

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

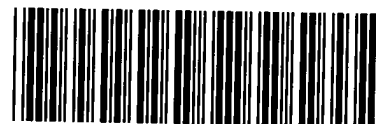
**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

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The following pages do not form part of the statutory accounts

Pages 14 & 15	Income and Expenditure Account
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**THE NATIONAL GARDENS SCHEME
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

The Trustees submit their Annual Report and Financial Statement for the year to 31st December 2014.

1. Achievements and Performance

2014 proved to be a record year for the National Gardens Scheme with the highest ever total of Net Garden Income at £3.28m. This represents an excellent increase of 6% from 2013. Total Income was also a record figure of £4.02m. Total Costs were held at just below last year's at £1.1m, and this produced a new record net income figure of £2.93m.

Good weather through much of 2014 greatly assisted the level of Net Garden Income achieved, in particular during the key summer weeks, when a large proportion of gardens are open. At the same time, improved promotion of garden openings in local and national media, also contributed to the performance.

Net Garden Income – the total funds raised and donated to the NGS by garden owners - is the charity's core revenue. The 2014 total is a record result for the second consecutive year.

2. Strategy

The NGS's strategy focuses on its core business of garden opening and maximising the donations from garden opening events. Key to the future growth of the charity is the need to reach a wider audience, to make the general public more aware of the great attraction of visiting private gardens. Increasing levels of public awareness of the charity and our gardens is vital in order for us to achieve growing numbers of visitors, year on year.

As part of the campaign to achieve this, in 2013 we launched the NGS Festival Weekend and this was repeated successfully in 2014. The Festival took place in June when the largest number of gardens opened on any one weekend. Once again the Festival achieved excellent publicity via national media in which the NGS is not normally featured, and proved especially successful in gaining support for the NGS from our beneficiary charities and their audiences of supporters.

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

3. Legacy

In September 2014 we were informed that the NGS would be one of three charities chosen to be the beneficiaries of the entire estate of the late Robert Winton. This is a highly generous legacy gift and we truly appreciate his gesture. By the end of the year, initial payments to the NGS from the estate totalled £297k and the estate's executor has confirmed that there will be a final payment in 2015 when all matters relating to the estate have been completed.

Given the special nature of the legacy, the Trustees have decided that the funds received will initially be placed in a new designated fund - the Robert Winton Legacy Fund. When all the funds have been received the Trustees will set out an appropriate use of the funds so as to maximise the benefits to our charitable activities.

We believe that Mr Winton was motivated to make this generous gift as a result of his enjoyment of visiting NGS gardens and his admiration for the National Gardens Scheme. Mindful of this, the trustees would welcome similar support from other legacies and a policy to encourage this is under way. Such legacies would promote garden visiting and in particular the health and wellbeing benefits of gardens and gardening which we are promoting (see Section 10 below).

The funds received from the legacy are subtracted in some of the statistics in Section 4 below, in order to clarify year on year comparisons.

4. Financial Results

Net Garden Income (£3.28m) is the charity's principle source of income. Other Income, made up of County Income, sponsorship, advertising, royalties, donations and other gifts, increased by £309k. This was almost entirely due to the £297k from the Winton legacy.

Total Costs of just under £1.1m were down by £18k on the previous year. This is the second year of consecutive reductions and makes a substantial contribution to maximising the total available for distribution to beneficiaries (see below).

**THE NATIONAL GARDENS SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014**

Over the six years since 2008 Total Costs have only increased by £25k or about 0.4% per annum.

Net Income for 2014 was £2.93m compared with £2.42m in the previous year – an increase of 21%.

The ratio of Net Income to Net Garden Income (which our garden owners donate) was 89%, a substantial improvement on 2013. Funds from the Winton legacy made a significant contribution to this ratio. However even without the legacy, the ratio improved to the 80% level that we aim for.

5. Financial Review

Distribution to Beneficiaries

The Trustees have decided to make a total distribution of £2.64m which represents the total net income for the year after transferring the funds received to date from the Winton Legacy into a designated fund.

This distribution marks a significant milestone for the charity. It is the highest annual total ever distributed to beneficiaries and comprises only net income from the 2014 year's operating accounts, without any contribution from reserves as has been the case in some previous years.

The full list of beneficiaries and individual donations is set out on page 15.

As part of their annual distribution policy, the Trustees continue to encourage the beneficiaries to provide reciprocal benefits which will bring mutual rewards in the future. In particular, by generating greater public awareness of the NGS through their substantial networks. This should bring increased numbers of visitors to our gardens and thereby generate more funds for us to be able to distribute to them. During 2014 we formally initiated joint marketing activities with all beneficiary charities acting together in support of the NGS and this will continue in the future.

Given that the substantial majority of funds for distribution are raised at garden openings, the Trustees would like to thank our wonderful garden owners for their hard work and dedication and for their continuing generosity in donating the funds raised to the NGS.

In addition, the 50 county teams, comprising some 370 volunteers deserve great praise for their hard work and dedication. Without their efforts none of this would be possible.

Reserves

The Trustees are not materially drawing on any Reserve Funds to assist with beneficiary donations. As a result, Unrestricted Reserves remain at £434k, which is 37% of the budgeted annual expenses. This compares with our minimum requirement of 25%.

Additional Donations by Garden Owners to other Charities

In addition to the total amounts they donated to the NGS, garden owners raised further sums of £357k on NGS open days which they donated to other charities of their own choice (usually local to them). This was either as a share of takings donated to those charities, or by enabling charities that sold teas and plants on open days to retain the proceeds. These sums are valuable additional charitable donations resulting from NGS activities. However, these are not recorded in the NGS accounts and are not audited.

Financial Risk Management

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

The charity currently manages a reserves policy to ensure the maintenance of reserves at a level above the agreed minimum which is 25% of the total annual expenses.

All donations received from Garden Owners are swept out of the current accounts several times a month and invested mainly in Treasury Bills by the NGS for maximum security. These are held until the annual charitable distributions are made, normally in April and July of the following year. The payments may be made earlier in exceptional circumstances, at the discretion of the Trustees.

Annual Record

A summary of the key performance indicators for the six-year period since 2008 is:

- Net Garden Income Growth 33.0%
- Total Income Growth 32.0%
- Total Expenses Increase 2.3%
- Net Income Growth 47.9%

**THE NATIONAL GARDENS SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014**

6. Constitution, Governance, Structure and Management

The National Gardens Scheme is a company limited by guarantee.

Organisation

The aim of the NGS is to raise money for national nursing, caring and gardening charities by receiving donations and other support as a result of opening gardens of quality, character and interest to the public.

The Directors of the Company are also Charity Trustees for the purpose of charity law under the Company's Articles. The governing body of the NGS is the Council of Trustees. They have the duty to plan and agree policy and to direct the affairs of the NGS. They are responsible for the good management of the NGS, setting policy, agreeing the annual report and accounts, maintaining contact with beneficiary charities and agreeing the basis and amount of donations to beneficiaries.

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

The Trustees wish to note that in November 2014 Penny Snell stood down as Chairman after serving for six years, and to recognize her exceptional contribution to the charity. She had previously served as a Trustee and member of Council for ten years from 1985-95 and she continues to serve as the County Organiser for London, which she has done since 1980.

An Executive Committee oversees the execution of Council decisions and deals with matters delegated to it by Council. This group monitors the NGS's business plan and budget and the running of NGS's operations.

The Audit Committee oversees the financial operation of the Charity on behalf of Council and is responsible for reviewing and updating the risk management framework.

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

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

Trustees who have served during the period and since the period-end are set out on page 6. Trustees are provided with guidelines when appointed and most find it helpful to visit the office at Hatchlands Park, Surrey either just before or just after taking up their role. The office assists them by providing support and personal contact. The office also arranges induction and refresher days for new and existing volunteers which Trustees are able to attend.

Risk management

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to mitigate those risks. The Risk Management for the organisation received a detailed review in 2013 with a new schedule being drafted and approved. It was approved by the Audit Committee which has specific responsibility for monitoring risk and recommending any action necessary to Council.

7. Objectives

The object of the charity is to raise money to donate to selected charitable beneficiaries by organising the opening of gardens of quality to the public. The strategic and operational plan to achieve the objectives continues to be the five-year plan approved and initiated by the Council of Trustees in 2011. Relevant appraisal of and additions to the plan, in particular in marketing, are made on an annual basis. The plan was built around the following key details:

Vision

"To become a nationally recognized fund-raising and grant-making charity achieving increasing annual donations, by offering the best gardens and visiting experience to the widest possible audience."

Mission

"To build on the foundation of the National Gardens Scheme's unique heritage and proposition by reaching out to new audiences and achieving growth in our charitable donations, so as to build up a widely-acknowledged charitable profile in the nursing and caring sector."

**THE NATIONAL GARDENS SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014**

Core Objectives

- To create a dynamic profile as a leader of charitable giving to nursing and caring
- To build on our reputation for the quality of our gardens
- To invest in the overall visitor experience focusing on new audience development
- To deliver defined financial targets over a five year period
- To develop and manage our resources so as to operate more effectively and cohesively

8. Public Benefit

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in their direction of the Charity's activities. The NGS's principle activity, the organisation of garden opening, is expressly designed to be available to all. This activity is also the NGS's chief source of fundraising and, on an annual basis, from funds raised by opening gardens, the NGS continues to make donations to beneficiary charities whose principle objective is public benefit in the form of nursing, caring or other support for individuals. For a list of beneficiary charities please see page 15.

9. Activities

The NGS is organised on a voluntary basis in the counties of England and Wales. County Organisers and their team members are responsible for organising and supporting garden openings within their counties. The owners of gardens that open to visitors donate funds raised, which are collected by members of the NGS county teams.

The funds are forwarded to the Head Office which co-ordinates the NGS' activities and produces The Yellow Book which is the annual publication that lists all the garden openings together with County Booklets. The Yellow Book promotes the NGS nationally and is the traditional medium for advertising garden openings. The NGS website is becoming increasingly important together with County Booklets – these are individual county sections of The Yellow Book which are distributed free. The NGS also has an App and an extensive following on social media which also help promotion of garden openings.

Sponsorship and advertising revenues are in place to help offset the operational costs of the NGS, so to assist in maximising the proportion of funds raised at gardens to be donated to beneficiaries (as set out in Achievements and Performance on page 1).

The Trustees decide on key policy, management and financial matters at Council or committee meetings which are held regularly throughout the year. Activities at Head Office include central financial organisation, support for County Teams, Yellow Book production, marketing and distribution, national publicity, sponsorship, and insurance. The Chief Executive reports to Council and is also responsible for the AGM, National and Regional Conferences, and NGS's participation in external events.

Volunteers

Volunteer County Teams find and support the gardens that open for the NGS. The County Organiser is responsible for the NGS's activity in each county. Advice and support are available from the Chief Executive and Head Office staff, as well as other county teams and including the Regional Chairman.

The key activities of the County Teams are:

- Promoting garden openings
- Finding new gardens
- Maintaining contact with existing garden owners
- Assisting with fundraising, collecting donations and accounting to Head Office
- Recognition and rewards
- Producing County Booklets and securing advertising within these booklets

**THE NATIONAL GARDENS SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014**

10. Gardens and Health

In 2014 the NGS Council approved a new long term strategy for the National Gardens Scheme to develop a leadership role in the promotion of the benefits of gardens and gardening for individual and public health and wellbeing. The initiative will be closely linked to the NGS's core activity of opening gardens and encouraging the public to visit. At the same time it will strengthen and enhance the NGS's charitable profile and activities.

The strategy is being developed in active partnership with the NGS's beneficiary charities which will make substantial contributions. A notable benefit came in 2014 with the appointment of Sir Richard Thompson as an NGS Trustee; he had recently stood down as President of the Royal College of Physicians and is a leading exponent of the health benefits of gardens and gardening.

The strategy will focus on the best means to promote these benefits so as to develop wider awareness and increasing activity.

11. Beneficiary Policy and Distributions

Money raised from garden openings is donated each year to beneficiary charities nominated by Council. Donations are governed by the Beneficiary Policy, set by Council and reviewed every three years. The policy is due to be reviewed in 2015. The Charity operates a programme of regular contact and review with beneficiary charities to ensure that NGS understands their needs and that money is put to best use.

The current policy was reviewed in 2013 and approved by Council in the same year. This sets out the following principles for core beneficiary charities:

- The NGS will continue to support national nursing, caring and gardening charities
- Part of the NGS's vision for the future is to bring in additional income. As and when it does, the NGS will consider new beneficiaries within the overall criteria of supporting national nursing, caring and gardening charities
- There is already considerable support to cancer charities, and no further cancer charities should be added to the list of beneficiaries
- Currently, the NGS does not include as core beneficiaries charities whose aim is primarily research

At present, money is donated each year to the following charities:

- Macmillan Cancer Support
- Marie Curie Cancer Care
- The Queen's Nursing Institute
- Carers Trust
- Hospice UK
- Perennial (incorporating The Royal Fund for Gardeners' Children)

In addition the NGS makes an annual grant to the National Trust's Careership Scheme (in recognition of which a number of National Trust properties open their gardens in aid of the NGS).

In 2013 Council agreed to extend the NGS's financial support for the training of gardeners by taking on the annual funding of trainee gardeners at the Royal Horticultural Society. The funding began in 2014 for the first intake of trainees in September of that year and will run on an annually renewal basis for a trial period of three years.

In 2014 a grant of £10,000 has been agreed for 2014 to fund a trainee at the Garden Museum, to be supplemented (as in previous years by a donation from the Denise Leffman Bequest). This follows the first application of this combined grant in 2012, the year when the Garden Museum mounted an important and successful exhibition on the history of garden visiting, in which the NGS played an integral role. Since then the two organisations have enjoyed an active and mutually beneficial partnership.

**THE NATIONAL GARDENS SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014**

Council has also agreed to fund a guest charity from time to time. Criteria for selecting a guest charity include:

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

As part of the Beneficiary Policy review carried out in 2013 it was decided to extend the period for a Guest Charity partnership from one to two (and possibly three) years. That meant that Parkinson's UK, appointed for 2013, would remain guest charity through 2014.

2015 marks the centenary of the death of Edith Cavell, one of the most admired figures in the history of British nursing. To mark the occasion the NGS Trustees have decided that it would be entirely fitting for the NGS, as the most significant annual charitable funder of nursing in the UK, to make a single one-off donation of £50,000 to the Edith Cavell Trust. The donation will be made along with the others from the 2014 funds.

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

The Elsie Wagg Fund is an endowment made to The National Gardens Scheme, as part of the Queens Nursing Institute before it was incorporated as a separate charity. Under the terms of the endowment, although the capital rests within the NGS, the income on capital is paid each year to the Queens Nursing Institute.

In addition, the endowment voted by Council for the establishment of the NGS Elspeth Thompson Bursary Fund (held as designated funds) allows for a series of annual bursaries to be paid out after their selection in conjunction with the Royal Horticultural Society. These bursaries are paid to support specific community gardening projects all over England and Wales and since the establishment of the Bursary Fund in 2011 have proved of considerable value to different local communities.

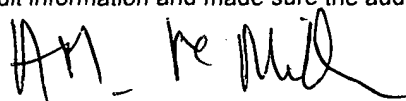
As set out on page 1 of the Trustees Report, interim payments received from the estate of the late Robert Winton have also been placed into a designated fund, the Robert Winton Legacy Fund.

13. Statement of Trustees' Responsibilities

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

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether the policies are in accordance with applicable accounting standards
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate

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



A. Martin McMillan OBE
Chairman of the Council of Trustees
24 March 2015

**THE NATIONAL GARDENS SCHEME
TRUSTEES' ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014**

Reference and Administrative Information

Patron: His Royal Highness, The Prince of Wales

President: Joe Swift

Vice-Presidents:

Elizabeth Anton; Angela Azis; Ann Budden; Fred Carr; Daphne Foulsham MBE; Carolyn Hardy OBE, VHM
Nicholas Payne OBE; Penny Snell (from November 2014); Michael Toynbee DL; Ann Trevor Jones MBE.

Ambassadors:

Emma Bridgewater CBE; Alan Gray

The Council of Trustees

Chairman: Penny Snell* (to November 2014)
A.Martin McMillan OBE (from November 2014)

Deputy Chairman: Heather Skinner*

Hon Treasurer: Richard Raworth*

Miranda Allhusen*, Peter Clay, Susan Copeland*, Rosamund Davies*, Martin McMillan OBE (to November 2014)
Bridget Marshall *, Colin Olle*, Sue Phipps *, Patrick Ramsay, Sir Richard Thompson KCVO, Rupert Tyler

Trustees retired during the year: Penny Snell; John Hinde; Edwina Roberts*

*(*member of an NGS county team)*

Chief Executive: George Plumptre

Head Office

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

Auditor

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

Bankers

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

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

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

We have audited the Financial Statements of The National Gardens Scheme for the year ended 31 December 2014 which comprise the SOFA, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective Responsibilities of Trustees and Auditors

As described in the Statement of Directors' Responsibilities on page 2, the Company's Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This included an assessment: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of the result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on Other Matters Prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared, is consistent with the financial statements.

Matters on Which we are Required to Report by Exception

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

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



24.3.15

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

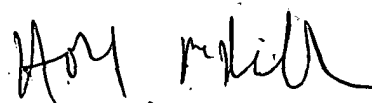
Churchdown Chambers
Bordyke
Tonbridge
Kent TN9 1NR

**THE NATIONAL GARDENS SCHEME
STATEMENT OF FINANCIAL ACTIVITIES (SOFA)
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Total Year to 31.12.2013 £	Income and expenditure	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Year to 31.12.2014 £
		Incoming resources from generated funds				
	3,097,770	Net Garden Income	3,281,228	-	-	3,281,228
	238,497	Gross County Income	245,862	-	-	245,862
	35,877	Yellow Book sales	40,885	-	-	40,885
	105,168	Core sponsorship	100,000	-	-	100,000
	14,917	Yellow Book advertising	25,000	-	-	25,000
	2,348	Other sales	6,991	-	-	6,991
	5,653	Other Donations	4,514	-	-	4,514
Note 5	-	Legacy	-	297,000	-	297,000
	24,745	Royalties	14,562	-	-	14,562
	6,570	Interest on deposit	7,613	-	-	7,613
	3,531,545	Total incoming resources	3,726,655	297,000	-	4,023,655
		Resources expended				
		Charitable activities				
	2,500,000	Direct charitable expenditure (Distributable income to beneficiaries)	2,637,000	15,052	-	2,652,052
	72,853	Management and administration of the Charity	65,873	-	-	65,873
	60,577	Irrecoverable VAT	69,110	-	-	69,110
		Cost of generating funds				
	950,516	Fundraising and publicity	935,980	-	-	935,980
		Governance costs				
	23,694	Professional fees, beneficiary review and audit	18,366	-	-	18,366
	3,607,640	Total resources expended	3,726,329	15,052	-	3,741,381
	(76,095)	Net incoming (outgoing) resources for the year	326	281,948	-	282,274
	11,814	Profit on revaluation of Investment Assets	-	-	(401)	(401)
	(64,281)	Net movement in funds	326	281,948	(401)	281,873
	570,520	Funds brought forward at 1 January 2014	434,893	95,758	71,346	601,997
	506,239	Funds carried forward at 31 December 2014	435,219	377,706	70,945	883,870

THE NATIONAL GARDENS SCHEME
Company number 5631421
BALANCE SHEET AS AT 31 DECEMBER 2014

31.12.2013			Unrestricted	Designated	Restricted	31.12.2014
Total		Notes	Funds	Funds	Funds	Total
£			£	£	£	£
1,057	Fixed assets	- Tangible assets (1c,2)	1,763	-	-	1,763
71,346		- Investments (3)	-	-	70,945	70,945
72,403			1,763		70,945	72,708
	Current assets					
35,651	Debtors	- Debtors, prepayments, and stocks	30,612	-	-	30,612
1		- NGS Enterprises Limited	1	-	-	1
29,248	Cash at bank	- RBS current account	-	-	-	-
16,288		- Co-Op current account	4,444	-	-	4,444
3,017,441		- Royal London Cash Management	3,076,601	377,706	-	3,454,307
3,098,629			3,111,658	377,706	-	3,489,364
	Less:					
	Creditors: amounts falling due within one year					
	Funds not yet distributed:-					
200,000	The Queen's Nursing Institute		250,000	-	-	250,000
500,000	Macmillan Cancer Support		500,000	-	-	500,000
500,000	Marie Curie Cancer Care		500,000	-	-	500,000
450,000	Hospice UK		500,000	-	-	500,000
350,000	Carers Trust		400,000	-	-	400,000
120,000	The National Trust Gardening Careership Scheme		30,000	-	-	30,000
147,000	Perennial		150,000	-	-	150,000
8,000	Garden History Museum		10,000	-	-	10,000
150,000	Parkinson's UK		172,000	-	-	172,000
75,000	Royal Horticultural Society		75,000	-	-	75,000
-	Edith Cavell Trust		50,000	-	-	50,000
-2,500,000			2,637,000	-	-	2,637,000
69,035	Accrued expenses		41,202	-	-	41,202
2,569,035			2,678,202	-	-	2,678,202
529,594	Net current assets		433,456	377,706	-	811,162
601,997	Net assets		435,219	377,706	70,945	883,870
	Represented by:					
434,893	Unrestricted funds	(4)	435,219	-	-	435,219
95,758	Designated funds	(5)	-	377,706	-	377,706
71,346	Restricted funds	(6)	-	-	70,945	70,945
601,997			435,219	377,706	70,945	883,870



Martin McMillan
Chairman of the Council of Trustees

Date: 24 March 2015

**THE NATIONAL GARDENS SCHEME
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014**

31.12.2013		31.12.2014
£		£
2,423,905	Net income for the year	2,934,326
	Reconciliation to cash generated from operations:	
2,166	Depreciation	1,963
(11,902)	Cash inflow due to decrease in debtors, prepayments and stocks	5,039
15,747	Cash outflow due to decrease in creditors	(27,833)
6,011	Movements in working capital	(20,831)
2,429,916	Net cash inflow from operating activities	2,913,495
	Application of cash	
	Payments to beneficiaries	
(200,000)	The Queen's Nursing Institute	(200,000)
(450,000)	Macmillan Cancer Support	(500,000)
(450,000)	Marie Curie Cancer Care	(500,000)
(400,000)	Hospice UK	(450,000)
(300,000)	Carers Trust	(350,000)
-	Royal Horticultural Society	(75,000)
(8,000)	Garden History Museum	(8,000)
(100,000)	Parkinson's UK	(150,000)
(1,908,000)		(2,233,000)
(120,000)	The National Trust Gardening Careership Scheme	(120,000)
(100,000)	Perennial	(147,000)
(2,128,000)		(2,500,000)
-	Acquisition of fixed assets (net)	(2,669)
-	Investment in NGS Enterprises Limited	-
-	Restricted funds received	-
(14,831)	Designated funds paid	(15,052)
(2,142,831)		(2,517,721)
287,085	Net increase in cash	395,774
2,775,892	Cash at bank at 1 January 2014	3,062,977
3,062,977	Cash at bank at 31 December 2014	3,458,751

**THE NATIONAL GARDENS SCHEME
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. Principal accounting policies

(a) Accounting convention

The Financial Statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) with the exception that investments are valued at market value. In preparing the Financial Statements the Charitable Company follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and comply with the Charities (Accounts and Reports) Regulations 2005 issued under the Charities Act 2011.

(b) Group financial statements

Consolidated accounts are not prepared, for the subsidiary NGS Enterprises Ltd.

(c) Tangible fixed assets

Depreciation is provided for at the following straight line rates to write off the assets over their estimated useful lives:

Equipment at 33 1/3% p.a.

Leasehold improvements over the period of the lease.

(d) Net Garden Income

Net proceeds raised by garden owners and donated to NGS.

(e) Donations to Other Charities

An additional £356,876 (£328,210 - 31.12.2013) was raised for charities nominated by garden owners for a share of proceeds or where other charities were donated the proceeds from teas or plants sales. These amounts do not appear in the NGS accounts.

2. Tangible fixed assets

	Equipment £	Leasehold improvements £	Total £
Cost at 1 January 2014	104,971	1	104,972
Additions in year	2,669	-	2,669
Disposals in year	-	-	-
Cost at 31 December 2014	<u>107,640</u>	<u>1</u>	<u>107,641</u>
Depreciation at 1 January 2014	103,915	-	103,915
Charge in year	1,963	-	1,963
No longer required	-	-	-
Depreciation at 31 December 2014	<u>105,878</u>	<u>-</u>	<u>105,878</u>
Net book value at 31 December 2014	<u>1,762</u>	<u>1</u>	<u>1,763</u>
Net book value at 31 December 2013	<u>1,056</u>	<u>1</u>	<u>1,057</u>

3. Investments

	31.12.2013 £	31.12.2014 £
Market value at 1 January 2014	59,532	71,346
(Decrease) Increase in value in the year	<u>11,814</u>	<u>(401)</u>
Market value at 31 December 2014	<u>71,346</u>	<u>70,945</u>
Investments at market value comprised:		
UK equities and bank deposit	61,477	61,018
UK fixed interest securities	<u>9,869</u>	<u>9,927</u>
	<u>71,346</u>	<u>70,945</u>

**THE NATIONAL GARDENS SCHEME
NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

4. Unrestricted funds

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects.

	£
Balance at 31 December 2013	434,893
Movement in funds for the year	326
Balance at 31 December 2014	<u>435,219</u>

5. Designated funds

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

	31 December 2013 £	Incoming Resources £	Outgoing Resources £	31 December 2014 £
The NGS Elspeth Thompson Bursary Fund	95,758	-	(15,052)	80,706
Robert Winton Legacy Fund	-	297,000	-	297,000
	<u>95,758</u>	<u>297,000</u>	<u>(15,052)</u>	<u>377,706</u>

6. Restricted funds

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

	31 December 2013 £	Incoming Resources £	Outgoing Resources £	31 December 2014 £
Elsie Wagg Gardens Scheme Fund - Under the terms of which all income is paid to The Queen's Nursing Institute.	71,346	-	(401)	70,945
	<u>71,346</u>	<u>-</u>	<u>(401)</u>	<u>70,945</u>

7. Staff costs, trustees remuneration and interests

	2013 £	2014 £
Staff costs:		
Salaries	361,737	349,641
Social security costs	43,375	42,616
	<u>405,112</u>	<u>392,257</u>

The average weekly number of employees during the period was: 11 11

One employee received remuneration amounting to more than £70,000 per annum in the year.

Trustees received no remuneration (2013 - £nil).

Expenses relating to travel and subsistence of £1.854 were reimbursed to 13 trustees in the year (2013 - £2,000).

Indemnity insurance for Trustees, Officers and employees exists at a cost of £920 (2013 - £980).

8. Other financial commitments

At 31 December 2014 the Charitable Company had an annual commitment under a non-cancellable operating lease (property rental) as set out below:

	31.12.2013 £	31.12.2014 £
Operating lease which expires:		
Within one year	21,000	21,000
Within two to five years	84,000	63,000
	<u>105,000</u>	<u>84,000</u>

**THE NATIONAL GARDENS SCHEME
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

31.12.2013 £		Notes	31.12.2014 £
3,097,770	Net Garden Income	(1d)	3,281,228
238,497	Gross County Income		245,862
	Central income		
35,877	Yellow Book net income		40,885
105,168	Core sponsorship		100,000
14,917	Yellow Book advertising		25,000
2,348	Other sales		6,991
5,653	Other Donations		4,514
-	Legacy	(5)	297,000
24,745	Royalties		14,562
6,570	Bank interest		7,613
<u>3,531,545</u>	Total Income		<u>4,023,655</u>
	Less: County Expenses		
190,478	Printing, postage and stationery		182,069
76,145	Other County expenses, including travel		65,537
<u>266,623</u>			<u>247,606</u>
	Less: Scheme Expenses		
60,577	Irrecoverable VAT		69,110
10,063	Scheme insurance		10,342
4,249	Scheme sundries		6,933
18,852	Meetings, conferences and scheme travel		12,798
18,019	Postage		16,096
4,106	Telephone		4,482
30,580	Printing, stationery, posters and mailout		24,758
24,603	Bulk order materials and fulfilment		27,513
43,007	Yellow Book costs		45,853
99,785	Marketing, publicity, promotion		115,438
58,681	ICT and website		61,977
18,494	Professional fees and bank charges		13,166
5,200	Audit fee		5,200
<u>396,216</u>			<u>413,666</u>
	Less: Head Office Expenses		
405,112	Salaries and employers National Insurance	(7)	392,257
6,802	Head office sundry expenses		5,151
23,019	Rent and service charge		22,760
2,253	Repairs, maintenance and leasing		1,149
5,449	Travel and motor expenses		4,777
2,166	Depreciation	(1c, 2)	1,963
<u>444,801</u>			<u>428,057</u>
<u>2,423,905</u>	Net Income for the Year		<u>2,934,326</u>
76,095	Transfer from (to) Unrestricted funds	(4)	(326)
-	Transfer (to) designated fund		(297,000)
<u>2,500,000</u>	Distributable Income		<u>2,637,000</u>

**THE NATIONAL GARDENS SCHEME
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

31.12.2013		31.12.2014
£		£
	Distribution of Funds:	
200,000	The Queen's Nursing Institute	250,000
500,000	Macmillan Cancer Support	500,000
500,000	Marie Curie Cancer Care	500,000
450,000	Hospice UK	500,000
350,000	Carers Trust	400,000
120,000	The National Trust Gardening Careership Scheme	30,000
147,000	Perennial	150,000
8,000	Garden History Museum	10,000
150,000	Parkinson's UK	172,000
75,000	Royal Horticultural Society	75,000
-	Edith Cavell Trust	50,000
<u>2,500,000</u>	Total Funds for Distribution	<u>2,637,000</u>