



**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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CHARITY INFORMATION

Trustees	Sally Adams	From 30 March 2019
	Pamela Clark	
	Helen Cleare	To 13 August 2019
	Colin Cutler	From 30 March 2019
	John Dyson	To 30 March 2019
	Karen Gimson	
	Peter Howard	
	Sharin Ingleby	To 30 March 2019
	Alison Levey	
	Catherine Part	
	Anna Peacock	
	Diane Puncheon	From 30 March 2019
	Ruth Plant	To 30 March 2019
	Christine Price-Morris	
	Keith Scott	To 30 March 2019
Lorraine Shepherd	From 30 March 2019	

Chairman	Jan Vaughan	
Vice Chairman	Linda Crowther	
Hon. Treasurer	Stuart Senior	
Hon. Secretary	(vacancy)	
	Judi Deakin	To 31 July 2019
Administrator	Clare Powell	

Charity Registration No.	208080
VAT Registration No.	472-9285-14

Registered Office	3 Basepoint Business Centre, Crab Apple Way, EVESHAM, WR11 1GP
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Independent Examiner	Haines Watts Worcester Limited, Unit 6 (1 st Floor), Abbey Lane Court, Abbey Lane, EVESHAM, WR11 4BY
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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The Trustees present their Annual Report and the Financial Statements of the Society for the year ended 31 December 2019 in compliance with current statutory requirements and the charity's governing documents.

Status

The Society is registered by the Charity Commission as a charity (number 208080) and operates under the provisions of a Constitution approved by AGM on 26/03/2011 and amended at AGM on 30/03/2019.

The objects for which the Society was established are to:

- advance the culture, study and improvement of hardy herbaceous plants;
- preserve the older, rarer and lesser known hardy plants, cultivars and varieties from being forgotten and lost to cultivation;
- advance the knowledge of and foster public interest in hardy plants by the publication of information, by exhibitions or displays, by stimulating research and experiment and by awarding bursaries open to public competition;
- provide expositions of hardy plants at horticultural gardens and/or gardens open to the public, and to provide facilities for giving advice on the culture of hardy plants;
- organise visits to places of interest in connection with the study of hardy plants and to co-operate with other bodies having similar or sympathetic aims; and
- do such acts as shall further the active and corporate life of the Society and which may lawfully be done by a public body established only for purposes recognised by the laws of the United Kingdom as charitable.

Trustees

The Society is managed by a committee of Trustees comprising up to twelve members each elected for a period of four years, plus any co-opted members and, additionally, four officers who are elected annually.

Activities

Introduction

The Spring 2019 issue of 'The Hardy Plant', the journal of the Hardy Plant Society was the last under the editorship of Pam Ratcliffe and we have been fortunate to find a new Editor who is keen to maintain the high standards that make this a well-respected horticultural publication (see below). A new HPS booklet, 'Pulmonarias', was published in March and is available to purchase from the website.

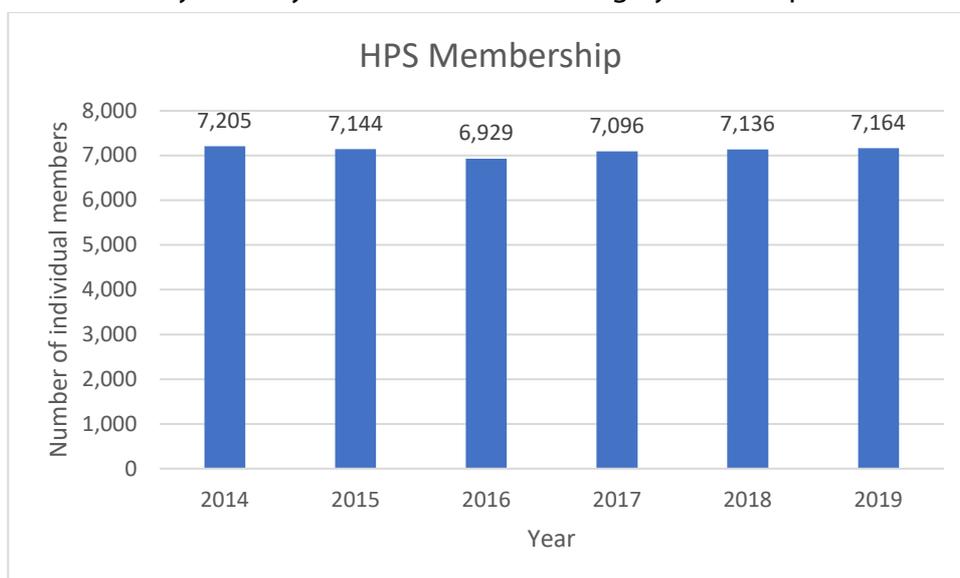
The AGM in March approved the proposal from the Trustees for changes to the Constitution to allow the AGM to be held at any time up to the 31st of September to enable the Report & Accounts to be shared more widely with members before the AGM. However, because preparations were already underway this change will take place in 2021 and we thank the Local Groups who volunteer to host these meetings for the Society.

Local and Specialist Interest Groups are key to the Society being able to meet its constitutional objectives and they and the National Society are reliant on those members who volunteer their time and expertise in a variety of ways.

HPS Groups have done well again this year representing the Society at Malvern, Harrogate and Tatton Park as well as a number of other regional events. There was an HPS display at RHS Chatsworth Flower Show for the first time and we are grateful to our Ambassadors for visiting the stand because these occasions provide publicity for the Society and an opportunity to raise public awareness of the HPS. As a Society, we seek to share information about hardy perennial plants and the benefits (social, ecological and health-related) of gardening.

Membership

Membership of the Society has been reasonably stable over the past few years as the following chart demonstrates with year-on-year numbers fluctuating by the odd percent:



However, there has been a longstanding issue about the accuracy of the data held in the Society's membership system (caused by, for example, lapsed memberships not being correctly recorded as such) and its interface with the Society's financial systems. (This is a major driver of a systems review which is currently in hand.) The subscription income in the accounts is subject to external examination so may be taken as correct (what's in the bank is in the bank!); the membership system is not examined in the same way although reasonableness checks are undertaken every year to validate the membership numbers and subscription income and special care was taken in 2019 to validate the 7,164 figure. The issue is, to some extent, exacerbated by the fact that subscriptions paid from the 1st October in any year are valid for the entire year following and require an accurate allocation of that income.

Seed Distribution

The annual seed distribution scheme continues to contribute to the charitable objects of the Society by encouraging the propagation and cultivation of many species and varieties of plant. The operation of the scheme is entirely dependent on around 100 volunteer members who sort, identify, list, pack and fulfil orders to members, charities and community groups. This year has seen new volunteers take over key roles and together with the valuable work of existing members, have ensured the continuing success of the scheme.

During the summer and autumn of 2019, 227 donors, of them 33 contributing for the first time, sent in 1949 varieties of seed, 476 seeds being new to the list. Early in 2019, 1364 orders were

picked, packed and sent out; this comprised approximately 27,300 packets of seed. These figures do not include seeds sent to charities or the packets given out to the public at shows to promote the work of the Society. There was an increase in requests for this remaindered seed to distribute at shows. In 2019 seed went out to 24 groups compared to 13 the previous year. There was also an increase in the amount of seed requested, with some groups packing their own glassines to meet this demand.

Remaindered seed which is made available to charities and community groups is advertised on the HPS website. In the previous year about half the requests came from schools and youth groups. In 2019 there has been a definite shift towards housing associations and community groups.

A considerable amount of seed is left over each year after the orders have been fulfilled. In 2019 about 5,000 packets went to the groups and probably around the same to charities. This represents a huge amount of work after the main distribution is completed in January. This part of the scheme helps fulfil our obligation as a charity to provide a benefit to the public and meets our charitable aim of encouraging hardy herbaceous (and other) plants to be more widely grown. Finally, all seed carries the HPS logo so is publicising the Society to a wider audience.

Conservation

The Conservation Scheme is growing, with new Local Groups participating and new additions to the plant list. Jan Vaughan, as the national Co-ordinator, has had the opportunity to visit a number of Groups to talk about the Scheme and this has widened the understanding of our efforts to conserve cultivated plants and the way the Scheme gives members the chance to grow and observe conservation plants in their own gardens.

The Annual Meeting and Plant Exchange in September was well attended with some Groups represented for the first time. The co-ordinators discussed re-listing plants previously included in the Scheme (if they can be sourced) as Plant Finder entries do not necessarily indicate a secure future in the nursery trade. All plants currently in the Scheme were reviewed and over 300 plants were brought for the Exchange, including 10 new introductions, as the Hampshire Group continue to merge their local conservation efforts with the HPS Scheme.

Jan was asked to contribute an article about the Conservation Scheme for the spring issue of the HPS Journal and there have been monthly features about conservation plants on the website. This is a good way to publicise the Society's conservation work to HPS members and the public, raising awareness about good plants that are in danger of being lost from our gardens.

Shows & Events

HPS Groups supported numerous shows and events in 2019, interacting with members of the public, answering queries, sharing expertise and promoting the charitable aims of the HPS. Exhibits at prestigious national shows generated positive feedback from the public and won coveted awards. The HPS was represented for the first time at the RHS Chatsworth Flower Show by the HPS Lincolnshire Group. Members recruited at local shows in particular are able to link to a Group and participate in meetings and events. One noticeable trend is collaboration between Groups to exhibit at shows. This enables individual members from different groups to experience and gain expertise in exhibiting. The Annual Lecture Day and AGM was held in East Yorkshire. In 2020 it moves to Dorset and in 2021 to Newcastle upon Tyne.

HPS Journal

Souren Ala took over from Pam Ratcliffe as editor of 'The Hardy Plant' following the Spring 2019 issue. He is pleased to have managed the production of the Autumn 2019 journal without too many glaring errors, though it was 16 pages short of the norm. He continues to seek material from new authors and, as always, welcomes more articles from our frequent contributors.

Souren is very grateful for the help and guidance received from Pam, as well as Sandra Hartley, who has stood down as proof-reader. Cathy Rollinson has generously stepped into this demanding role. Clare Powell is very kindly managing the advertisements in the journal now, in addition to her numerous other commitments. We also continue to benefit from Charles Quest-Ritson's invaluable fact-checking expertise.

The Kenneth Black Bursary Scheme (KBBS) is growing (see below) and is very much a target for new journal articles. Souren is working with Anna Peacock, our KBBS coordinator, to tailor the KBBS reports more closely to the journal format.

Newsletter

In 2019 the newsletter has continued to operate as a major vehicle for publicising events to members and imparting essential information and news. This year we managed to switch from single use plastic wrappers to a home compostable wrapper much to the approval of our membership at large.

Our printers hope to maintain our current level of costs without the need for any increases in 2020. 2021 is the year that the newsletter is due to re-tender, and the editor will be collecting details of suitable companies to invite to tender offers.

The current editor's 5-year stint in the post comes to an end in January 2020 and the post will be offered as a vacancy in the February edition of the newsletter. If there is no one forthcoming the current editor is happy to continue until the post is filled.

The role of the print version of the newsletter is to inform members and disseminate information about the Society's activities, educational and charitable role, news and events, and to celebrate past successes. It also carries the contact details for all local groups as well as national officers and postholders.

Cornucopia

In February an order form was created on the HPS website which enabled both members and non-members to subscribe to Cornucopia on its own designated webpage. Subscriber figures for Cornucopia have risen from 868 in Autumn 2018 to 1,087 in November 2019: an increase of 25%. Normally Cornucopia makes a small profit, but this autumn - with distribution and printing costs increasing - the magazine made a small loss of £22.50 (although overall in 2019 it broke even). The subscription has remained at £3 per annum (including postage) for some years now and pricing will be reviewed in 2020.

Website

The website continues to be well used with over 300,000 page views during the year. In addition, over 500 seed orders and 267 booklets have been sold over the website. The image library had over 47,000 page views and there were over 20,000 views of blogs.

The Kenneth Black Bursary Scheme

All targets have been surpassed this year with 42 applications processed, of which four were declined, and £23,466 was awarded. Four beneficiaries either didn't complete their project or were unable to take their intended trip and subsequently made reimbursements to the Society totalling £1,148. The net investment in the next generation of horticulturalists was therefore £22,318 (c.f. £12,179 in 2018), making a £5,318 overspend on the budgeted £17,000.

The local and specialist Groups were asked to spread the word about the Scheme by distributing leaflets to appropriate organisations. It became clear at the Group Secretaries Meeting that they are doing their bit. One or two delegates asked for feedback on targeted areas where leaflets had been left – all with positive outcomes. The Coordinator, Anna Peacock, is very grateful for the Groups' valuable contributions

Finance

Financial outcome 2019

The accounts, which follow, will show another successful year for the Society from a financial perspective: we recorded an overall surplus of £18,836. However, the net surplus in the accounts (after accounting for the Kenneth Black Bursary spend) is largely a consequence of the positive movement of the equity markets in the year: our investments showed an increase in value of £22,842. Our interest income from bonds and bank accounts was £4,949.

Investment policy

The Society's approach to financial matters, and investments in particular, is one of extreme prudence given the current (and likely future) volatility of equity markets, the very low interest rates on deposit accounts and the modest and fluctuating returns on bonds. For this reason, the Society chooses to keep approximately half of its funds as cash (in current and deposit accounts). The remainder is in fixed interest bonds and equities.

Reserves policy

The cash flows of the Society are generally positive. Membership subscriptions are received at the beginning of the year and these, with the prior year Gift Aid payment already banked, cover the operating costs of the Society. Nonetheless, the Trustees have decided that it should set a level of reserves to cover unforeseeable expenditure such as might be incurred in the very unlikely event of the Society closing down or membership declining very rapidly, or an uninsured claim being made against the Society. A level of £50,000 has been set.

Future Plans

The Society's priorities for the year ahead are to:

- maintain membership numbers by continuing to offer members a high quality and value-for-money range of products and services and to encourage and support local groups in their programme of shows and events for the benefit of local members;
- (linked to the above) progress a Strategic Review, the aim of which is to consider how the aim and objects of the Society should be refreshed and modernised and how the Society can best deliver these;
- seek ways of encouraging potential applicants for bursaries and similar grants.

Trustees' Responsibilities

Under charity law the Trustees are required to prepare financial statements for each year which show a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 in the Charities FRS102 SORP;
- make judgments and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity. The Trustees are also required to act in accordance with the Constitution of the Society and to take such steps as are reasonable to safeguard the assets of the Society and to prevent and to detect fraud and other irregularities.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Signed on behalf of the Trustees:



Jan Vaughan, Chairman

Date: 3 March 2020

Statement of Financial Activities

	Note	Unrestricted Funds £	Designated Funds £	2019 Total Funds £	2018 Total Funds £
INCOME					
Income from generated funds:					
- Voluntary income	2	100,156	-	100,156	104,706
- Activities for generating funds	3	7,900	-	7,900	6,136
Income from charitable activities	4	12,095	-	12,095	10,384
Investment income		2,938	2,011	4,949	7,842
TOTAL		<u>123,089</u>	<u>2,011</u>	<u>125,100</u>	<u>129,068</u>
EXPENDITURE					
Costs of generating voluntary income					
	5	45,965	-	45,965	46,683
Charitable activities	6	52,982	-	52,982	54,252
Governance costs	7	7,264	-	7,264	6,318
Other resources expended	8	256	-	256	349
Bursaries etc.	9	-	22,639	22,639	12,479
TOTAL		<u>106,467</u>	<u>22,639</u>	<u>129,106</u>	<u>120,081</u>
Net Loss/Gain on investment		13,561	9,281	22,842	(5,320)
Net Income/Expenditure for the year		<u>30,183</u>	<u>(11,347)</u>	<u>18,836</u>	<u>3,667</u>
NET MOVEMENT IN FUNDS		<u>30,183</u>	<u>(11,347)</u>	<u>18,836</u>	<u>3,667</u>
RECONCILIATION OF FUNDS					
Funds B/F at 1 January 2019		295,853	202,494	498,347	494,680
TOTAL FUNDS C/F at 31 December 2019		<u><u>326,036</u></u>	<u><u>191,147</u></u>	<u><u>517,183</u></u>	<u><u>498,347</u></u>

Balance Sheet

			2019		2018
Fixed assets	Note			464	619
	11				
Current assets					
Bank balances	12	243,921		232,286	
Investments at cost	13	299,663		276,821	
Debtors & prepayments	14	11,887		9,659	
Stock (booklets)		<u>4,584</u>		<u>3,830</u>	
			560,055		522,595
Creditors: amounts falling due within one year					
	15		<u>(43,336)</u>		<u>(24,867)</u>
Net current assets			516,719		497,728
Total assets less current liabilities			<u><u>517,183</u></u>		<u><u>498,347</u></u>
Financed by:					
General fund	16		326,036		295,853
Bursary fund	16		191,147		202,494
			<u><u>517,183</u></u>		<u><u>498,347</u></u>

The accounts were approved by the Trustees on 3 March 2020.



Jan Vaughan
Chairman



Stuart Senior
Treasurer

The notes on pages 11 to 15 form part of these financial statements.

Notes to the Accounts

1 Accounting policies

1.1 Basis of preparation:

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards and the Charities Statement of Recommended Practice (SORP) FRS102.

There have been no changes to the funds held as a result of this change in accounting standards.

The accounts have been prepared on an accruals basis as they have been in previous years.

1.2 Incoming resources

Subscriptions are accounted for net of VAT and are accounted for in the year to which they relate.

Donations are accounted for gross when received.

Investment income is based on the interest receivable for the year.

Sundry sales are accounted for net of VAT and are recognised when they are invoiced.

Advertising income is accounted for net of VAT and is recognised when invoiced.

1.3 Resources expended

Costs are allocated between costs of generating funds and charitable expenditure according to the nature of the cost.

1.4 Fixed Assets and depreciation

Fixed assets for charity use are capitalised at cost, they are stated in the accounts at cost less depreciation. Depreciation is calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on an individual basis.

Office equipment:	25% Reducing balance
Computer equipment:	3 years straight line

1.5 Investments

Investments are included in the accounts at their market value.

1.6 Stock

Stocks are valued at the lower of cost and net realisable value.

	2019	2018
	£	£
	Unrestricted Funds	Unrestricted Funds
2 Voluntary income		
Subscriptions	88,098	91,483
Donations	801	1,189
Gift Aid	11,257	12,034
	<u>100,156</u>	<u>104,706</u>
3 Activities for generating funds		
Advertising	4,356	4,459
Booklets	3,544	1,677
	<u>7,900</u>	<u>6,136</u>
4 Incoming resources from charitable activities		
Seed distribution	6,093	5,945
Cornucopia	3,044	2,565
Enamel badges	107	144
AGM/ALD	2,851	1,730
	<u>12,095</u>	<u>10,384</u>
5 Costs of generating voluntary income		
Administration services	20,481	21,696
Legal & professional	3,790	5,056
Office rent, heat & light	6,433	6,161
Printing, postage & telephone	5,518	6,702
Meetings	103	177
Insurance	3,358	867
Publicity	785	0
Equipment rental/leasing	148	282
Depreciation of equipment	155	207
Bank charges	1,267	1,792
Software & IT support	3,927	3,743
	<u>45,965</u>	<u>46,683</u>

The average number of employees during the year was 1.

There are no employees who received total employee benefits of more than £60,000.

	2019	2018
6 Charitable activities		
Journal costs	20,141	19,197
Newsletter costs	10,913	9,863
Cornucopia costs	3,043	2,573
Booklet costs	2,556	4,673
Seed distribution expenses	5,272	4,239
Historic seed expenses adjustment	133	243
AGM/ALD expenses	3,096	2,668
Conservation	1,895	1,529
Group support	2,844	5,011
Shows & Events	1,879	2,469
Banners	228	651
Website	982	1,136
	<u>52,982</u>	<u>54,252</u>
7 Governance costs		
Trustees meetings	6,489	5,568
Independent examination	775	750
	<u>7,264</u>	<u>6,318</u>
8 Other resources expended - unrestricted		
Sundry expenses	256	349
	<u>256</u>	<u>349</u>
9 Other resources expended - designated		
Bursaries awarded	22,318	12,179
Photo competition prizes	321	300
	<u>22,639</u>	<u>12,479</u>

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year but 17 of them were reimbursed a total of £5,465 for travelling expenses (2018 £4,675).

11 Tangible fixed assets

	Office Equipment	Computers	Total
Cost b/f	7,122	11,964	19,086
Additions	0	0	0
Cost c/f	<u>7,122</u>	<u>11,964</u>	<u>19,086</u>
Depreciation b/f	6,503	11,964	18,467
Charge for the year	155	0	155
Depreciation c/f	<u>6,658</u>	<u>11,964</u>	<u>18,622</u>
Net book value 31.12.19	<u>464</u>	<u>0</u>	<u>464</u>
Net book value 31.12.18	<u>619</u>	<u>0</u>	<u>619</u>

12 Bank Accounts

	2019	2018
HSBC Current Account	37,959	35,931
HSBC Deposit Account	72,863	65,578
Cambridge & Counties Bank - 95 Day Notice Business Savings	133,099	130,777
	<u>243,921</u>	<u>232,286</u>

13 Investments

		2019	2018
Cynergy Bank	3 yr 1.65% bond	75,000	75,000
Skipton Building Society	1 yr 1.4% bond	69,188	68,233
St James Place	Equities	80,843	70,194
Secure Trust	5 yr 3.02% bond	15,000	15,000
CCLA COIF Charities Global Equity Income Fund		59,632	48,394
		<u>299,663</u>	<u>276,821</u>

Investment income during the year was made up of:

Interest (unrestricted, general)	2,938
Interest (unrestricted, designated)	2,011
	<u>4,949</u>

14 Debtors

	2019	2018
Prepayments and accrued income	11,052	8,952
Other debtors	835	707
	<u>11,887</u>	<u>9,659</u>

15 **Creditors**

VAT	874	-
Trade creditors	3,119	35
Other creditors	1,496	1,235
Subscriptions & seed in advance	37,847	23,597
	<u>43,336</u>	<u>24,867</u>

16 Reserves	01.01.19	Incoming	Outgoing	Gains &	31.12.19
	B/F	Resources	Resources	Losses	C/F
Fund Movements					
Unrestricted general	295,853	123,089	106,467	13,561	326,036
Unrestricted designated	202,494	2,011	22,639	9,281	191,147
	<u>498,347</u>	<u>125,100</u>	<u>129,106</u>	<u>22,842</u>	<u>517,183</u>

The unrestricted designated fund relates to the Society's Bursary and Project Support Fund. This fund arose as a generous legacy from the estate of Mr Kenneth Black who was a gardener with Enfield Council in North London.

The trustees decided that this fund should not be used for the administration of the Society but that it should be invested and the interest used to support special projects. There are two types of Bursary: one for college or university students and one for people in horticultural employment.

Funding may be awarded to projects of any sort which fit within the charitable objects of the Society and may be made to individuals or groups. More information is available on the Society's web site <http://www.hardy-plant.org.uk/> and applications are made via the Bursary co-ordinator.

Reserves are represented by:	Unrestricted General	Unrestricted Designated	Total
Fixed assets	464	-	464
Current assets	368,908	191,147	560,055
Current liabilities	<u>(43,336)</u>	<u>-</u>	<u>(43,336)</u>
	<u>326,036</u>	<u>191,147</u>	<u>517,183</u>

Independent Examiner's Report to the Trustees of Hardy Plant Society

I report on the accounts of the charity for the year ended 31 December 2019 which are set out on pages 9 to 15.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. 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 no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with 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 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave 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.



Tim Pearce FCCA

Haines Watts Worcester Limited, Unit 6 (1st Floor), Abbey Lane Court, Abbey Lane
Evesham, WR11 4BY

10 March 2020