears its share of the costs. All car parking charges for Alnwick Castle Ventures are banked by Alnwick Garden Enterprises Limited in the first instance. Similarly, Alnwick Castle Ventures raises invoices for Group visits to The Alnwick Garden and banks receipts from them. Reimbursement is made on a regular basis by the relevant entity. These arrangements provide managerial and financial benefits to the charitable company.

The group received goods and services during the year from entities within Northumberland Estates costing £21,483 (2021: £50,322). The group recharged goods and services during the year to Northumberland Estates totalling £35,776 (2021: £13,667).

The group also operated a joint ticketing scheme with Alnwick Castle Ventures; ticket income collected on behalf of ACV of £60,401 (2021: £7,946) and car park income of £84,421 (2021: £36,740) was collected on behalf of Alnwick Castle Ventures during the year.

At the year end, the group was owed £10,182 from Northumberland Estates (2021: due £113,540 from NE).

The group held long term loans from the 9th Duke of Northumberland's Will Trust, 10th Duke of Northumberland's referential settlement: Duke's appointed fund, this being an entity within Northumberland Estates, of £1,770,854 (2021: £1,664,950), of which £nil falls due within one year. Further details are given in note 19.

During the year, Jonathan Blackie, a trustee, received remuneration amounting to £6,000 for non-trustee consultancy services supplied to the charity in the year (2021: £6,000).

During the year, John Lovett, a trustee, was paid £25,052 (2021: £24,360) in relation to consultancy work undertaken in the development of the Lilidorei Project and for the next phase of The Garden's development.

