

Registered number: 04584694
Charity number: 1095435

The Alnwick Garden Trust

(A company limited by guarantee)

Annual report

31 March 2023

The Alnwick Garden Trust

(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1
Chairman's statement	2 - 3
Trustees' report	4 - 15
Trustees' responsibilities statement	16
Independent auditor's report	17 - 20
Consolidated statement of financial activities	21
Consolidated balance sheet	22
Company balance sheet	23
Consolidated statement of cash flows	24
Notes to the financial statements	25 - 53

The Alnwick Garden Trust

(A company limited by guarantee)

Reference and administrative details

Year ended 31 March 2023

Trustees The Duchess of Northumberland
Jonathan Blackie CBE, Chair
John Lovett
Sir James Leigh-Pemberton
Sir James Mackey
Catherine Brenda Kalson

**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 2023

The chairman presents his statement for the year.

The year to March 2023, was the first full financial year since the pandemic that The Alnwick Garden was fully open and operational with no Covid restrictions in place.

The year was one of contrasts for The Garden. The cost of living crisis, the death of Her Majesty The Queen and the heatwaves all had an impact on our summer visitor numbers and associated revenue streams. In contrast, we experienced our most successful winter to date with over 43,000 light trail tickets sold. For the first time ever, The Trust's December admissions revenue was the highest month of the year. The year ended with a total of 313,000 visitors, up slightly from 312,000 in 2021/22. In terms of financial performance, our operating revenue before impact activity and capex was in the region of £500,000 in 2022/23, slightly lower than pre-pandemic levels due to the challenging trading conditions and the organisation gearing up for the opening of the new play village, Lilidorei, in May 2023.

The dramatic growth of the festive season is one of The Garden's biggest achievements in recent years. The team have remained focused around the visitor experience during these challenging times and were able to respond to emerging trends, marketing our value for money offer, and working hard at reducing costs and increasing revenue.

Following an internal restructure, to accommodate the additional workload from the opening of Lilidorei, Mark has been well supported by an excellent leadership team who have worked together to agree on standards, working practices and how best to support each other.

The Trust continues to provide outstanding support to the local community, and the changing needs in the area. This year, alongside delivery of our normal range of programmes, we have introduced a new community fridge to continue the fight against food waste.

The Garden has made great strides with a new Climate Action programme that tackles the challenge of global warming. We have measured our carbon footprint. Our aim is for this to play an increasingly important role over time.

Our Elderberries programme continues to be one of our most effective initiatives, offering a very attractive 'drop-in' facility to support and improve the wellbeing of lonely and isolated older local people.

In June, we celebrated the eighth anniversaries of both the Blooming Well group and the Gentlemen's Garden. Blooming Well supports over 55s with early onset dementia and their carers. Gentlemen's Garden is a weekly gardening session enabling men to socialise and connect with others, whilst sharing traditional skills and learning new ones.

The Garden's influence is not just limited to social impacts. The team are actively involved in local and regional initiatives to grow the wider visitor economy in a sustainable way. This includes being an active partner on the Alnwick Borderlands Place Board and a driver of the Northumberland Tourism Destination Management Plan.

Thanks as always must go to the Duke of Northumberland and Northumberland Estates for their support during the year. The Duchess has played a massive role this year in the building of Lilidorei, a fantastic new feature of The Garden.

The Alnwick Garden Trust

(A company limited by guarantee)

Chairman's statement (continued)

Year ended 31 March 2023

Special mention and thanks must be given to Aidan Harrison, our project manager for Lilidorei, Richard Evans and John Lovett for getting the play village ready for opening in May 2023. A formidable task and tremendous achievement.

Finally, thanks and appreciation to our other trustees, Cate Kalson, James Leigh-Pemberton, and Jim Mackey, who have all contributed their support and expertise to The Garden, helping Mark and the team to flourish during the year.

Jonathan Blackie

Jonathan Blackie CBE
Chair of The Alnwick Garden Trust
September 2023

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report

Year ended 31 March 2023

The trustees present their annual report together with the audited financial statements of the group and the charitable company for the year 1 April 2022 to 31 March 2023. 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

In response to the climate crisis and in line with our fourth goal, The Garden launched its Climate Action programme. Following the appointment of a Climate Action Programme Manager in 2022, The Garden took the first steps on our journey towards net zero carbon emissions. Our carbon footprint was measured which will be the benchmark as we introduce initiatives to become carbon neutral by 2030. Working closely with other small businesses, charities and tourism providers, we continue to both share our current learning and form partnerships, in accordance with our ambition to become industry leaders, teaching other organisations how they can reduce their own carbon footprint.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2023

2022 saw the launch of The Garden's Electric Car and Bike To Work schemes. Both initiatives were well received, providing cost-efficiency for staff with the additional benefit of reducing The Garden's carbon footprint. In February 2023, The Garden was awarded 'silver' in the Better Health at Work award in recognition of our efforts to support staff and promote the importance of health, happiness and wellbeing in the workplace, helping to build the profile of The Garden as an employer of choice.

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.

Each year The Garden reviews its programmes to ensure the Trust fulfils its public benefit requirement and identifies any emerging issues that are facing our local community. Having responded to the challenges of the Covid pandemic, we found that, as we emerged from the impact of restrictions and lockdowns, not only were there continuing challenges with social and economic recovery, but a new challenge was facing our communities with rising energy costs and the cost of living crisis.

Warm spaces were opened to our local community, with the provision of soup and refreshments throughout the colder winter months in a warm and comfortable space, helping to support those in need to save on energy and heating costs.

The Alnwick Garden Community Fridge opened to the public for the first time in 2022. The Community Fridge is a space open to all, where food can be shared to save from going to waste and includes surplus from our Roots and Shoots allotment, restaurant and local supermarkets.

Achievements and performance

Review of the five charitable objectives against activities delivered in 2022/23

Promoting skills and lifelong learning

Objectives

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

Activities

Using our outdoor space as an educational environment allows The Garden to provide opportunities to explore different ways of gaining knowledge and learning life skills. All provision encourages learning and growth through a diverse range of activities and events. Inspiring learning and skills development is a culture deeply embedded within The Garden's ethos and values, and our programmes capture the imagination of both the young and our ageing population.

Our school education programmes continued with a focus on learning about and addressing the climate crisis, delivering sessions to explore biodiversity loss and ways to take action. This included working with a local school's A-Level Environmental Studies students as well as 165 primary school children from across Northumberland.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2023

The Poison Garden attracts visitors of all ages and delivers key messages around the dangers of substance use through our narcotic plants. It is an inclusive and innovative way to engage people in learning that can be used positively to encourage healthy lifestyles. 78,546 visitors benefitted from tours of The Poison Garden during 2022/23. The Poison Garden also went 'on tour' and delivered sessions to 850 young people who attended Northumberland Children's Countryside Day. The outreach drugs education programme delivered in schools, alternative education settings and other youth groups, 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. A further 600 young people engaged in outreach this year.

As well as drugs education, we now offer employability skills and careers advice on an outreach basis, with local schools and special schools benefitting from this provision.

Learning opportunities are not exclusive to young people at The Garden and our 'Elderberries' (over 55s) can attend weekly sessions to learn how to use devices such as mobile phones and laptops to access services that are available digitally to navigate through ever-changing technology. We also provide the opportunity for our Elderberries to learn how to play the ukulele through our "Ukulele for Fun" sessions.

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 ensures inclusivity and accessibility. It also allows families to spend time together, create new friendships and develop a network of peer support. Through engaging in gardening and new experiences, children build trusting relationships with staff and others attending the programme, building their confidence and self-esteem.

Families can use these new skills in their own gardens to make creative and imaginative environments for them to enjoy, and further develop the peer support networks outside of the gardening sessions.

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 centrepiece 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. As an active member of the local community, and with kindness and understanding, we continue to support and develop local partnerships.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2023

We had the following events planned for our visitors during 2022/23;

- *Around The World in 18 Days* – A free and fun educational trail describing habitats, eating habits and environmental impacts of the animals displayed. The interactive experience, using both visual displays and audible recordings, allowed visually and hearing-impaired visitors to enjoy.
- *Christmas Light Trail* - A unique, immersive light trail set to inspire the imagination of the Christmas spirit. Using local, talented artists and technicians to create an exciting adventure around a wintery garden.
- *Art sessions* – Working with Mrs Barts, a professional artist, to unleash the imagination and inspire people to try watercolour painting.
- *Ellington Colliery Band, North Tyneside Steel Drum Band, Buskers* – Showcasing talent and enabling people to enjoy music in idyllic surroundings.
- *Heartbreak Productions* – Outdoor theatre bringing performance and arts to people of all ages including some who may never have been to a theatre production before.
- *Commonwealth Games* – Working with Active Northumberland and local Northumberland schools, this event aimed to empower and motivate young people to get involved and stay active.
- *What a Wonderful World Festival* – Set up by a team of local people, this climate-action themed festival was held at The Garden for its inspiring natural beauty. Performers visited from all over the county, playing a variety of local songs and melodies, with local schools taking an active role in creating and performing music.
- *Duck Race* – This fun and exciting yearly event attracts exceptional visitor numbers and is run by the local Alnwick Round Table.
- *Corgi Trail* – Created, designed and developed by the Duchess's Community High School and working with the wider school network, the Corgi trail was a great addition to the Queen's Platinum Jubilee celebrations.
- *Gay Day* – Partnership with Stuart Hatton Jnr, we played host to the annual Mr Gay Britain, MX Drag Britain and Mr Gay Europe Finals.

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 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. 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

An activity is delivered six out of seven days a week to achieve these steps to wellbeing. The Walking Group, Yoga and Pilates, and Gentlemen's Garden provide both physical activity and connection with others as core components of the programmes. Blooming Well offers group-based activities to stimulate and improve the quality of life for those with early onset dementia or memory issues.

Tunes on Tuesday was a new initiative for 2022/23, promoting wellbeing through singing, helping to lower stress, enhance memory and improve mental health. The singing group runs monthly and is open to all regardless of singing ability.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2023

Wellbeing talks are also offered to Elderberries on a monthly basis in partnership with outside agencies.

The Elderberries Drop-In continues to open its doors three days a week allowing those who attend to connect with others, make friends and engage in social activities. There were 3,197 attendances at the Drop-In during 2022/23.

Christmas gift bags were filled with local produce and treats, and distributed to 100 Elderberries who had been referred by external services. Many of the reasons for referral included social isolation and knowing that this may be the only Christmas gift they receive. This initiative is now in its third year.

The Roots and Shoots programme supports schools across Northumberland to tackle childhood obesity and promote healthy living in children and young people. Successful applications are selected from schools with higher levels of obesity and deprivation. Throughout the growing season, schools are allocated their own plot where the pupils 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. An outreach session at the school is also offered with family invited to attend. The children and their families can then take this learning home and help transform their own garden and prepare healthy meals with the produce they have grown.

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 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 their skills to write CVs, complete application forms, and to improve their interview and presentation techniques. Support is offered and can continue once beneficiaries have completed the programme for up to a further six months. 55% of participants moved into employment, training or volunteering opportunities upon completion of the programme.

Seeds for Success, also funded through North of Tyne Combined Authority, provides workshops offering in-depth support on the basics of starting a small business. Participants are able to link into our marketing and retail teams for tailored additional support if desired, and opportunities to link in with The Garden's platform to initially promote their business are also offered as part of the programme. 80% of the course participants had started their own business within six months of completion.

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 22 years. Over 7 million visitors have visited The Garden in this time and this footfall is significantly higher 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 and suppliers being stocked in our retail shop.

The Christmas Light Trail in winter 2022 surpassed our expectations with over 43,000 tickets sold, over 6,000 more than the previous year. We brought in several local independent food vendors throughout the show run and these small businesses generated over £65,000 of revenue during the period.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2023

The successful engagement with vendors allowed us to continue a calendar of 'pop-up' food vendors over the spring/summer season, assisting The Garden in managing our volumes in peak season and enhancing the visitors' experience through the provision of a variety of food offers. We have built strong partnerships with our regular vendors, and we will continue to explore new and interesting food and drink opportunities.

We are continuing to work with stakeholders in the town to drive as much economic activity into the area as possible particularly during winter and shoulder periods. It is estimated that The Garden has contributed £347m to the local economy since its inception. Of this, £168m has been spent directly with local suppliers. This economic activity has supported 2,051 direct jobs and 1,190 indirect jobs since opening. The opening of Lilidorei will benefit the area even more with a further 200 jobs anticipated.

The Alnwick Garden is an inspirational project that has put Alnwick, Northumberland and the North East on the international tourism 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 that opened in spring 2023 will continue to build on the success of The Alnwick Garden.

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
- Stuart Halbert Foundation
- Community Action Northumberland
- Lynn Manger

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2023

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 £8,364,732 (2022: £6,975,611), total resources expended of £7,292,675 (2022: £6,383,524) and net incoming resources for the year of £1,072,057 (2022: £592,087).

When assessing the consolidated balance sheet, it is important to note that in the year to 31 March 2023, 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 £1,883,113 at 31 March 2023 (£1,770,854 at 31 March 2022), based on a discount rate of 6%, the agreed repayment structure and the settlement date in 2047.

Non financial key performance indicators

The following were some of the non-financial key performance indicators:

- 313,496 Garden Visitors (2021/22 322,219)
- 30,609 Adventure Golf Visitors (2021/22 46,475)

Our social impacts are the key priority of the Community and Education team and the achievements this year included:

- 357 individuals reached through our Elderberries programmes;
- 320 attendances at the Elderberries spring, summer and Christmas parties;
- 3,197 attendances at The Elderberries Drop-In;
- 1,450 young people engaged in our outreach drugs education programmes;
- 165 pupils attended our educational programmes aimed at increasing knowledge of the climate crisis, climate action and lifecycle of plants;
- 109 primary school children participated in our Roots and Shoots programme;
- 37 beneficiaries engaged with our employability and enterprise programmes with 65% moving into employment, further training or volunteering opportunities upon completion, with 7 people employed directly at The Alnwick Garden;
- 6 families engaged in our Young Gardeners initiative;
- 55 young people benefitted from career support and guidance;
- 1,000 beneficiaries attended Light Trail Community Night;
- 78,546 visitors to Poison Garden received education piece on drug use;
- 100 Christmas Gift Bags delivered to most vulnerable Elderberries;
- 6 local food businesses were directly supported during the Light Trail run;
- 447kg of food saved from waste following distribution from our Community Fridge;
- 26 people attended our Warm Spaces provided to combat cost of living crisis.

More information on the Trust's social impact is contained in the 2022/23 Social Impact Report on The Alnwick Garden website.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2023

Financial performance summary

The Alnwick Garden - Financial Analysis 2018 - 2023

Item	2022-2023	2021-2022	2020-2021	2019-2020	2018-19	2017-18
Revenue						
<i>Admissions (including Friends and Gift Aid)</i>	2,640,468	2,837,413	1,441,331	2,558,414	2,545,925	2,506,961
<i>Retail Sales</i>	520,953	571,257	276,718	560,697	697,793	701,672
<i>Catering Sales</i>	2,284,589	2,044,675	356,335	-	1,318,618	1,375,645
<i>Rental and Other Revenue</i>	153,931	211,806	139,038	728,782	421,318	328,879
<i>Other Income</i>	89,481	182,185	763,043	34,989	27,139	4,714
Total Revenue	5,689,422	5,847,336	2,976,465	3,882,882	5,010,793	4,917,871
Direct Costs						
<i>Admissions Direct Costs</i>	1,038,173	847,364	626,382	972,711	815,472	749,878
<i>Retail Cost of Sales and direct costs</i>	486,976	490,193	321,490	474,382	549,605	519,790
<i>Catering Cost of Sales and direct costs</i>	1,793,472	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	3,318,622	2,780,604	1,379,675	1,462,706	2,446,337	2,462,477
Gross Profit	2,370,800	3,066,733	1,596,790	2,420,176	2,564,456	2,455,394
Operating Costs						
<i>Garden Maintenance</i>	303,012	303,477	277,004	334,928	339,292	303,251
<i>Marketing and Communication</i>	324,893	232,857	190,675	337,956	371,536	351,099
<i>Management and Administration</i>	450,598	457,232	398,593	392,117	420,154	424,140
<i>Other Staff Costs</i>	25,361	18,710	7,422	9,141	14,015	17,992
<i>Other Overheads</i>	102,261	94,721	95,071	90,357	94,267	101,093
<i>Premises Costs</i>	385,787	333,674	246,182	448,552	316,482	320,237
<i>Repairs and Maintenance</i>	231,476	249,981	182,799	153,003	217,720	213,311
Total Operating Costs	1,823,388	1,690,652	1,397,746	1,766,054	1,773,466	1,731,123
Operating Revenue before Capital Investment and Impact Activity	547,413	1,376,081	199,044	654,122	790,990	724,271
Capital Investment - Charged to Profit and Loss	227,158	188,988	164,031	233,720	194,636	236,284
Capital Investment - Capitalised	170,887	278,653	227,618	297,517	272,584	408,555
EBITDA Before Impact Activity	149,368	908,440	(192,605)	122,885	323,770	79,432
Costs of Impact Activity	214,660	135,888	137,192	250,830	181,786	161,059
Donations toward Impact Activity	(62,488)	(53,444)	(23,166)	(98,350)	(109,134)	(146,974)
EBITDA After Impact Activity	(2,804)	825,996	(306,631)	(29,595)	251,117	65,947

* Treehouse Restaurant (catering) was outsourced after 10 months of the 2018/19 Financial Year

* Ice Cream sales (retail) were outsourced after 10 months of the 2018/19 Financial Year resulting in a reduction in retail sales and associated costs

* The 2015-16 Year includes a £150k refund for overpayments on utilities since The Garden opened

* The 2016-17 Year includes a £50k refund for overpayments on utilities since The Garden opened

* Capital Investment Charged to the P and L includes the investment into the Christmas Light show as well as larger maintenance work usually

* The figure of £50k for the 2014/15 year for Capex charged to the P and L is an estimate based on other years

* The Capex charged to the P and L figure for 2019/20, 2020/21 and 2021/2022 includes the light show investment and major repairs

The table above demonstrates The Garden's return to near normal pre-pandemic levels, following the lower levels of trading seen during 2020/21 due to the Covid pandemic, and the subsequent rebound in 2021/22. Despite a number of challenges during the year including the cost of living crisis, energy increases, abnormal inflation levels and higher than expected National Living Wage increases, controls were put in place and costs managed enabling us to finish the year near to a breakeven result. The operating revenue surpluses are reinvested in the operations of The Garden, with decisions made by trustees on a case-by-case basis.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2023

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 the Lilidorei play village, the latter of which opened successfully at the end of May 2023.

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 and the various support initiatives provided by the Government. 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 The Garden's fixed and variable costs.

The Trustees 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 and the goal of the Trust is to grow the reserves to this level and reassess the level required once Lilidorei is fully operational.

The Trust's operating cash amounted to £1,341,266 at year end. After Net Working Capital Adjustments, the Trust's estimated free cash was £1,384,966. 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 financial performance this year did not significantly change the level of the Trust's free cash reserves. While our trading activities were cash neutral, there was a slight decline in free reserves due to the additional investment in Net Working Capital required by Lilidorei. The current level of reserves makes the Trust more robust and able to deal with unexpected challenges and periods of instability within the tourism sector.

In addition, a 10-year cash flow forecast is regularly updated to project both Lilidorei and The Garden's cash flows. This forecast includes the costs of the Bonds as well as their redemption.

For this reason, the Trust continues 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 2023

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, however due to the opening of Lilidorei an updated review will be carried out in 2023. A risk management committee meets regularly to keep track of major risks and mitigation measures put in place.

Principal funding

The Trust generates the majority of its income through its admissions and other activities. 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 (2022: 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.

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 31 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. 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. All car parking charges for Alnwick Castle are banked by Alnwick Garden Enterprises in the first instance. Similarly, Alnwick Castle 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 group.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued) Year ended 31 March 2023

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.

The Alnwick Garden Trust

(A company limited by guarantee)

Trustees' report (continued)

Year ended 31 March 2023

Post Year End Update and Future Plans

The Trust has continued to see strong visitor numbers since March 2023 and the successful opening of Lilidorei at the end of May has had a positive impact on Garden visitor numbers. The Garden welcomed 18,773 visitors during May half term, 47% up on the same period last year.

Although secondary spend levels continue to be lower due to economic conditions, both retail and food and beverage outlets have benefitted from the increased footfall due to Lilidorei opening. Despite an initial slow start, the events pipeline has increased significantly with bookings having shorter lead in times than normal, boosting revenue.

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. Planning permission for the Education Centre has now been approved;
- A specialist lighting project including the Cascade;
- Lilidorei play village development which opened successfully at the end of May 2023.

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 20 September 2023 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 2023

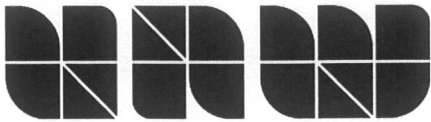
The trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the trustees' report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted 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.

Michael Mitchell



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 2023 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 2023 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 Alwick 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 non compliance 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 Alwick 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

20 September 2023

The Alnwick Garden Trust

(A company limited by guarantee)

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

Year ended 31 March 2023

	Note	Unrestricted Capital fund 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and legacies	3	-	2,550,202	6,906	2,557,108	1,159,744
Charitable activities	4	-	-	2,604,949	2,604,949	2,810,894
Other trading activities	5	-	20,390	3,076,563	3,096,953	2,952,096
Other income	6	-	-	105,722	105,722	52,877
Total income		-	2,570,592	5,794,140	8,364,732	6,975,611
Expenditure on:						
Raising funds	7	124,646	-	2,889,241	3,013,887	2,624,689
Charitable activities	8	1,430,954	81,062	2,766,772	4,278,788	3,758,835
Total expenditure		1,555,600	81,062	5,656,013	7,292,675	6,383,524
Net income / (expenditure)		(1,555,600)	2,489,530	138,127	1,072,057	592,087
Transfers between funds	20	1,041,586	(2,502,962)	1,461,376	-	-
Net movement in funds		(514,014)	(13,432)	1,599,503	1,072,057	592,087
Reconciliation of funds:						
Total funds brought forward		13,995,180	561,757	39,646	14,596,583	14,004,496
Net movement in funds		(514,014)	(13,432)	1,599,503	1,072,057	592,087
Total funds carried forward		13,481,166	548,325	1,639,149	15,668,640	14,596,583

The notes on pages 25 to 53 form part of these financial statements.

The Alnwick Garden Trust

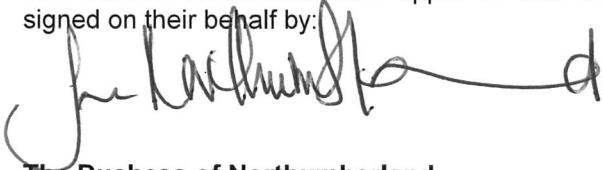
(A company limited by guarantee)

Consolidated balance sheet At 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	27,587,414	17,914,049
		<u>27,587,414</u>	<u>17,914,049</u>
Current assets			
Stocks	16	185,447	123,313
Debtors	17	994,733	850,089
Cash at bank and in hand		3,450,100	11,157,932
		<u>4,630,280</u>	<u>12,131,334</u>
Creditors: amounts falling due within one year	18	(2,337,806)	(1,354,163)
Net current assets		<u>2,292,474</u>	<u>10,777,171</u>
Total assets less current liabilities		<u>29,879,888</u>	<u>28,691,220</u>
Creditors: amounts falling due after more than one year	19	(14,211,248)	(14,094,637)
Total net assets		<u>15,668,640</u>	<u>14,596,583</u>
Charity funds			
Capital fund	20	13,481,166	13,995,180
Restricted funds	20	548,325	561,757
Unrestricted funds	20	1,639,149	39,646
Total funds		<u>15,668,640</u>	<u>14,596,583</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 20 September 2023 and signed on their behalf by:



The Duchess of Northumberland

The notes on pages 25 to 53 form part of these financial statements.

The Alnwick Garden Trust

(A company limited by guarantee)

Balance sheet At 31 March 2023

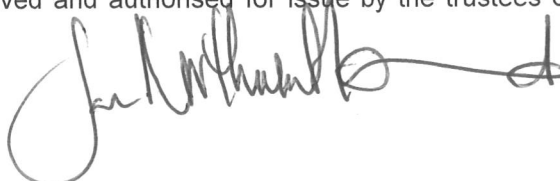
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	27,179,260	17,468,080
Investments	15	2	2
		<u>27,179,262</u>	<u>17,468,082</u>
Current assets			
Debtors	17	313,041	480,990
Cash at bank and in hand		2,192,693	9,783,065
		<u>2,505,734</u>	<u>10,264,055</u>
Creditors: amounts falling due within one year	18	(2,047,884)	(1,194,868)
Net current assets		<u>457,850</u>	<u>9,069,187</u>
Total assets less current liabilities		<u>27,637,112</u>	<u>26,537,269</u>
Creditors: amounts falling due after more than one year	19	(13,645,483)	(13,562,843)
Total net assets		<u><u>13,991,629</u></u>	<u><u>12,974,426</u></u>
Charity funds			
Capital fund		13,638,777	14,081,005
Restricted funds		548,325	561,757
Unrestricted funds		(195,473)	(1,668,336)
Total funds		<u><u>13,991,629</u></u>	<u><u>12,974,426</u></u>

The company's net movement in funds for the year was £1,019,252 (2022 - £240,830).

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 20 September 2023 and signed on their behalf by:

The Duchess of Northumberland



Company registered number: 04584694

The notes on pages 25 to 53 form part of these financial statements.

The Alnwick Garden Trust

(A company limited by guarantee)

Consolidated statement of cash flows Year ended 31 March 2023

	Note	2023 £	As restated 2022 £
Cash flows from operating activities			
Net cash provided by operating activities	22	3,397,072	1,958,807
Cash flows from investing activities			
Purchase of tangible fixed assets		(10,484,904)	(2,861,871)
Interest on Retail Charity Bond capitalised		(620,000)	(512,928)
Net cash used in investing activities		(11,104,904)	(3,374,799)
Cash flows from financing activities			
Receipt of loans		-	2,400,000
Repayment of loans		-	(312,500)
Net cash provided by financing activities		-	2,087,500
Change in cash and cash equivalents in the year		(7,707,832)	671,508
Cash and cash equivalents brought forward		11,157,932	10,486,424
Cash and cash equivalents at the end of the year	23	3,450,100	11,157,932

The notes on pages 25 to 53 form part of these financial statements

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

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 2023

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 channeled 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 2023

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 Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

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.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

The Alwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements

Year ended 31 March 2023

1. Accounting policies (continued)

1.8 Tangible fixed assets and depreciation (continued)

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

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.

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

1. Accounting policies (continued)

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.

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 judgment 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 2023

3. Income from donations and legacies

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Donations	50,202	4,857	55,059
Grants	2,500,000	2,049	2,502,049
	<u>2,550,202</u>	<u>6,906</u>	<u>2,557,108</u>

	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>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Gift Aid and admissions donations	397,123	397,123	397,107
Insurance	45,215	45,215	100,000
Admissions	2,162,611	2,162,611	2,313,787
Total 2023	<u>2,604,949</u>	<u>2,604,949</u>	<u>2,810,894</u>

In the current year £500 (2022: £100,000) of the insurance income relates to a business interruption insurance claim and £44,715 (2022: £nil) relates to other insurance income received

5. Income from other trading activities

Income from fundraising events

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Fundraising and sponsorship	20,390	7,474	27,864

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Fundraising and sponsorship	4,391	3,896	8,287

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

5. Income from other trading activities (continued)

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Subsidiary trading to third parties	3,069,089	3,069,089	2,943,809

6. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Other operating income	739	739	-
Release of bond premium	21,000	21,000	-
Interest income	83,983	83,983	52,877
	<u>105,722</u>	<u>105,722</u>	<u>52,877</u>

7. Expenditure on raising funds

	Unrestricted Capital fund 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Subsidiary trading costs	124,646	2,889,241	3,013,887

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

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted Capital fund 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Visitor services	112,259	-	1,721,218	1,833,477
Charitable programmes	-	81,062	184,905	265,967
Garden maintenance	1,318,695	-	860,649	2,179,344
	<u>1,430,954</u>	<u>81,062</u>	<u>2,766,772</u>	<u>4,278,788</u>

	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>

The Alwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

9. Analysis of expenditure by activities

	Direct costs 2023 £	Support costs 2023 £	Total funds 2023 £
Visitor services	1,140,476	693,001	1,833,477
Charitable programmes	265,967	-	265,967
Garden maintenance	2,067,085	112,259	2,179,344
	<u>3,473,528</u>	<u>805,260</u>	<u>4,278,788</u>

	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>

10. Direct costs

	2023 £	2022 £
Visitor services costs	446,642	311,758
Charitable programme costs	51,828	26,684
Garden maintenance costs	437,997	392,728
Staff costs	1,240,718	1,055,280
Depreciation	1,296,343	1,295,313
	<u>3,473,528</u>	<u>3,081,763</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

11. Support costs

	2023 £	2022 £
Office costs	391,315	282,180
Staff costs	301,686	306,608
Interest	112,259	88,284
	<u>805,260</u>	<u>677,072</u>

12. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £14,250 (2022 - £9,500), and an accounting services fee of £1,750 (2022 - £1,750).

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

13. Staff costs

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Staff costs were as follows:				
Wages and salaries	2,833,102	2,330,834	307,155	101,988
Social security costs	215,147	176,013	26,539	8,242
Contribution to defined contribution pension schemes	93,649	81,230	6,669	2,121
	<u>3,141,898</u>	<u>2,588,077</u>	<u>340,363</u>	<u>112,351</u>

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

	Group 2023 No.	Group 2022 No.
Facilities management	2	2
Food and beverage	59	43
Gardeners	13	14
Visitor services	56	45
Arts	-	3
Finance and administration	6	9
Commercial	6	4
Retail	6	9
Community and education	6	4
	<u>154</u>	<u>133</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

13. Staff costs (continued)

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

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	1	-
In the band £80,001 - £90,000	1	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 2022/23 they have been determined to be the members of the senior management team, comprising the following:

Chief Executive Officer
Director of Lilidorei
Strategic Head of Catering, Retail & Hospitality
Strategic Head of Community & Education
Strategic Head of Finance
Strategic Head of Marketing & Communication
Strategic Head of Operations, Sales & Facilities Management
Strategic Head of People & Culture
Head Gardener
Executive Assistant & Office Manager

The total employee benefits of the key management personnel of the charity were £558,953 (2022: £535,218).

During the year one trustee received £528 in reimbursement of expenses (2022: one trustee received £106).

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

14. Tangible fixed assets

Group

	Assets under construction £	Fixtures, fittings and equipment £	Motor vehicles £	Garden infrastructure £	Total £
Cost or valuation					
At 1 April 2022	5,344,904	1,562,272	85,377	30,861,898	37,854,451
Additions	10,936,479	76,598	24,075	67,752	11,104,904
Disposals	-	(11,792)	-	(31,090)	(42,882)
At 31 March 2023	<u>16,281,383</u>	<u>1,627,078</u>	<u>109,452</u>	<u>30,898,560</u>	<u>48,916,473</u>
Depreciation					
At 1 April 2022	-	1,104,163	85,376	18,750,863	19,940,402
Charge for the year	-	142,678	2,008	1,276,303	1,420,989
On disposals	-	(10,256)	-	(22,076)	(32,332)
At 31 March 2023	<u>-</u>	<u>1,236,585</u>	<u>87,384</u>	<u>20,005,090</u>	<u>21,329,059</u>
Net book value					
At 31 March 2023	<u>16,281,383</u>	<u>390,493</u>	<u>22,068</u>	<u>10,893,470</u>	<u>27,587,414</u>
At 31 March 2022	<u>5,344,904</u>	<u>458,109</u>	<u>1</u>	<u>12,111,035</u>	<u>17,914,049</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

14. Tangible fixed assets (continued)

Company

	Assets under construction £	Fixtures, fittings and equipment £	Garden infrastructure £	Total £
Cost or valuation				
At 1 April 2022	5,344,904	316,308	30,716,743	36,377,955
Additions	10,936,479	13,137	67,752	11,017,368
Disposals	-	(2,625)	(31,090)	(33,715)
At 31 March 2023	<u>16,281,383</u>	<u>326,820</u>	<u>30,753,405</u>	<u>47,361,608</u>
Depreciation				
At 1 April 2022	-	262,952	18,646,923	18,909,875
Charge for the year	-	24,727	1,271,616	1,296,343
On disposals	-	(1,794)	(22,076)	(23,870)
At 31 March 2023	<u>-</u>	<u>285,885</u>	<u>19,896,463</u>	<u>20,182,348</u>
Net book value				
At 31 March 2023	<u>16,281,383</u>	<u>40,935</u>	<u>10,856,942</u>	<u>27,179,260</u>
At 31 March 2022	<u>5,344,904</u>	<u>53,356</u>	<u>12,069,820</u>	<u>17,468,080</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 2023

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	3,102,712	3,047,858	54,854	1,677,013

16. Stocks

	Group 2023 £	Group 2022 £
Goods for resale	185,447	123,313

17. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	6,756	5,434	2,764	2,342
Amounts owed by related parties	-	10,182	-	2,388
Other debtors	497,590	235,391	2,838	6,339
Prepayments and accrued income	490,387	599,082	307,439	469,921
	994,733	850,089	313,041	480,990

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

18. Creditors: amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade creditors	619,296	384,268	424,401	57,296
Amounts owed to group undertakings	-	-	326,638	689,233
Other taxation and social security	45,698	44,368	3,214	1,618
Other creditors	11,635	54,519	470	1,482
Accruals and deferred income	1,661,177	871,008	1,293,161	445,239
	<u>2,337,806</u>	<u>1,354,163</u>	<u>2,047,884</u>	<u>1,194,868</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

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

	Group 2023	Group 2022	Company 2023	Company 2022
	£	£	£	£
Other loans	1,883,113	1,770,854	1,317,348	1,239,060
Retail Charity Bond	12,223,135	12,200,783	12,223,135	12,200,783
Accruals and deferred income	105,000	123,000	105,000	123,000
	14,211,248	14,094,637	13,645,483	13,562,843

Other loans

The group is in receipt of an interest-free loan of £8.0m 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 in 2021 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.

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 prior year, an additional amount was advanced totalling £2.5m net of bond issue costs. The bond issue costs totalling £20k 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 2023

20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
Appeals	26,139	7,349	(11,053)	-	22,435
Programme Fundraising	43,755	1,090	(5,678)	-	39,167
Tractors	408	-	(408)	-	-
Bee Project	19,525	3,767	(23,585)	2,962	2,669
General fund					
General fund	(50,181)	5,781,934	(5,615,289)	1,458,414	1,574,878
Total Unrestricted funds	39,646	5,794,140	(5,656,013)	1,461,376	1,639,149
Unrestricted funds - capital					
Capital fund	13,995,180	-	(1,555,600)	1,041,586	13,481,166

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

20. Statement of funds (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Restricted funds					
Roots & Shoots	46,882	1,851	(30,152)	-	18,581
Urban Project	2,325	-	-	-	2,325
Young Gardeners	8,654	194	(1,850)	-	6,998
Drugs Education	15,277	1,431	(1,965)	-	14,743
Enterprise Programme	57,752	-	(11,090)	-	46,662
Elderberries	35,874	18,398	(16,227)	-	38,045
Travelling Elderberries	3,794	-	-	-	3,794
Blooming Well	33,716	1,127	(419)	-	34,424
Play Area	22,902	-	-	-	22,902
Other small grants	434	-	-	-	434
Winter Lighting Project	3,929	979	(25)	-	4,883
Mobility Scooters	6,432	-	-	-	6,432
Elderberries Centre - Capital	16,168	-	-	-	16,168
Elderberries Centre - Costs	9,179	4,506	(1,548)	-	12,137
Capital donations	295,743	2,507,590	(800)	(2,502,962)	299,571
Community Fridge	3,000	-	(1,341)	-	1,659
Seeds for Success	(129)	6,862	(5,789)	-	944
Grow into Work	(175)	15,658	(9,503)	-	5,980
Souper Tuesdays	-	1,996	(353)	-	1,643
Wellbeing Hubs	-	10,000	-	-	10,000
	561,757	2,570,592	(81,062)	(2,502,962)	548,325
Total of funds	14,596,583	8,364,732	(7,292,675)	-	15,668,640

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
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 funds					
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 2023

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
Other small grants	153	-	-	-	153
Winter Lighting Project	281	-	-	-	281
Mobility Scooters	3,959	-	(30)	-	3,929
Elderberries Centre - Capital	6,432	-	-	-	6,432
Elderberries Centre - Costs	16,704	-	(536)	-	16,168
Capital donations	7,286	1,893	-	-	9,179
Community Fridge	295,743	1,000,000	-	(1,000,000)	295,743
Seeds for Success	-	3,000	-	-	3,000
Grow into Work	-	3,262	(3,391)	-	(129)
Souper Tuesdays	-	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>14,004,496</u>	<u>6,975,611</u>	<u>(6,383,524)</u>	<u>-</u>	<u>14,596,583</u>

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

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 succeed in the workplace.

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements

Year ended 31 March 2023

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.

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.

Grow into Work

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

Souper Tuesdays

Free soup and refreshments were offered every Tuesday during the winter, with advice given on energy efficiency and healthy eating on a budget. Insulated cups were also given to attendees to reduce the amounts of time a kettle may need to be boiled, thus saving energy. Souper Tuesdays were funded by Community Action Northumberland.

Wellbeing Hubs

Funded by The Stuart Halbert Foundation, The Alnwick Garden supported a national initiative and opened to provide a warm space during the winter months, three evenings a week. Attendees benefited from hot food and refreshments and a place to stay warm and help alleviate rising energy costs.

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

Transfers

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

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted capital fund 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	27,587,414	-	-	27,587,414
Current assets	-	548,325	4,081,955	4,630,280
Creditors due within one year	-	-	(2,337,806)	(2,337,806)
Creditors due in more than one year	(14,106,248)	-	(105,000)	(14,211,248)
Total	13,481,166	548,325	1,639,149	15,668,640

Analysis of net assets between funds - prior 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

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

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

	Group 2023 £	Group As restated 2022 £
Net income for the year (as per Statement of Financial Activities)	<u>1,072,057</u>	<u>592,087</u>
Adjustments for:		
Depreciation charges	1,420,989	1,388,793
Loss on the sale of fixed assets	10,550	83,894
Increase in stocks	(62,134)	(21,635)
Increase in debtors	(144,644)	(447,096)
Increase in creditors	965,643	234,508
Non cash changes to loan finance	22,352	22,352
Effective interest on loan finance	112,259	105,904
Net cash provided by operating activities	<u><u>3,397,072</u></u>	<u><u>1,958,807</u></u>

23. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	<u>3,450,100</u>	<u>11,157,932</u>
Total cash and cash equivalents	<u><u>3,450,100</u></u>	<u><u>11,157,932</u></u>

24. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	Non-cash changes £	At 31 March 2023 £
Cash at bank and in hand	11,157,932	(7,707,832)	-	3,450,100
Debt due after 1 year	(1,770,854)	-	(112,259)	(1,883,113)
Retail Charity Bond	(12,200,783)	-	(22,352)	(12,223,135)
	<u>(2,813,705)</u>	<u>(7,707,832)</u>	<u>(134,611)</u>	<u>(10,656,148)</u>

Non-cash movements represent effective interest rate adjustments and release of amortised costs.

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2023

25. Capital commitments

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

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	1,877,485	6,039,808	1,877,485	6,039,808

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 £93,649 (2022: £81,230). Contributions totalling £8,515 (2022: £30,087) were payable to the fund at the balance sheet date and are included in creditors.

27. Operating lease commitments

At 31 March 2023 the group had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £
Amounts payable:		
Not later than 1 year	12,249	12,157

The Alnwick Garden Trust

(A company limited by guarantee)

Notes to the financial statements

Year ended 31 March 2023

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 £71,369 (2022: £21,483). The group recharged goods and services during the year to Northumberland Estates totalling £44,523 (2022: £35,776).

The group also operated a joint ticketing scheme with Alnwick Castle Ventures; ticket income collected on behalf of ACV of £140,553 (2022: £60,401) and car park income of £78,334 (2022: £84,421) was collected on behalf of Alnwick Castle Ventures during the year.

At the year end, the group owed £22,230 (2022: £10,182 owed from) to Northumberland Estates.

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 £1,883,113 (2022: £1,770,854), 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 (2022: £6,000).

During the year, John Lovett, a trustee, was paid £24,286 (2022: £25,052) in relation to consultancy work undertaken in the development of the Lilidorei Project and for the next phase of The Garden's development.

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This ensures transparency and allows for easy verification of the data.

In the second section, the author outlines the various methods used to collect and analyze the data. This includes both primary and secondary data collection techniques. The primary data was gathered through direct observation and interviews, while secondary data was obtained from existing reports and databases.

The third section details the statistical analysis performed on the collected data. It describes the use of descriptive statistics to summarize the data and inferential statistics to test hypotheses. The results of these analyses are presented in a clear and concise manner, highlighting the key findings of the study.

Finally, the document concludes with a summary of the findings and their implications. It discusses the limitations of the study and suggests areas for future research. The author expresses confidence in the reliability of the data and the validity of the conclusions drawn.