

REGISTERED CHARITY NUMBER: SC011337

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2018
for
Scotland's Gardens Scheme**

Scotland's Gardens Scheme

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for the Year Ended 31 December 2018**

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Scotland's Gardens Scheme

Reference and Administrative Details
for the Year Ended 31 December 2018

PRESIDENT	HRH The Duchess of Rothesay	
TRUSTEES	David Mitchell Sarah Landale Peter Yellowlees	Chairman Deputy Chairman Honorary Treasurer
	Max Ward	Charlotte Hunt
	Lady Erskine (Resigned 21.06.2018) Minette Struthers (Resigned 21.06.2018)	Trish Kennedy (Resigned 25.10.2018) Richard Burns (Resigned 23.06.2018)
	David Buchanan-Cook (Appointed 21.06.2018) Stephen McCallum (Appointed 21.06.2018)	Jonathan Cobb (Appointed 21.06.2018) Emily Stair (Appointed 21.06.2018)
NATIONAL ORGANISER	Terrill Dobson	
OFFICE MANAGER	Hazel Reid	
CONTACT DETAILS		
Head Office:	23 Castle Street, Edinburgh, EH2 3DN	
Telephone:	0131 226 3714	
E-mail:	info@scotlandsgardens.co.uk	
Website:	www.scotlandsgardens.org	
PRINCIPAL ADDRESS	23 Castle Street Edinburgh EH2 3DN	
REGISTERED CHARITY NUMBER	SC011337	
INDEPENDENT EXAMINER	Douglas Home & Co Ltd Chartered Accountants 47-49 The Square Kelso Roxburghshire TD5 7HW	
BANKERS	Handelsbanken 18 Charlotte Square Edinburgh EH2 4DF	

Scotland's Gardens Scheme

**Reference and Administrative Details
for the Year Ended 31 December 2018**

SOLICITORS

J & H Mitchell WS
51 Atholl Road
Pitlochry
PH16 5BU

INVESTMENT MANAGERS

Adam & Company Investment Management Ltd
25 St Andrew Square
Edinburgh
EH2 1AF

**Report of the Trustees
for the Year Ended 31 December 2018**

The Trustees of the charity present their report and the accounts of Scotland's Gardens Scheme for the year 1 January 2018 to 31 December 2018.

Our Mission

Our mission and vision are to raise money for charity through encouraging, promoting and supporting garden openings, whilst making the whole experience inspiring, rewarding and enjoyable for all involved.

Our History

Scotland's Gardens Scheme (SGS) was established in 1931 to support the Queens Nursing Institute of Scotland. At this time, SGS provided much needed pensions and training opportunities for these district nurses at a time when no National Health Service existed. By the 1950's and the formation of the NHS, other beneficiaries, including The National Trust for Scotland's Garden Fund; and later Perennial (The Gardener's Royal Benevolent Society) and Maggie's Centres were added.

In the early sixties, it was decided that a portion of a garden opening's gross proceeds (up to 40%) could be donated to a charity of the Garden Opener's choice and now each year over 200 different charities benefit, many of these small and local. It is then from the remaining funds raised and enhanced by donations, sponsorship and advertising revenues that the administrative costs of SGS are deducted and after which the balance of funds is distributed to SGS's core beneficiaries. Beginning in 2018, 60% of the garden gate takings can now be designated for the Garden Opener's nominated charity. This change reflects the SGS's commitment to support Scotland's local communities and the concerns of its Garden Openers. Since we were founded, Scotland's Gardens Scheme has raised over £7 million for charity.

How are We Organised?

At the core of Scotland's Gardens Scheme are many volunteers, including about 175 core volunteers working throughout the year helping to organise and support Garden Openings. But our wider community of volunteer helpers is much larger including our Garden Openers and their teams providing teas, baking, parking cars, taking tickets and much more, taking this volunteer figure well over 1500. Scotland is divided into 23 Districts each supported by a committee of our core Volunteers. These local Volunteers promote the opening of gardens locally by Garden Openers to visitors, develop a relationship with those Garden Openers, and collect the funds raised at those openings for distribution to charity. Currently Garden Openers from about 700 gardens are very generously active with us with some opening every year and others opening every other year or less frequently.

Our Head Office, including a National Organiser, Office Manager and Marketing Officer, co-ordinates SGS's activities primarily to support our District Volunteers and Garden Openers. They are also responsible for preparation of our annual Guidebook and website. The charity is overseen by a Board of Trustees who oversee the charity's financial performance and strategic vision.

Public benefit

Scotland's Gardens Scheme offers benefit to the public in a number of different ways. Most obviously, our scheme enables our Garden Openers to share their garden with the public to raise money for charity. These charities include our four core beneficiaries, a guest charity chosen annually, as well as hundreds of charities nominated by our openers. Money raised from garden openings, net of expenses, is donated each year to charities. 60% of the income from garden openings, net of the owner's expenses, may be donated by the garden openers to charities of their choice. In 2018 Garden Owners donated £197,898 (2017: £141,291) to 250 charities. The balance of the garden gate income together with other sources of income, less costs, is donated by Scotland's Gardens Scheme to its beneficiaries. Total distributions made to Garden Owners' charities and to Scotland's Gardens Scheme beneficiaries in 2018 amounted to £253,398 (2017: £309,791).

Aside from the direct charity contribution made by our scheme, SGS also provides the health and well-being benefit derived from visiting our hundreds of gardens and enjoying nature, not to mention the community aspect of enjoying a cup of tea in our relaxed settings with other community members. And our scheme encourages gardening by our Garden Openers and helps them to share this joy and benefit with their visitors.

OBJECTIVES AND ACTIVITIES

The purpose of our charity is to facilitate the opening of gardens of quality and character in Scotland to the public and to collect and distribute funds donated to it by the owners of those gardens for charitable purposes and this is accomplished thanks to the hard work of our many Volunteers. In 2016 we completed a strategic review of our charity with input from members of our internal and external community especially the Volunteers, Garden Openers and stakeholders including representatives of our four nominated charities.

**Report of the Trustees
for the Year Ended 31 December 2018**

This process provided an important present-day insight into the workings and values of the charity as a whole, ultimately redefining our four key objectives and the priorities used to guide our work. Our mission is listed above and our key objectives are to:

1. Ensure we have a strong District Volunteer structure with a solid base of gardens of all types and sizes. We will achieve this by:
 - a. Providing useful support to our District Volunteers with guidance, training and appreciation.
 - b. Equipping and supporting Garden Openers to manage their visitor experience and achieve a successful and fun day for all.
2. Raise awareness of Scotland's Gardens Scheme and our beneficial impact with a strong marketing presence and good visibility.
3. Connect and develop existing and new partnerships with organisations which are aligned with and can support our vision, including beneficiaries, charities, partner organisations and our local community.
4. Ensure good governance and financial sustainability with an active and effective governing body.

Our mission and these objectives underpin all of our work.

ACHIEVEMENT AND PERFORMANCE

Over 2018 we supported 458 garden opening events over about 500 gardens, including 62 new listings and supporting 250 charities plus our four core beneficiaries. 2018 was designated by VisitScotland as the 'Year of Young People' and we focused our marketing attention to welcome children and families to our gardens.

As a charity we also focused much of our attention this year to our Garden Openers and Volunteers with refreshed marketing materials from a much-appreciated legacy from the estate of one of our volunteers of many years, Kirsty Maxwell Stuart, and information support to our Volunteers with the final implementation of our new database.

1. Governance

Over 2018 four of our Trustees, Lady Erskine, Richard Burns, Trish Kennedy and Minette Struthers, stepped down, coming to the end of their terms. Considering the requirements of our charity we recruited and replaced these with four new Trustees, David Buchanan-Cook, Stephen McCallum, Emily Stair and Jonathan Cobb, who joined us in June of 2018, bringing expertise in finance, investment, legal, audit, charity development, and governance. Our legal expert in the field of charity law provided two training sessions for our Trustees, first to review their basic responsibilities and then returned to work more closely on the needs of our charity, as well as providing support towards our constitution review which is still underway.

This year it was time to review our core beneficiaries and this was especially important given the decision made in 2017 to provide more charitable contributions (60%) to our Garden Openers' nominated charities. We considered our four current beneficiaries plus three other charities that had approached us and involved our community in this decision, seeking their feedback. After review, our Trustees decided to continue to support the three beneficiaries: Queen's Nursing Institute of Scotland, Perennial and Maggie's. As part of this review, our Trustees decided to introduce an annual guest charity bursary for up to £5,000 for registered charities with projects to improve health and wellbeing through gardening and we provided our first bursary to Horatio's to help create a building in the grounds of their Glasgow based garden.

And finally, we joined ranks to introduce the new GDPR regulations. We updated our Data Protection and Privacy policies and saw that our Trustees and Volunteers working with personal information were trained and familiar with their responsibilities. And late in the year our Trustees began an organisational review of our operational needs and staffing requirements.

2. Financial Performance

The Trustees are pleased to confirm that the charity experienced another successful year, albeit down on the record-breaking year of 2017. We were able to distribute £253,398 to charitable causes (2017 £309,791), while continuing to closely monitor our spending and thereby our cost/income ratio. The major change in 2018 was that the ratio of garden gate income going to the owner's own charity was increased from 40% to 60%, resulting in £197,898 (2017 £141,291) being distributed to these charities. This means that our impact in communities across Scotland is more aligned with the wishes of our Garden Openers. This increase was at the expense of the distributions to our core beneficiaries which amounted to £50,000 (2017 £168,000). This year also saw the introduction of an annual award of £5,000 to a charity to be nominated by our body of Volunteers to assist with a project related to health and wellbeing through gardening.

**Report of the Trustees
for the Year Ended 31 December 2018**

There was unfortunately upward pressure on costs presented by the need to catch up on much needed investment in various areas particularly with IT and our web-site, grapple with GDPR, and provide training for both staff and Trustees, and our cost/income ratio was higher than in the last two years at 42%.

This all means that in the past three years, the donations to charity have amounted to £858,745 and the charitable giving, since our inception in 1931, amount to £7,028,511. The Trustees wish to extend a deep and sincere thank you to all who have made this significant achievement possible.

3. Volunteers & Garden Openers Support

Much of our internal charity activity over 2018 has been centred around providing information and support to our Volunteers and Garden Openers. The key activity in 2017 had been to update our database which underpins all of our work and in 2018 we rolled this out to our District Volunteers. Each District now has access to a wealth of information about their areas as well as resources which can be easily downloaded as needed. Our website update at the start of 2018 allowed us to also offer various resources to our Garden Openers, such as guidance, order forms and children's activity sheets, all which can be downloaded. Towards the end of 2018 we began work to bring our District financials on to our database for the first time and this will improve our ability to access our district financial information as we implement for our 2019 garden openings.

In 2018 we held our biennial conference for our community of Volunteers and Garden Openers. This year we implemented a programme to recognise and thank our Volunteers and awarded engraved trowels for 10 years of volunteer service and matching forks for 15 years. This year we also changed our conference format and held workshops in the morning for our Garden Openers offering ideas for children's activities, provided by the RHS, and a garden photography workshop. These were very popular, and we'll continue similar workshops in future.

4. Marketing

At the start of 2018 we introduced our new website based on our database updated and completed in 2017. This new website provides much more functionality to the public searching for open days, the ability for us to easily add news, and all packaged in our updated 'look and feel'.

Over 2018 we updated our marketing materials used by our Garden Openers, such as road signs and banners, to reflect our current logo and updated branding. This was thanks to the Kirsty Maxwell Stuart legacy of £30K received the previous year. Our volunteers now also have professional name badges and each district has a pop-up banner describing the charity to be displayed at openings.

2018 was designated by VisitScotland as the 'Year of Young People' and we joined into the celebrations by offering free admission to children to all of our private gardens, added a new 'children's activities' icon to our guidebook and website for visitors to identify, and offered branded children's wrist bands. Our Trustees also provided support to six gardens across Scotland to offer storytelling events, some in May and the rest in October. This did not prove especially successful, but it was certainly enjoyed by everyone who did participate.

More generally, we have continued to develop an updated design for our guidebook, providing more colour and content with a mixture of graphics and photographs. This updated look has been adopted to all of our materials over 2018, including our regional leaflets and special items such as material folders.

5. Partners

Over 2018 we continued to develop our key partnerships, sharing a stand at Gardening Scotland with our core beneficiary Perennial, working with Maggie's to open Portrack, the Garden of Cosmic Speculation, and support the RHS work at Gardening Scotland with young people. As the National Trust for Scotland is no longer one of our core beneficiaries, we are working with them to identify ways to maintain our long-term relationship. We also established a fun partnership with the Scottish Storytelling Centre to provide storytelling at a handful of our gardens this year. But our key partner, to whom we are incredibly grateful, is Investec who each year sponsor our Guidebook and provide a rock of background support.

FINANCIAL REVIEW

Financial position

Net garden gate income continues to be the charity's primary source of income. Other income is made up of sponsorship, profits from trading activities, donations and legacies and investment income. Despite the variable weather in 2018, the need to control attendance at our main garden opening at Portrack and the reduction in garden trails, the net garden gate income only showed a reduction of £12,659 at £395,220. Our other income was in line with 2017, while we were pleased to receive a very generous legacy of £5,000 during the year which has been transferred to the Legacy Fund.

As mentioned earlier, our general fund expenditure did rise in the year to £196,016 (2017 £155,658) but this was in line with our budgets. The Trustees hope that this has improved the support we give to our volunteers and garden owners,

**Report of the Trustees
for the Year Ended 31 December 2018**

strengthened the charity's infrastructure and enabled us to meet all our regulatory responsibilities. In addition, we updated and greatly improved our marketing materials thanks to the very generous restricted grant of £30,000 from Kirsty Maxwell Stuart's executors.

Legacy funds and investment policy

In the past Scotland's Gardens Scheme has been the fortunate recipient beneficiary of a number of generous legacies, most notably from Gordon Bowes and the Cattenach Bequest. These are consolidated into one designated Legacy Fund.

The funds have been invested in a mixture of quoted investments on the London Stock Exchange and cash deposits. All investment income arising from these investments is treated as distributable revenue by the charity. The Trustees believe it is prudent to retain a cushion of long-term capital against the possibility of a substantial fall in garden gate income and a requirement for a substantial capital investment in the management of the charity. The Trustees wish to avoid having to meet unexpected running costs from donated garden gate income streams, thereby maximising the amount passed on to beneficiaries as well as maintaining their support for annual horticultural training grants to the National Trust for Scotland. The Trustees continue to consult on the way to use these funds in a constructive and supportive way to pursue our charitable purposes.

The Trustees appointed Adam & Company Investment Management Ltd to manage the legacy portfolio on a discretionary basis as set out in an agreed Statement of Investment Principles, with the objective of maximising income growth and capital gain within a medium risk profile on a five-year time horizon. The Investment Managers report to Scotland's Gardens on a quarterly basis and their appointment is reviewed annually.

Due to the uncertainty in global economies, the investment portfolio produced a total negative return of 7.57% in the year to 31 December 2018 compared to the total negative return of the neutral benchmark (FTSE All Share Index) of 9.83%.

Reserves policy

The Trustees consider the financial position of the charity at 31 December 2018 is such that it will have sufficient assets to meet its forthcoming obligations. A balance is retained on the general fund sufficient to sustain the charity until revenue from the garden openings is generated.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

Charity constitution

Scotland's Gardens Scheme is governed by its Constitution and Rules under the Constitution, amended in 2014 and 2017. Members of Scotland's Gardens Scheme are the Trustees of the Charity and the Trustees are its Members. The Rules stipulated that there will be between 9 and 11 Trustees. The Trustees have the duty of ensuring the Charity is managed responsibly, for strategic planning and implementation of policy, all financial matters including all statutory accounting and reporting, maintaining good lines of communication with its beneficiaries and agreeing the basis and amount of donations to charity. The Trustees must meet at least three times a year including the Annual General Meeting.

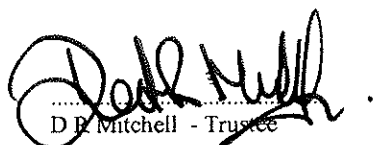
Recruitment and appointment of new trustees

The Trustees are appointed for terms of three years after which they will retire by rotation but may offer themselves for re-election. The Chair is elected for a period of five years after which he/she must stand down as a Trustee for at least one calendar year. New members are considered in light of the skills existing within the Board at the time, together with those considered desirable for the future.

Risk management

The Trustees continue to keep the Charity's activities under review, particularly with regard to any major strategic business and operational risks that may arise from time to time and to monitor steps which can be taken to best mitigate those risks.

Approved by order of the board of trustees on 10 April 2019 and signed on its behalf by:


D B Mitchell - Trustee

**Independent Examiner's Report to the Trustees of
Scotland's Gardens Scheme**

I report on the accounts for the year ended 31 December 2018 set out on pages eight to twenty.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

 BA CA FRCAT

Alan Drummond CA
ICAS
Douglas Home & Co Ltd
Chartered Accountants
47-49 The Square
Kelso
Roxburghshire
TD5 7HW

Date: 18th April 2019

Scotland's Gardens Scheme

Statement of Financial Activities
for the Year Ended 31 December 2018

	Note	Unrestricted funds £	Restricted funds £	31.12.18 Total funds £	31.12.17 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	409,179	-	409,179	444,437
Other trading activities	3	29,521	-	29,521	33,642
Investment income	4	<u>11,922</u>	<u>-</u>	<u>11,922</u>	<u>12,199</u>
Total		450,622	-	450,622	490,278
EXPENDITURE ON					
Raising funds	5	195,978	30,130	226,108	171,168
Charitable activities					
Gardener Training Grants		15,000	-	15,000	7,500
Distributions to Charities		<u>253,398</u>	<u>-</u>	<u>253,398</u>	<u>309,791</u>
Total		464,376	30,130	494,506	488,459
Net gains/(losses) on investments		<u>(45,761)</u>	<u>-</u>	<u>(45,761)</u>	<u>59,800</u>
NET INCOME/(EXPENDITURE)		(59,515)	(30,130)	(89,645)	61,619
RECONCILIATION OF FUNDS					
Total funds brought forward		688,918	37,012	725,930	664,311
TOTAL FUNDS CARRIED FORWARD		<u>629,403</u>	<u>6,882</u>	<u>636,285</u>	<u>725,930</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.


The notes form part of these financial statements

Scotland's Gardens Scheme

Balance Sheet
At 31 December 2018

	Note	31.12.18 £	31.12.17 £
FIXED ASSETS			
Tangible assets	10	5,681	1,284
Investments	11	<u>462,024</u>	<u>511,799</u>
		467,705	513,083
CURRENT ASSETS			
Debtors	12	6,700	3,660
Cash at bank and in hand		<u>230,975</u>	<u>387,208</u>
		328,670	390,868
CREDITORS			
Amounts falling due within one year	13	(69,095)	(178,021)
		<u>168,580</u>	<u>212,847</u>
NET CURRENT ASSETS			
		<u>168,580</u>	<u>212,847</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		636,285	725,930
		<u>636,285</u>	<u>725,930</u>
NET ASSETS			
		<u>636,285</u>	<u>725,930</u>
FUNDS			
Unrestricted funds:			
General fund		124,760	124,500
Designated: The Legacy Fund		<u>504,643</u>	<u>564,418</u>
		629,403	688,918
Restricted funds:			
Archive Review		2,269	2,269
Kirsty Maxwell Stuart Legacy		4,613	4,743
Marketing Fund		-	<u>30,000</u>
		<u>6,882</u>	<u>37,012</u>
TOTAL FUNDS		<u>636,285</u>	<u>725,930</u>

The financial statements were approved by the Board of Trustees on 10 APRIL 2019 and were signed on its behalf by:


D.R. Mitchell - Trustee

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2018

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities and Trustee Investment (Scotland) Act 2005. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office Equipment	- 10% on cost
Computer equipment	- 25% on cost

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions (<£1,000) are not capitalised.

The depreciation policy on computer equipment is now 25% on cost, compared to 33% on cost in 2017.

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are unrestricted funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

1. ACCOUNTING POLICIES - continued

Pensions

Pension contributions are made on behalf of 3 employees to employer's schemes. The schemes are money purchase schemes with the assets invested in an independent fund. Contributions are recognised in the income and expenditure account as they fall due.

Operating leasing commitments

Operating leases and the payments made under them are charged to the statement of financial activities on a straight-line basis over the lease term.

2. DONATIONS AND LEGACIES

	31.12.18	31.12.17
	£	£
Local Membership	2,785	2,198
Donations and Grants	1,771	32,254
Legacies	5,000	70
Net income from garden owners	395,220	407,879
Miscellaneous	<u>4,403</u>	<u>2,036</u>
	<u>409,179</u>	<u>444,437</u>

3. OTHER TRADING ACTIVITIES

	31.12.18	31.12.17
	£	£
Handbooks	17,205	19,074
Sponsorships	<u>12,316</u>	<u>14,568</u>
	<u>29,521</u>	<u>33,642</u>

Net contributions for the year to 31st December 2018 were Handbooks £3,949 (2017: £6,528) and Sponsorship £12,316 (2017: £14,568).

In 2018 sponsorship included £11,684 (2017: £12,068) towards the cost of producing the Handbook.

4. INVESTMENT INCOME

	31.12.18	31.12.17
	£	£
Bank Interest and Dividends	<u>11,922</u>	<u>12,199</u>

5. RAISING FUNDS

Raising donations and legacies

	31.12.18	31.12.17
	£	£
Support costs	206,170	154,301

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

5. RAISING FUNDS - continued

Other trading activities

	31.12.18	31.12.17
	£	£
Purchases	13,256	12,546
Storytelling	<u>2,668</u>	<u>-</u>
	<u>15,924</u>	<u>12,546</u>

Investment management costs

	31.12.18	31.12.17
	£	£
Investment Management Costs	<u>4,014</u>	<u>4,321</u>

Aggregate amounts	<u>226,108</u>	<u>171,168</u>
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6. GRANTS PAYABLE

	31.12.18	31.12.17
	£	£
Gardener Training Grants	15,000	7,500
Distributions to Charities	<u>253,398</u>	<u>309,791</u>
	<u>268,398</u>	<u>317,291</u>

The total grants paid to institutions during the year was as follows:

	31.12.18	31.12.17
	£	£
Charities of Owners' Choice	197,898	141,291
Queen's Nursing Institute, Scotland	12,500	42,000
Gardens Fund of the National Trust for Scotland	12,500	42,000
Maggie's Centres	12,500	42,000
Perennial - Gardeners' Royal Benevolent Society	12,500	42,000
Horatio's Garden	5,000	-
RHS	<u>500</u>	<u>500</u>
	<u>253,398</u>	<u>309,791</u>

Payments to charities of owners' choice of £197,898 to 250 Charities (2017: £141,291 to 250 Charities) have been made during the year under individual arrangements. Payments to core charities totalling £50,000 (2017: £168,000) will be made.

7. SUPPORT COSTS

	Management	Governance	Totals
	£	costs	£
	£	£	£
Raising donations and legacies	<u>198,863</u>	<u>7,307</u>	<u>206,170</u>

Support costs, included in the above, are as follows:

Scotland's Gardens Scheme

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

7. SUPPORT COSTS - continued

Management

	31.12.18	31.12.17
	Raising donations and legacies	Total activities
	£	£
Salaries	72,952	67,581
Social security	2,994	2,172
Pensions	4,086	3,750
Website & Information Management Systems	11,968	15,584
Insurance	2,157	2,122
Office Rent and Costs	16,405	16,401
Postage and Telephone	4,793	3,927
Printing and Stationery (inc. posters, signs etc)	7,441	5,945
Advertising, Promotions and Publicity	43,630	10,432
Sundries	1,758	1,073
Travelling and Entertaining	2,159	2,281
Staff and Trustee Training	1,998	-
Depreciation of tangible assets	2,233	659
District expenses	<u>24,289</u>	<u>18,992</u>
	<u>198,863</u>	<u>150,919</u>

Governance costs

	31.12.18	31.12.17
	Raising donations and legacies	Total activities
	£	£
Independent Examiners' fee	2,400	2,322
Conference & meeting costs	2,790	510
Legal & professional fees	<u>2,117</u>	<u>550</u>
	<u>7,307</u>	<u>3,382</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2018 nor for the year ended 31 December 2017.

Trustees' expenses

Two trustees received expenses totalling £144 for travel and accommodation in the year ended 31 December 2018 (2017: One trustee £746).

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

9. STAFF COSTS

	31.12.18	31.12.17
	£	£
Wages and salaries	72,952	67,581
Social security costs	2,994	2,172
Other pension costs	<u>4,086</u>	<u>3,750</u>
	<u>80,032</u>	<u>73,503</u>

Staff costs include external consultant costs of £nil (2017: £3,830), and agency costs of temporary staff £nil (2017: £2,150).

The average monthly number of employees during the year was as follows:

	31.12.18	31.12.17
Administrative	<u>3</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

Remuneration of key management personnel was £32,428 (2017: £27,807).

10. TANGIBLE FIXED ASSETS

	Office Equipment £	Computer equipment £	Totals £
COST			
At 1 January 2018	4,187	3,958	8,145
Additions	-	6,630	6,630
Disposals	<u>-</u>	<u>(3,245)</u>	<u>(3,245)</u>
At 31 December 2018	<u>4,187</u>	<u>7,343</u>	<u>11,530</u>
DEPRECIATION			
At 1 January 2018	3,140	3,721	6,861
Charge for year	338	1,895	2,233
Eliminated on disposal	<u>-</u>	<u>(3,245)</u>	<u>(3,245)</u>
At 31 December 2018	<u>3,478</u>	<u>2,371</u>	<u>5,849</u>
NET BOOK VALUE			
At 31 December 2018	<u>709</u>	<u>4,972</u>	<u>5,681</u>
At 31 December 2017	<u>1,047</u>	<u>237</u>	<u>1,284</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

11. FIXED ASSET INVESTMENTS

	Listed investments £	Cash and settlements pending £	Totals £
MARKET VALUE			
At 1 January 2018	505,575	6,224	511,799
Additions	36,588	12,737	49,325
Disposals	(48,506)	-	(48,506)
Revaluations	<u>(50,594)</u>	<u>-</u>	<u>(50,594)</u>
At 31 December 2018	<u>443,063</u>	<u>18,961</u>	<u>462,024</u>
NET BOOK VALUE			
At 31 December 2018	<u>443,063</u>	<u>18,961</u>	<u>462,024</u>
At 31 December 2017	<u>505,575</u>	<u>6,224</u>	<u>511,799</u>

Adam & Company Investment Management Limited continued as the Charity's investment manager. The market value of the investments at 31 December 2018 was £462,024 (2017: £511,799). 70.21% of the portfolio (by value) is invested in securities listed on the UK Stock Exchange, 25.69% in overseas equities and 4.10% in cash.

The investments are primarily held to provide an investment return for the charity.

Individual investments which exceed 5% of the portfolio market value during the year are as follows:

	£	%
Merian Investment Funds Series	35,689	7.72
First State Investments	24,513	5.31

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.18 £	31.12.17 £
Sundry debtors	3,235	-
Prepayments and accrued income	<u>3,465</u>	<u>3,660</u>
	<u>6,700</u>	<u>3,660</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.18 £	31.12.17 £
Distributions to charities	50,000	168,000
Accruals and deferred income	<u>19,095</u>	<u>10,021</u>
	<u>69,095</u>	<u>178,021</u>

Deferred income relates to income received in advance for the following years handbook advertising and sales. The movement is as follows:

	£
Deferred Income as at 1st January 2017	2,927
Amounts released in year	(2,927)
Amounts deferred in year	<u>4,432</u>
Deferred income as at 31st December 2018	<u>4,432</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	31.12.18 Total funds £	31.12.17 Total funds £
Fixed assets	5,681	-	5,681	1,284
Investments	462,024	-	462,024	511,799
Current assets	230,793	6,882	237,675	390,868
Current liabilities	<u>(69,095)</u>	<u> </u>	<u>(69,095)</u>	<u>(178,021)</u>
	<u>629,403</u>	<u>6,882</u>	<u>636,285</u>	<u>725,930</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

15. MOVEMENT IN FUNDS

	At 1.1.18 £	Net movement in funds £	At 31.12.18 £
Unrestricted funds			
General fund	124,500	260	124,760
Designated: The Legacy Fund	<u>564,418</u>	<u>(59,775)</u>	<u>504,643</u>
	688,918	(59,515)	629,403
Restricted funds			
Archive Review	2,269	-	2,269
Kirsty Maxwell Stuart Legacy	4,743	(130)	4,613
Marketing Fund	<u>30,000</u>	<u>(30,000)</u>	<u>-</u>
	37,012	(30,130)	6,882
TOTAL FUNDS	<u>725,930</u>	<u>(89,645)</u>	<u>636,285</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	445,622	(445,362)	-	260
Designated: The Legacy Fund	<u>5,000</u>	<u>(19,014)</u>	<u>(45,761)</u>	<u>(59,775)</u>
	450,622	(464,376)	(45,761)	(59,515)
Restricted funds				
Marketing Fund	-	(30,000)	-	(30,000)
Kirsty Maxwell Stuart Legacy	<u>-</u>	<u>(130)</u>	<u>-</u>	<u>(130)</u>
	-	(30,130)	-	(30,130)
TOTAL FUNDS	<u>450,622</u>	<u>(494,506)</u>	<u>(45,761)</u>	<u>(89,645)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.17 £	Net movement in funds £	Transfers between funds £	At 31.12.17 £
Unrestricted Funds				
General fund	74,092	(1,144)	51,552	124,500
Designated: The Legacy Fund	<u>567,991</u>	<u>47,979</u>	<u>(51,552)</u>	<u>564,418</u>
	642,083	46,835	-	688,918
Restricted Funds				
Archive Review	1,975	294	-	2,269
Kirsty Maxwell Stuart Legacy	20,253	(15,510)	-	4,743
Marketing Fund	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
	22,228	14,784	-	37,012
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>664,311</u>	<u>61,619</u>	<u>-</u>	<u>725,930</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	459,984	(461,128)	-	(1,144)
Designated: The Legacy Fund	<u>-</u>	<u>(11,821)</u>	<u>59,800</u>	<u>47,979</u>
	459,984	(472,949)	59,800	46,835
Restricted funds				
Archive Review	294	-	-	294
Kirsty Maxwell Stuart Legacy	-	(15,510)	-	(15,510)
Marketing Fund	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>30,000</u>
	30,294	(15,510)	-	14,784
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>490,278</u>	<u>(488,459)</u>	<u>59,800</u>	<u>61,619</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

15. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.17 £	Net movement in funds £	Transfers between funds £	At 31.12.18 £
Unrestricted funds				
General fund	74,092	(884)	51,552	124,760
Designated: The Legacy Fund	567,991	(11,796)	(51,552)	504,643
Restricted funds				
Archive Review	1,975	294	-	2,269
Kirsty Maxwell Stuart Legacy	20,253	(15,640)	-	4,613
	<u>22,228</u>	<u>(15,346)</u>	<u>-</u>	<u>6,882</u>
TOTAL FUNDS	<u>664,311</u>	<u>(28,026)</u>	<u>-</u>	<u>636,285</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	905,606	(906,490)	-	(884)
Designated: The Legacy Fund	5,000	(30,835)	14,039	(11,796)
	<u>910,606</u>	<u>(937,325)</u>	<u>14,039</u>	<u>(12,680)</u>
Restricted funds				
Archive Review	294	-	-	294
Marketing Fund	30,000	(30,000)	-	-
Kirsty Maxwell Stuart Legacy	-	(15,640)	-	(15,640)
	<u>30,294</u>	<u>(45,640)</u>	<u>-</u>	<u>(15,346)</u>
TOTAL FUNDS	<u>940,900</u>	<u>(982,965)</u>	<u>14,039</u>	<u>(28,026)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

15. MOVEMENT IN FUNDS - continued

General Fund (Unrestricted)

The General Fund is maintained to provide working capital for the Charity throughout the forthcoming year, thereby enabling the bank account to remain in credit until revenue from garden owners is received.

The Legacy Fund (Designated)

Over the years, Scotland's Gardens Scheme has received a number of generous legacies, most notably from Gordon Bowes and the Cattnach Bequest. These had previously been shown as separate designated funds but the Trustees, for simplicity's sake, consolidated them into one Legacy Fund in 2016.

As part of the re-evaluation of where the charity is going, the Trustees are developing ideas as to what additional use these funds could be put to. They appreciate the need for a plan to use these funds constructively and it is hoped that the ideas that are being formulated will result in a positive strategy for the future.

Net assets applicable to this fund comprise of investments of £462,024 and cash at bank of £42,619.

Archive Review Fund (Restricted)

The purpose of this fund is to help finance a review of our archives and currently, plans are being formulated to take this forward.

Net assets applicable to this fund comprise cash at bank of £2,269.

Kirsty Maxwell Stuart Legacy Fund (Restricted)

This fund was established by a legacy received from the estate of the late Kirsty Maxwell Stuart, Past Chairman of the Charity. The funds are to be used for office comforts and improvements.

During the year £130 was spent on office furniture.

Net assets applicable to this fund comprise cash at bank of £4,613.

Marketing Fund (Restricted)

During the year the grant received in 2017 of £30,000 was fully spent on promotional materials.

16. OTHER FINANCIAL COMMITMENTS

The Scheme has obligations under non-cancellable operating leases for each of the following periods:

	31/12/18	31/12/17
	£	£
Within one year	14,763	15,025
Between one and five years	8,362	17,567
In more than five years	-	-
	<u>23,125</u>	<u>32,592</u>
Total future minimum lease payments	<u>23,125</u>	<u>32,592</u>

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2018.