

REGISTERED COMPANY NUMBER: 01415700 (England and Wales)
REGISTERED CHARITY NUMBER: 277570

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2018
for
The Society for Horticultural Therapy

MHA Monahans
Statutory Auditors
38-42 Newport Street
Swindon
Wiltshire
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The Society for Horticultural Therapy

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for the Year Ended 31 March 2018

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The Society for Horticultural Therapy

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

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2018. The trustees have adopted the provisions of 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).

Letter from the Chair

Dear Supporter,

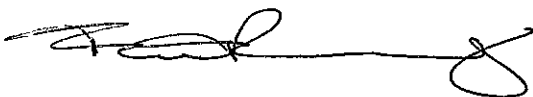
2017/18 has been a busy and challenging year for the charity. Following the very difficult decision last year to close our centre in Gateshead, we have devoted considerable time to reviewing our strategic direction. Over the course of the year, the Board and Senior Management Team have agreed a revised strategy and refreshed our vision and mission statements. We identified that whilst delivering direct Social and Therapeutic Horticulture ('STH') services to clients is integral to our work, we needed to improve our awareness-raising work as well as our income generating capabilities to ensure the future of the charity. Alongside this the charity will also be supporting the growth potential that exists within our training and consultancy team to equip more people with the knowledge to implement STH in their projects. To this effect, we have created a new senior management position to support and steer the business development team and its activities.

We have had an exceptional year for legacy income thanks to some very kind and generous donors and their families. This is something we can never plan for but are extremely thankful and appreciative of when they do occur. These legacies will enable us to invest in the charity's future and its development over the next few years. They will help us to develop our National Knowledge Centre, providing: an unrivalled information and advice service for anyone wanting to use gardening to improve health and wellbeing; high quality training and consultancy for professionals seeking to make better use of nature within their services; support, networking and continuous professional development for practitioners in Social & Therapeutic Horticulture and increased research & development to support our understanding of effective best practice. This will be supported by a redevelopment of our websites, helping us to create a new platform and using digital technologies to raise awareness, reach a wider and more diverse audience whilst providing a better service.

We have maintained our high quality and effective STH programmes delivered at our centres in Berkshire, London and Birmingham reaching a wide range of people living with disability or ill-health, and we will continue to invest in staff development, facilities and impact measurement to ensure that our clients receive the best possible experiences.

It is both a pleasure and a privilege to Chair this exceptional charity. On behalf of all the Trustees, I would like to thank our many supporters and donors, staff and volunteers, without whom none of this would be possible. And I look forward to a successful and eventful 2018/19.

Yours sincerely



Faith Ramsay
Chair of the Board of Trustees

The Society for Horticultural Therapy

Report of the Trustees for the Year Ended 31 March 2018

OBJECTIVES AND ACTIVITIES

Objectives and aims

Using gardening to change lives

What we do

Thrive is the leading charity in the UK using gardening to bring about positive changes in the lives of people living with disabilities or ill health, or who are isolated, disadvantaged or vulnerable. This is known as social and therapeutic horticulture (STH) - the process of working with plants to improve physical and psychological health and communication and thinking skills. STH also uses the garden as a safe and secure environment in which to develop an individual's ability to socialise, make friends, and gain practical skills that make them more independent and self-reliant.

Thrive horticultural therapists use gardening tasks and the garden environment itself to build a set of activities for each client aimed at improving their health and wellbeing and achieving particular goals identified by the individual themselves or by their family, support workers or carers.

Gardens offer the peace and tranquillity needed for rehabilitation and recovery, and the opportunity to develop an interest in gardening will give benefits that can last a lifetime.

The benefits of a sustained and active interest in gardening are:

- better physical health from exercise and learning how to use or strengthen muscles to improve mobility
- improved mental health from gaining a sense of purpose and achievement
- the opportunity to connect with others, reducing feelings of isolation or exclusion
- simply feeling better for being outdoors, in touch with nature and seeing things grow - all things that are known to be important to us all as human beings.

Whilst improving good health and wellbeing are at the core of therapeutic horticulture, there are other benefits for people who take up gardening: developing new skills, learning about food growing and what is good to eat, becoming fitter, boosting confidence with new-found knowledge, and potentially using this knowledge to gain a qualification in horticulture and thereby gain employment.

How we do it

Our work is done in a variety of ways.

- We run therapeutic programmes at our garden sites for a very wide range of client gardeners, and our therapists also go out to care homes, schools and community projects to deliver therapeutic programmes.
- We deliver high quality training courses and consultancy services for individuals, groups and organisations interested in using horticulture for therapeutic, social and developmental purposes
- We provide an information service through our dedicated website (www.carryongardening.org.uk), publications, and phone and email enquiry service. We offer a wealth of information and guidance on techniques and tools that can help people to continue gardening, with tips to make every day gardening easily accessible and enjoyable for people with a wide range of disabilities and limitations.

Why we do it

The Government estimates that 19.3 million people in England have a long-term condition or disability and that long-term conditions account for 70% of health and social care spending and 50% of all GP consultations in England. Furthermore, ONS statistics show that 52.1% adults in England with long-standing illness or disability participate in gardening - engaging these people in targeted and structured Social and Therapeutic Horticulture programmes has the potential to significantly impact health and social care costs.

More specifically, 1 in 4 people in the UK will suffer with mental ill health at some time in their lives [source: Mind]; there are approx. 1.1 million stroke survivors living in the UK - stroke is a leading cause of adult disability and more than half of all stroke survivors are left dependent on others for everyday activities [source: Stroke Association]; a million older people in the UK go for a month or more without seeing or speaking to anyone [source: Age UK]. All these groups of people could benefit from Thrive's services.

We have reviewed the Charity Commission Guidance on Public Benefit and believe that those eligible for Thrive's services represent a significant proportion of the UK population and Thrive complies with the Charities Act 2006.

The Society for Horticultural Therapy

Report of the Trustees for the Year Ended 31 March 2018

STRATEGIC REPORT

Achievement and performance

A review of our activities in 2017/18

Direct delivery of Social and Therapeutic Horticultural ('STH') services

We delivered nearly 10,000 gardening sessions during 2017/18 across our four centres to over 450 client gardeners: Trunkwell near Reading, Battersea Park London, Saltwell Park Gateshead and Kings Heath Park, Birmingham. The majority of the clients attended our established gardens in Reading and London with many of these client gardeners working with us on one or more days a week, 50 weeks of the year. We also ran a number of programmes in conjunction with schools, hostels and care homes in those areas. We sadly ceased delivery of STH services in Gateshead in July 2017 due to a lack of consistent demand for our services in this location.

94% of client gardeners state that they feel better after coming to Thrive. This is a strong result given the wide mix of clients and the length of time they have been with Thrive - some for many years and others for only short seasonal programmes.

Training & Consultancy services

We provided consultancy, advice and training to 11 organisations across the UK. In this financial year, 515 students attended the training courses in our National Short Course Programme and our bespoke training days. 50 students achieved our Award in Social & Therapeutic Horticulture and 9 completed the Professional Development Diploma awarded by Coventry University.

In 2017, we launched our new on-line learning platform (Thrivelearn) and saw 677 people access our free content and 13 our paid-for content.

Information service

Our head office receives around 3,000 enquiries by phone and email each year from people seeking information and advice about gardening and Social & Therapeutic Horticulture. In addition, we recorded an average of nearly 13,400 unique visitors each month to our 2 websites this year. This evidences a significant need for the service provided by Thrive.

Volunteers

We had 255 volunteers work alongside Thrive's 49 staff in the gardens and in the office, as well as attending events and giving talks and tours on our behalf. 88% of our Volunteers would recommend volunteering at Thrive - a net promoter score of +51.

We received additional help from a growing number of companies and organisations who have made financial and in-kind donations, took part in various fundraising events and sent groups of volunteers to our gardens to help with tasks such as cutting back hedges, cleaning ponds, painting sheds and potting on plants. In 2017/18, we held 81 corporate volunteering days attended by 1,435 volunteers.

As a result of the above activities, Thrive benefited from over 30,000 hours of voluntary help during the year. Without our volunteers, we would not be able to deliver all our services and raise all the funds that we do and as Trustees, we extend our heartfelt thanks to these dedicated individuals.

Promoting our work

Our free monthly e-newsletter remains the best way of keeping our supporters and funders up to date with the work of Thrive. It is sent to 8,400 addresses and enjoys a higher than average open rate.

We continue to increase our presence on Social Media with more than 6,000 followers on Twitter, 3,600 Facebook likes and forging new relationships on Linked In.

We continue to benefit from the enthusiastic support of our Ambassadors David Domoney and Mark Lane, who support us with raising awareness and promoting Thrive's services. David Domoney produced a short video for us to promote Wear Your Wellies, Thrive's national annual fundraising initiative and Mark Lane has supported us through various media activities.

Thrive has enjoyed excellent media coverage again this year and featured in 471 articles in local, regional and national publications and on websites. These included a wide range of popular consumer magazines including Women's Weekly, Yours, Prima and Women's Own, as well as regular appearances in the garden media. BBC Gardeners' World magazine featured Mark Lane becoming our new ambassador and Thrive was included in an in-depth feature entitled '21 ways to garden more & feel better'; this magazine has the highest circulation of any garden publication. Our broadcasting reach has diversified with Thames Valley TV filming in Beech Hill and 'Made In Birmingham TV' doing the same in Kings Heath Park. We were also featured twice on popular BBC daytime TV garden show 'Garden Rescue' with Charlie Dimmock.

We continue to make sure our voice is heard promoting the work of Thrive and STH in the wider context of 'Green Care'. Chief Executive Kathryn Rossiter chairs the Green Care Coalition and has led research work into the scale and breadth of the STH sector and the feasibility of creating a common quality assurance framework for Green Care provision.

The Society for Horticultural Therapy

Report of the Trustees for the Year Ended 31 March 2018

STRATEGIC REPORT

Achievement and performance

Fundraising

Our fundraising activities saw 827 individuals and 163 organisations (trusts, grant giving organisations and companies) making financial donations totalling £752,518 to support Thrive's operations: we extend our thanks to all those who have supported us. We do not use third-party or professional fundraisers, although several companies have signed commercial participation agreements with us, making donations totalling £6,264 in 2017/18, from the sale of specified products.

Thrive is registered with the Fundraising Regulator and we abide by the Code of Fundraising Practice. We received 4 complaints about our fundraising activities during 2017/18, all of which arose from an error made by the mailing house contracted to send out our regular appeals information in May 2017 - we have since changed the format of our mailings so this error cannot be repeated.

Thrive has operated on an 'opt-in' basis for our supporters for many years and we have refreshed those consents as part of our preparation for GDPR (General Data Protection Regulations) coming into effect on 25th May 2018.

Financial review

The overall financial results for 2017/18 were better than expected, boosted by 4 generous legacies. Income this year totalled £1,797,574 compared with £1,699,266 in the previous year.

We have retained a diversified flow of funding again this year:

Unrestricted:

Donations and legacies £856,625 (48%)
Charitable activities £755,881 (42%)
Trading £19,421 (1%)
Investments £101,533 (6%)

Restricted:

Donations and legacies £15,175 (0%)
Charitable activities £48,939 (3%)

During the year to March 2018, we recorded £42,852 of capital expenditure. The majority of this related to the extension and refurbishment of the buildings at Trunkwell/head office.

Expenditure totalled £1,544,975 compared with £1,700,293, a decrease of 9%. The decrease was due to restricted fund programmes at Trunkwell having ended, the cessation of services in Gateshead and a reduction in central overhead costs.

Overall, we recorded a surplus of £252,599 compared with a deficit of £1,027 in the prior year. The total fund balance has increased from £3,935,046 to £4,174,177.

The cash balances and short-term deposits increased during the year by £18,187 to £395,753. We monitor the cash flow and balance sheet very closely and have set a target of £1 of liabilities for £2 of asset (a liquidity ratio of 1:2) to ensure that sufficient funds are always available to meet our short-term funding requirements, whether they are used for day to day expenditure or items of a capital nature.

Reserves and investment policies

Thrive holds long-term investment assets to generate a return in excess of inflation, protecting the charity's capital base and supporting future delivery of charitable activities and aims. Short term assets are held to provide certainty and to support the operational requirements of the charity. In 2017/18, our investment performance achieved its objectives and income received exceeded budget.

We review the level of reserves annually in line with the budget and business plan to ensure that sufficient and appropriate resources are available to deliver charitable aims, support the business strategy and to meet contingencies. Reserves calculated using the Charity Commission guidance (CC19) total £2,181,141. Included in this total are investments (listed and unlisted) which we use to generate essential income to support ongoing operations. We therefore do not consider those investments themselves to be part of our available reserves in the short to medium term. Our reserves are calculated as total reserves less income-generation investments giving a figure of £1,122,131 - we refer to this as free reserves.

We review annually the Free Reserves Policy which considers the level required to support current operations (short term commitments and liabilities). This is calculated as 6 months of expenditure 2018/19 £850,000 (£870,000 2017/18). We consider that the current level of free reserves is adequate for our current needs.

The Society for Horticultural Therapy

Report of the Trustees for the Year Ended 31 March 2018

STRATEGIC REPORT

Risk management

As Trustees, we are responsible for overseeing the charity's risk management activities. The Trustee Board manages Thrive's risks through a Strategic Risk Register which is incorporated in the Annual Business Plan and is monitored by the Audit & Risk Committee at each meeting.

Strategic Risks are identified following the annual Board workshop to review forward objectives and external influences. These are the high-level risks that could prevent Thrive from meeting its objectives. Each risk has been described, giving the scenario under which it may occur; each risk has been assessed in terms of the impact it would have on the organisation and the likelihood of it occurring, given the current controls and mitigation plans in place. Actions required to further mitigate the risk have been identified. All risks and actions have been assigned to a named individual. The 'risk appetite' of the charity is described by the definition of the Risk Threshold - risks with an Impact-Likelihood score above the Threshold are priority risks and require immediate action and close monitoring. Risks sitting below the Threshold are of lower priority but continue to be monitored and assessed throughout the year.

In 2017/18, thirteen strategic risks were identified, four of which sat above the Risk Threshold requiring urgent attention:

- 'Non-client-based income streams fail to deliver surplus required': The likelihood of this risk occurring was revised upward following disappointing Q1 results; investment in the Training, Education & Consultancy team has been made and a revised programme of activities put in place.
- 'Fundraising income targets are not achieved': The likelihood of this risk occurring increased during the year; changes to management/staffing to focus fundraising activities are being implemented and additional expertise is being brought into the team for 2018/19 to lead improvement work.
- 'Staff capacity is spread too thinly': A number of staff vacancies led to this being scored as likely in the first half of the year; successful recruitment, the creation of a new Senior Management post, and a review of resilience plans helped to mitigate this risk
- 'Management resilience and succession planning are weak': Resilience and risk management plans are now in place for all teams/key posts; the performance management framework is being reviewed to ensure planning is improved.

In 2018/19, nineteen strategic risks have again been identified; 11 are associated with ongoing running of the organisation and a further nine have been identified specifically in relation to the development and implementation of the new strategy. Three risks fall above the Risk Threshold requiring active management:

- 'Fundraising targets are not met': Changes to the Business Development/Fundraising team are being implemented
- 'Thrive is not seen as a Sector leader': The Business Development Committee is looking at plans for positioning Thrive as the sector leader, including a forward plan of activities, a marketing/communication plan and a 'leadership manifesto' that sets out how we can/will substantiate our claims of leadership
- 'New Strategy destabilises the organisation': An internal communication and activity plan is being developed to ensure staff understand the strategy and are kept informed on progress/changes required.

Operational risks are kept under regular review by the Management Team.

Our Staff

We would like to thank Thrive's staff for their commitment and professionalism. Many of them go well beyond what is expected of them, supporting events and activities in the evenings and at weekends and always going the extra mile with the work they do to support disabled and disadvantaged people. We continue to work with the Senior Management Team to make improvements to our staff policies and benefits, development opportunities, and communication and IT systems whilst balancing the needs of the staff with those of our service users and the ongoing viability of Thrive.

The Society for Horticultural Therapy

Report of the Trustees for the Year Ended 31 March 2018

STRATEGIC REPORT

Future plans

Strategic Review

Over the last 12-18 months, we have been reviewing the direction and priorities of the charity. The Senior Management Team have facilitated our discussions and provided contextual and benchmarking information, enabling a thorough review of our current effectiveness and future opportunities. At the Board meeting in March 2018, we approved a forward strategy and the Business Plan and Budget for the coming year based on a clearer understanding of purpose and priorities and our target audiences.

We have refreshed our Vision and Mission statements as follows:

Vision: People living with a disability or ill-health, or who are isolated, disadvantaged or vulnerable, have the opportunity to access therapeutic gardening and horticulture programmes, wherever they live, and are actively encouraged to use gardening as part of their personal health and wellbeing management.

Mission: To lead the therapeutic use of gardening and horticulture in the UK

And we have defined two **Strategic Aims:**

- To promote the use of gardening and horticulture to improve health & wellbeing
- To further the development and delivery of therapeutic gardening and horticulture interventions.

Whilst we remain wholly committed to delivering Social & Therapeutic Horticulture (STH) programmes to those who need our interventions, we recognise that Thrive has the potential to reach and improve the lives of many more people using the wealth of knowledge and expertise that we have built up over the last 40 years. Increasing awareness of therapeutic gardening & horticultural activities and what Thrive does is also essential for our fundraising, bringing in the funds that are needed to ensure we can continue to deliver our STH programmes.

The revised strategy sees a rebalancing of priorities and resources, with Thrive stepping up its role as the leading organisation in the field of STH in the UK, boosting our training & consultancy offer, refreshing and extending our information services and more explicitly advocating on behalf of the sector for greater recognition and use of STH alongside other forms of Green Care.

We will create a National Knowledge Centre which will be the "go to place for anyone and everyone who wants to know more about how gardening and horticulture can be used to improve health and wellbeing". A new training & education programme will be launched in September 2018 which will see new courses added, both classroom-based and on-line, providing a wider range of options for practitioners in the STH and Green Care sector. There will be introductory and more in-depth options for professionals and practitioners in allied fields such as health and social care and more general information on using gardening for health and wellbeing aimed at people with an interest in gardening or improving health through engaging with nature.

We will review and update our advice and information resources aimed at helping people to carry on gardening through ill-health or disability, ensuring that these reflect the latest research and knowledge. A new website is a priority making access to our information and learning resources easier and more engaging.

We will continue to work with organisations who share our desire to see STH and Green Care more widely recognised, through partnership working and collaborations. Within the sector, we will bring together service providers and practitioners to share experiences and knowledge through networking and practice communities.

We will continue to 'practice what we preach' and provide high quality and effective STH programmes for a wide range of people living with disability or ill-health from our three centres (Reading, Battersea and Birmingham) - we refer to these as our Centres of Excellence. Ensuring that our therapists continue to develop both their practices and themselves remains a priority, alongside improving how we track improvement and progression for our client gardeners. Over the next few years, we will be seeking to maintain client numbers rather than continue to expand provision.

Both the National Knowledge Centre and the work at our Centres of Excellence, will be underpinned by sound financial and risk management, effective and compliant fundraising and communications, a skilled and motivated workforce and efficient information and knowledge management.

We have invested in new skills, in particular in on-line learning, fund raising and digital marketing and will invest further in our digital strategy and project management resources over the year. We have reviewed and restructured our Business Development function and are using natural staff turnover to bring in fresh ideas and perspectives to improve our communications, awareness raising and fundraising activities.

We have been fortunate that Thrive has been the recipient of several legacies in the last year and we have decided to use some of those funds to support the development and implementation of the new Strategy. To this end we have reviewed our Designated Reserves and created specific Reserves for this purpose.

The Society for Horticultural Therapy

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Thrive was established under the terms of its governing Memorandum and Articles of Association in 1978, which were updated in 2009 and 2015, and is constituted as a company limited by guarantee.

Recruitment, appointment, induction and training of new trustees

The Board currently comprises ten Trustees who delegate the day-to-day running of the charity to the Chief Executive Officer and the Senior Management Team.

Trustees are recruited to the Board in response to a recognised skill or capacity need. Recruitment is done via advertising the role with a description of the key skills, knowledge or experiences being sought and an overview of the role and responsibilities of a Trustee. Thrive's own networks and communication channels are used along with recognised Trustee recruitment websites. Selection is through interview with the Chair, Chief Executive and other Trustees as considered necessary.

Trustees may serve on the Board for up to 9 years. One-third of Trustees are required to stand down each year and may be re-appointed. The Chair and Vice Chair(s) are elected from amongst the Trustees each year; there are no restrictions on re-appointment.

All new Trustees undertake an induction process which includes a full briefing on the business strategy, organisational structures, financial and risk matters, hands-on experience of working with our clients and volunteers and attendance on a Governance training course. Further training is made available based on individual needs.

Organisational structure and Decision making

During 2017 we considered and reviewed our activities against the new Charity Code of Governance. The review found that most aspects of the Code are already embedded in our governance processes. The following forward actions were identified to ensure the Code is fully applied:

- annual review of effectiveness, team working and performance of the Board to be implemented
- diversity objectives, covering recruitment of trustees and inclusive and accessible participation, to be produced
- make explicit our analysis of stakeholders and related communication strategy
- make explicit the 'delegations' framework, and systems to monitor and oversee delegations.

With regard to recommended practice 2.5.1 ("The board agrees the values, consistent with the charity's purpose, that it wishes to promote and makes sure that these values underpin all its decisions and the charity's activities"), we agreed that an explicit, separate statement of values is not required as the values are encapsulated within vision statement, mission and objectives.

We met as a Trustee Board four times last year for formal business meetings at which long-term strategy, current direction and finance were considered. The business plan and budget were approved in March and progress towards achieving the targets included in the plan was reviewed at each Board meeting. The Senior Management Team monitors the budget each month and provided updates at each Board meeting.

We have four active committees which report to the main Trustee Board. Some investigation and specific strategic inputs are delegated by the Board to the committees.

The Society for Horticultural Therapy

Report of the Trustees for the Year Ended 31 March 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure and Decision making

The Finance Committee oversees the budget setting and monitoring processes, reviews and monitors the performance of Thrive's investment portfolio, including properties held, and reviews the financial policies to ensure that they are appropriate and reflect the underlying needs of the charity.

The following are the 'standing' items which the Finance Committee reviewed during the year:

- Quarterly Finance report containing:
 - management accounts and variance analysis
 - balance sheet and cash flow and financing of current and on-going operations
- Trigger Measures
 - Year-end projections at end Q2 and Q3
 - Reserves Policy
 - Investment Policy
 - Draft Business Plan and Budget.

The work plan for 2017/18 included the following items which also came to the Committee for review/approval:

- Review of the Trigger Measures
- Review of Financial Regulations - now passed to Audit & Risk Committee
- Review of banking arrangement - tender for banking services
- Review of movement in Debtors
- Proposal for investment in Training, Education & Consultancy Team
- Input to the development of the Thrive Strategy.

The Human Resources Committee provides guidance on and monitors human resources and health and safety matters.

The following are the 'standing' items which the Committee reviewed during the year:

- Quarterly staff turnover and sickness absence stats
- Quarterly health & safety updates
- Success measures -half year and full year results review
- Remuneration Statement
- Staff pay review
- Health & Safety Annual Audit Report & Action Plan
- Annual Staff Conference feedback.

The work plan for 2017/18 included the following items which also came to the Committee for review/approval:

- Volunteer Handbook
- Staff Satisfaction Survey 2017
- Review of the whistleblowing policy and procedures, including Trustees roles/involvement
- Review of the grievance policy and procedures, including Trustees roles/involvement
- Staff-related success measures and definitions
- Long-term sickness absence
- Succession planning & resilience
- Pension contributions - autoenrollment rule changes
- Charity Code of Governance: arrangements for the management of CEO.

The Audit & Risk Committee oversees external audit, internal audit/reviews and strategic risk management.

The following are the 'standing' items which the Committee reviewed during the year:

The Society for Horticultural Therapy

Report of the Trustees for the Year Ended 31 March 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure and Decision making

- A review of the Annual Statement of Accounts
- Meeting with the External Auditors to receive their management letter
- A review of the Financial Regulations
- Periodic reviews and a full update of the Strategic Risk Register for inclusion in the forward Business Plan
- Agreement of the forward Internal Audit priorities.

The work plan for 2017/18 included the following items which also came to the Committee for review/approval:

- Data Protection/GDPR - Information Governance Policy & Procedures
- Review of operations against the Cultivating Quality standard (Thrive's quality assurance framework),
- Cost and contracts management review.

The Business Development Committee was established in late 2017 from the Advisory Group, to support the Board and staff in focusing resources on effective business development and fundraising activities.

During the year the Committee reviewed the metrics available from fundraising, communications and business development activity with a view to developing a more robust set of success measures. The Committee also made a significant input to the development of the Thrive Strategy.

Key management remuneration

As a charity, Thrive relies heavily on donated funds and the ongoing support of many volunteers and funders; it is important to us that these resources are used to maximum effect. In order to run Thrive as an efficient and effective organisation able to deliver quality services to some of the most vulnerable people in our communities, Thrive employed 49 staff, over half on a part-time basis (total 35 FTEs), and a further 16 sessional workers who provide essential cover as needed.

Staff costs (salaries and pension contributions) make up a large proportion of the annual cost of running Thrive. Managing staff costs whilst ensuring that the charity has the appropriate mix of skills and expertise to achieve its objectives is an important part of ensuring the ongoing success and viability of the Charity. The total staff costs for Thrive in 2017/18 was £1,109,055. The median salary point (FTE) for the organisation as a whole is £22,000.

Following reviews of our budgets and operations, four posts were made redundant during 2017/18 (total redundancy pay was £14,259). This has enabled some cost-savings to be made and some resource to be invested in new skills and additional capacity to take forward new development work.

As Trustees of Thrive we approved a pay award for Thrive staff to take effect from 1 April 2018. Having undertaken an external review and benchmarking exercise, we agreed an award of 1.25% salary increase for all staff in post since 1 January 2018 and an unconsolidated one-off lump sum payment of £220.00 (pro rata) for all staff who have completed their probation by 1 April 2018. This was designed to ensure ongoing affordability for the charity and that the value of the total award is greater for lower paid staff (those on the median salary receive an award worth 2.25% of salary, compared to managers who receive an award of between 1.59% to 1.92%); the total cost of this award package to Thrive is 2% of total salary costs.

The Chief Executive Officer (CEO), Kathryn Rossiter, is the highest paid member of staff. Her remuneration package consists of an annual salary plus a 5% pension contribution. The CEO's salary increased from £64,062 pa to £64,863 pa on 1 April 2018 and she received an unconsolidated payment of £220.00 in April 2018.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01415700 (England and Wales)

Registered Charity number

277570

Registered office

The Geoffrey Udall Centre
Beech Hill
Reading
RG7 2AT

The Society for Horticultural Therapy

Report of the Trustees
for the Year Ended 31 March 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Our Patrons

HRH Princess Alexandra
Brian Donohoe
Anna Piper Nye
William J Simpson MBE
Baroness Thomas of Winchester MBE
Sir Richard Thompson KCVO

Trustees

The Trustees are also the directors of the company. At the time of writing, the following Trustees are in post or were in post during part of the year:

Ms Rebecca Bower
Mr Ray Broughton (resigned 23 July 2018)
Ms Michele Cheng
Mr Christopher D'Olley
Dr Sara Kelly
Ms Alina Lourie
Mr Rory Mackenzie (resigned 7 June 2018)
Ms Faith Ramsay - Chair
Mr Richard Rogers
Mr Jeremy Wright

Senior Management Team

Kathryn Rossiter - Chief Executive Officer
Alex Wakefield - Head of Operations
Brian Cottrell - Head of Resources (retired 30 June 2018)
Andrew Storm - Head of Finance & Resources
Sally Wright - Head of Innovation & Marketing
Rodger Cartwright - Head of Client Services
Cath Rickhuss - Research and Consultancy Manager

Independent auditors

MHA Monahans
Statutory Auditors
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Solicitors

Field Seymour Parkes
The Old Coroner's Court
1 London Street
PO Box 174
Reading
RG1 4QW

Bankers

National Westminster Bank
5 High Street
Bracknell
Berkshire
RG12 1DH

The Society for Horticultural Therapy

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

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Society for Horticultural Therapy for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 2006. 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.

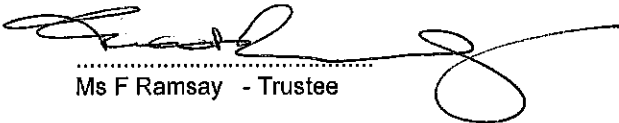
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, MHA Monahans, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on6.1.18..... and signed on the board's behalf by:


.....
Ms F Ramsay - Trustee

**Report of the Independent Auditors to the Members of
The Society for Horticultural Therapy**

Opinion

We have audited the financial statements of The Society for Horticultural Therapy (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Report of the Independent Auditors to the Members of
The Society for Horticultural Therapy**

Responsibilities of trustees

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.


Our responsibilities for the audit of the financial statements

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

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

Use of our report

The report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Steven Fraser (Senior Statutory Auditor)
for and on behalf of MHA Monahans
Statutory Auditors
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Date:

26th September 2014

The Society for Horticultural Therapy

Statement of Financial Activities
for the Year Ended 31 March 2018

		Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	856,625	15,175	871,800	710,138
Charitable activities	5				
Education of professionals		119,120	24,525	143,645	195,232
Education of disabled people		636,761	24,414	661,175	659,746
Other trading activities	3	19,421	-	19,421	25,552
Investment income	4	<u>101,533</u>	<u>-</u>	<u>101,533</u>	<u>108,598</u>
Total		1,733,460	64,114	1,797,574	1,699,266
EXPENDITURE ON					
Raising funds	6	255,049	249	255,298	223,827
Charitable activities	7				
Education of professionals		181,536	-	181,536	210,042
Education of disabled people		<u>1,076,398</u>	<u>31,743</u>	<u>1,108,141</u>	<u>1,266,424</u>
Total		1,512,983	31,992	1,544,975	1,700,293
Net gains/(losses) on investments		<u>(13,468)</u>	<u>-</u>	<u>(13,468)</u>	<u>96,638</u>
NET INCOME		207,009	32,122	239,131	95,611
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>3,931,616</u>	<u>3,430</u>	<u>3,935,046</u>	<u>3,839,435</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>4,138,625</u></u>	<u><u>35,552</u></u>	<u><u>4,174,177</u></u>	<u><u>3,935,046</u></u>

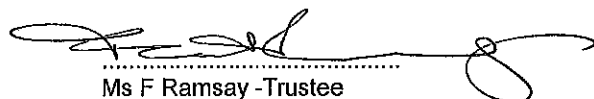
The notes form part of these financial statements

The Society for Horticultural Therapy

Balance Sheet
At 31 March 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	13	1,482,484	1,504,286
Investments			
Investments	14	1,059,010	1,064,478
Investment property	15	<u>967,000</u>	<u>1,100,000</u>
		3,508,494	3,668,764
 CURRENT ASSETS			
Debtors	16	536,313	143,717
Cash at bank and in hand		<u>395,753</u>	<u>377,566</u>
		932,066	521,283
 CREDITORS			
Amounts falling due within one year	17	<u>(266,383)</u>	<u>(255,001)</u>
NET CURRENT ASSETS		<u>665,683</u>	<u>266,282</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,174,177</u>	<u>3,935,046</u>
NET ASSETS		<u>4,174,177</u>	<u>3,935,046</u>
 FUNDS			
	20		
Unrestricted funds:			
General fund		2,571,625	2,602,303
Property and Estate		175,000	206,825
ICT fund		-	22,488
Investment Property		1,092,000	1,100,000
Strategic Development, Research and communication, ICT and Digital Strategy		<u>300,000</u>	<u>-</u>
		4,138,625	3,931,616
Restricted funds		<u>35,552</u>	<u>3,430</u>
TOTAL FUNDS		<u>4,174,177</u>	<u>3,935,046</u>

The financial statements were approved by the Board of Trustees on 6.9.18 and were signed on its behalf by:


.....
Ms F Ramsay -Trustee

The Society for Horticultural Therapy

Cash Flow Statement
for the Year Ended 31 March 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	22	<u>(177,291)</u>	<u>(71,657)</u>
Net cash provided by (used in) operating activities		<u>(177,291)</u>	<u>(71,657)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(42,852)	(583,362)
Sale of tangible fixed assets		11,796	-
Sale of investment property		125,000	-
Proceeds from sale of property and equip		-	2,000
Interest received		111	2,400
Dividends received		<u>101,423</u>	<u>106,198</u>
Net cash provided by (used in) investing activities		<u>195,478</u>	<u>(472,764)</u>
Change in cash and cash equivalents in the reporting period		<u>18,187</u>	<u>(544,421)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>377,566</u>	<u>921,987</u>
Cash and cash equivalents at the end of the reporting period		<u>395,753</u>	<u>377,566</u>

The notes form part of these financial statements

The Society for Horticultural Therapy

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

1. ACCOUNTING POLICIES - continued

Income - continued

Donated goods, services and facilities

Where material, donated goods and services are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, where material, donated goods and services are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the trustees' annual report for more information about their contribution.

The charity receives donated goods for resale. Estimating the fair value of these goods is impractical because of the volume of low-value items received and the absence of detailed stock control systems and records. As such the donated goods for resale are not recognised on receipt. Instead, the value to the charity of the donated goods sold is recognised as income when sold.

Legacies

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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.

Allocation and apportionment of costs

Costs are apportioned by the basis of actual costs where possible. Where costs cannot be attributed directly to particular headings they have been allocated on a basis consistent with the use of head count.

Redundancy/ termination payments

Termination benefits are measured at the best estimate of the expenditure required to settle the obligation at the reporting date. If the expected settlement date of the termination payments is 12 months or more after making the provision and the effect would be material, the present value of the obligation is calculated using an appropriate discount rate.

The Society for Horticultural Therapy

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS102, 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', the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention modified to include certain items at fair value. The financial statements are prepared on a going concern basis

The Society for Horticultural Therapy meets the definition of a public benefit entity under FRS 102.

The accounts are presented in Sterling which is the functional currency of the Charity, and rounded to the nearest pound.

There are no significant areas of judgements or key sources of estimation uncertainty.

Going concern

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

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.

Interest

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Grants Receivable

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

Donations

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

The Society for Horticultural Therapy

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

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Freehold property	- 2% on straight line basis
Long leasehold	- 4% on a straight line basis
Improvements to property	- 20% on straight line basis
Motor vehicles	- 25% on straight line basis
Computer equipment	- 10%-25% on straight line basis

All assets costing more than £750 are capitalised.

Investment property

Investment properties are included in the accounts at open market value. All movements arising from revaluation are shown in the Statement of Financial Activities. Realised gains and losses on investment properties are calculated as the difference between the disposal proceeds and the market value at the beginning of the year or cost of purchases during the year. Unrealised gains and losses are derived from the movement in the market values during the year.

Other investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities (SOFA) includes the net gains and losses arising on revaluations and disposals throughout the year.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

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.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Assets held for sale

Assets held for sale are held at the lower of the carrying amount and the fair value less costs to sell.

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The Society for Horticultural Therapy

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

1. ACCOUNTING POLICIES - continued

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Critical accounting estimates and areas of judgement

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

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

There are no critical areas of judgement.

2. DONATIONS AND LEGACIES

	2018	2017
	£	£
Donations	490,652	700,269
Legacies	<u>381,148</u>	<u>9,869</u>
	<u>871,800</u>	<u>710,138</u>

3. OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Fundraising events	-	4,861
Rental income	6,600	6,600
Other income	12,821	12,091
Other trading activities	<u>-</u>	<u>2,000</u>
	<u>19,421</u>	<u>25,552</u>

4. INVESTMENT INCOME

	2018	2017
	£	£
Rents received	26,353	32,642
Investment income	75,069	73,556
Deposit account interest	<u>111</u>	<u>2,400</u>
	<u>101,533</u>	<u>108,598</u>

The Society for Horticultural Therapy

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

5. INCOME FROM CHARITABLE ACTIVITIES

		2018	2017
	Activity	£	£
Training for professionals	Education of professionals	138,790	190,509
Membership fees	Education of professionals	4,855	4,723
Grants	Education of disabled people	49,862	102,360
Income for rehabilitation and training in horticultural skills	Education of disabled people	561,495	514,354
Other income	Education of disabled people	<u>49,818</u>	<u>43,032</u>
		<u>804,820</u>	<u>854,978</u>

Grants received, included in the above, are as follows:

		2018	2017
		£	£
Comic Relief		-	32,206
Big Lottery		-	45,977
Grow & Learn - Various		25,337	24,177
West Midlands Police		14,841	-
NHS CCG		<u>9,684</u>	<u>-</u>
		<u>49,862</u>	<u>102,360</u>

6. RAISING FUNDS

Raising donations and legacies

		2018	2017
		£	£
Staff costs		171,597	154,954
Sundries		26,929	29,796
Depreciation		4,761	2,001
Support costs		<u>52,011</u>	<u>37,076</u>
		<u>255,298</u>	<u>223,827</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 8)	Totals
	£	£	£
Education of professionals	135,105	46,431	181,536
Education of disabled people	<u>797,395</u>	<u>310,746</u>	<u>1,108,141</u>
	<u>932,500</u>	<u>357,177</u>	<u>1,289,677</u>

The Society for Horticultural Therapy

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

8. **SUPPORT COSTS**

	Management £	Promotion £	Governance costs £	Totals £
Raising donations and legacies	52,011	-	-	52,011
Education of professionals	33,108	8,002	5,321	46,431
Education of disabled people	<u>228,908</u>	<u>49,150</u>	<u>32,688</u>	<u>310,746</u>
	<u>314,027</u>	<u>57,152</u>	<u>38,009</u>	<u>409,188</u>

Support costs have been allocated on the basis of head count.

9. **NET INCOME**

Net income is stated after charging:

	2018 £	2017 £
Auditors' remuneration	9,000	9,000
Depreciation - owned assets	52,858	45,366
Operating leases - other	<u>6,644</u>	<u>6,644</u>

10. **TRUSTEES' REMUNERATION AND BENEFITS**

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

Trustees' expenses

2 trustees received reimbursement of travel expenses amounting to £1,035 (2017 - £322)

The Society for Horticultural Therapy

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

11. STAFF COSTS

	2018	2017
	£	£
Wages and salaries	1,002,585	1,098,858
Social security costs	77,069	86,969
Other pension costs	<u>29,402</u>	<u>32,129</u>
	<u><u>1,109,056</u></u>	<u><u>1,217,956</u></u>

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

	2018	2017
Raising donations and legacies	9	6
Governance	1	1
Education of professionals	4	4
Education of disabled people	27	35
Support	<u>8</u>	<u>10</u>
	<u><u>49</u></u>	<u><u>56</u></u>

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

	2018	2017
£60,001 - £70,000	<u>1</u>	<u>1</u>

The Key Management Personnel of the charity consists of the Senior Management Team as listed on page 10. The total amount of employee benefits (salary and employers pension contributions) paid to key management personnel in the year was £169,223 (2017: £174,186).

The average number of full time equivalents during the year was 36 (2017 - 41).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	566,340	143,798	710,138
Charitable activities			
Education of professionals	159,269	35,963	195,232
Education of disabled people	557,386	102,360	659,746
Other trading activities	25,552	-	25,552
Investment income	<u>108,598</u>	<u>-</u>	<u>108,598</u>
Total	1,417,145	282,121	1,699,266
EXPENDITURE ON			
Raising funds	223,827	-	223,827
Charitable activities			
Education of professionals	186,631	23,411	210,042
Education of disabled people	<u>1,122,617</u>	<u>143,807</u>	<u>1,266,424</u>
Total	1,533,075	167,218	1,700,293
Net gains/(losses) on investments	<u>96,638</u>	<u>-</u>	<u>96,638</u>
NET INCOME	(19,292)	114,903	95,611
Transfers between funds	<u>118,685</u>	<u>(118,685)</u>	<u>-</u>
Net movement in funds	99,393	(3,782)	95,611

The Society for Horticultural Therapy

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	3,832,223	7,212	3,839,435
TOTAL FUNDS CARRIED FORWARD	<u>3,931,616</u>	<u>3,430</u>	<u>3,935,046</u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Improvements to property £
COST			
At 1 April 2017	1,176,585	557,137	265,248
Additions	34,316	1,668	850
Disposals	-	-	(12,100)
At 31 March 2018	<u>1,210,901</u>	<u>558,805</u>	<u>253,998</u>
DEPRECIATION			
At 1 April 2017	199,086	57,324	244,114
Charge for year	17,496	25,283	5,464
Disposals	-	-	(304)
At 31 March 2018	<u>216,582</u>	<u>82,607</u>	<u>249,274</u>
NET BOOK VALUE			
At 31 March 2018	<u>994,319</u>	<u>476,198</u>	<u>4,724</u>
At 31 March 2017	<u>977,499</u>	<u>499,813</u>	<u>21,134</u>

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2017	32,594	127,308	2,158,872
Additions	-	6,018	42,852
Disposals	-	-	(12,100)
At 31 March 2018	<u>32,594</u>	<u>133,326</u>	<u>2,189,624</u>
DEPRECIATION			
At 1 April 2017	32,594	121,468	654,586
Charge for year	-	4,615	52,858
Disposals	-	-	(304)
At 31 March 2018	<u>32,594</u>	<u>126,083</u>	<u>707,140</u>
NET BOOK VALUE			
At 31 March 2018	<u>-</u>	<u>7,243</u>	<u>1,482,484</u>
At 31 March 2017	<u>-</u>	<u>5,840</u>	<u>1,504,286</u>

The Society for Horticultural Therapy

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

14. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 April 2017	266,672	797,806	1,064,478
Revaluations	<u>(5,468)</u>	<u>-</u>	<u>(5,468)</u>
At 31 March 2018	<u>261,204</u>	<u>797,806</u>	<u>1,059,010</u>
 NET BOOK VALUE			
At 31 March 2018	<u>261,204</u>	<u>797,806</u>	<u>1,059,010</u>
At 31 March 2017	<u>266,672</u>	<u>797,806</u>	<u>1,064,478</u>

There were no investment assets outside the UK.

All the fixed asset investments are held in the UK.

The listed securities comprise of units in the charity common investment fund, Charifund, managed by M&G investments.

The unlisted securities comprise of shares in Estate Incomes Limited. The charity owns 13.82% of the total number of shares in that company, all shares being ordinary shares.

The historic cost of fixed asset investments is £947,806 (2017: £947,806).

Unlisted investments are valued on the basis of a multiplication of the return obtained from the investment.

15. INVESTMENT PROPERTY

	£
MARKET VALUE	
At 1 April 2017	1,100,000
Disposals	(125,000)
Revaluation	<u>(8,000)</u>
At 31 March 2018	<u>967,000</u>
 NET BOOK VALUE	
At 31 March 2018	<u>967,000</u>
At 31 March 2017	<u>1,100,000</u>

Properties gifted to the charity comprise premises used as a hotel and restaurant, land surrounding the charity's premises at Beech Hill and a cottage called Broadview. The hotel and restaurant were transferred to assets held for sale during the year.

The properties were valued in March 2018, by Carter Jonas LLP, in accordance with the appropriate sections of the current RICS Professional Standards and RICS Valuation Practice Statements contained in the RICS Valuation - Professional Standards 2014 incorporating the IVSC Valuation Standards (the 'Red Book').

The Society for Horticultural Therapy

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

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	103,251	95,605
Other debtors	(254)	116
Assets held for sale	125,000	-
Prepayments and accrued income	<u>308,316</u>	<u>47,996</u>
	<u>536,313</u>	<u>143,717</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	42,620	40,100
Social security and other taxes	22,427	22,984
Other creditors	8,191	11,650
Accruals and deferred income	<u>193,145</u>	<u>180,267</u>
	<u>266,383</u>	<u>255,001</u>

Deferred income relates to grants received for the provision of post year end services

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	6,133	6,644
Between one and five years	<u>13,812</u>	<u>19,945</u>
	<u>19,945</u>	<u>26,589</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2018 Total funds	2017 Total funds
	£	£	£	£
Fixed assets	1,482,484	-	1,482,484	1,504,286
Investments	2,026,010	-	2,026,010	2,164,478
Current assets	896,514	35,552	932,066	521,283
Current liabilities	<u>(266,383)</u>	<u>-</u>	<u>(266,383)</u>	<u>(255,001)</u>
	<u>4,138,625</u>	<u>35,552</u>	<u>4,174,177</u>	<u>3,935,046</u>

The Society for Horticultural Therapy

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

20. MOVEMENT IN FUNDS

	At 1 April 2017	Net movement in funds	Transfers between funds	At 31 March 2018
	£	£	£	£
Unrestricted funds				
General fund	2,602,303	215,009	(245,687)	2,571,625
Property and Estate	206,825	-	(31,825)	175,000
ICT fund	22,488	-	(22,488)	-
Investment Property	1,100,000	(8,000)	-	1,092,000
Strategic Investment	-	-	200,000	200,000
Research and communication	-	-	50,000	50,000
ICT and Digital Strategy	-	-	50,000	50,000
	<u>3,931,616</u>	<u>207,009</u>	<u>-</u>	<u>4,138,625</u>
Restricted funds				
Grow & Learn - Birmingham and Gateshead	-	8,000	-	8,000
Womens Project - Birmingham	-	12,001	-	12,001
Stroke - Birmingham	-	8,467	-	8,467
Training Kitchen	-	6,500	-	6,500
Gordon Fraser Charitable Trust	3,430	(2,846)	-	584
	<u>3,430</u>	<u>32,122</u>	<u>-</u>	<u>35,552</u>
TOTAL FUNDS	<u><u>3,935,046</u></u>	<u><u>239,131</u></u>	<u><u>-</u></u>	<u><u>4,174,177</u></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	1,733,460	(1,512,983)	(5,468)	215,009
Investment Property	-	-	(8,000)	(8,000)
	<u>1,733,460</u>	<u>(1,512,983)</u>	<u>(13,468)</u>	<u>207,009</u>
Restricted funds				
Grow & Learn - Birmingham and Gateshead	29,320	(21,320)	-	8,000
Womens Project - Birmingham	14,841	(2,840)	-	12,001
Stroke - Birmingham	9,684	(1,217)	-	8,467
Summer Garden Club - Birmingham	3,769	(3,769)	-	-
Training Kitchen	6,500	-	-	6,500
Gordon Fraser Charitable Trust	-	(2,846)	-	(2,846)
	<u>64,114</u>	<u>(31,992)</u>	<u>-</u>	<u>32,122</u>
TOTAL FUNDS	<u><u>1,797,574</u></u>	<u><u>(1,544,975)</u></u>	<u><u>(13,468)</u></u>	<u><u>239,131</u></u>

The Society for Horticultural Therapy

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

20. **MOVEMENT IN FUNDS - continued**

Comparatives for movement in funds

	At 1 April 2016	Net movement in funds	Transfers between funds	At 31 March 2017
	£	£	£	£
Unrestricted Funds				
General fund	2,117,215	(101,161)	586,249	2,602,303
Property and Estate	664,520	9,869	(467,564)	206,825
ICT fund	22,488	-	-	22,488
Investment Property	<u>1,028,000</u>	<u>72,000</u>	<u>-</u>	<u>1,100,000</u>
	3,832,223	(19,292)	118,685	3,931,616
Restricted Funds				
Geoffrey Udall Centre refurbishment - various	-	118,685	(118,685)	-
Garden Gallery	3,782	(3,782)	-	-
Gordon Fraser Charitable Trust	<u>3,430</u>	<u>-</u>	<u>-</u>	<u>3,430</u>
	7,212	114,903	(118,685)	3,430
TOTAL FUNDS	<u><u>3,839,435</u></u>	<u><u>95,611</u></u>	<u><u>-</u></u>	<u><u>3,935,046</u></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	1,407,276	(1,533,075)	24,638	(101,161)
Property and Estate	9,869	-	-	9,869
Investment Property	<u>-</u>	<u>-</u>	<u>72,000</u>	<u>72,000</u>
	1,417,145	(1,533,075)	96,638	(19,292)
Restricted funds				
Living Through Landscapes	35,963	(35,963)	-	-
Care Homes / Gardening Together	32,206	(32,206)	-	-
Sow & Grow - Reaching Communities	45,977	(45,977)	-	-
Grow & Learn - Birmingham and Gateshead	49,290	(49,290)	-	-
Geoffrey Udall Centre refurbishment - various	118,685	-	-	118,685
Garden Gallery	<u>-</u>	<u>(3,782)</u>	<u>-</u>	<u>(3,782)</u>
	282,121	(167,218)	-	114,903
TOTAL FUNDS	<u><u>1,699,266</u></u>	<u><u>(1,700,293)</u></u>	<u><u>96,638</u></u>	<u><u>95,611</u></u>

The Society for Horticultural Therapy

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

20. MOVEMENT IN FUNDS - continued

Designated Funds

Property & Estate: Funds for the maintenance, upgrade and development of buildings and surroundings Thrive.

ICT Fund: Funds to further develop Information and Communications Technology (ICT).

Investment Property: Investment property fund - for longer term security of the charity.

Strategic Development: Funds for the development of Thrive's strategic aims.

Research and communication: Funds for the development, commissioning and dissemination of research related to STH/Green Care

ICT and Digital Strategy: Funds to develop our Information and Communications capabilities

Restricted funds

Gordon Fraser Charitable Trust: supports Thrive's Grow & Learn programme at Trunkwell for 14 to 25 year olds with complex needs.

Garden Gallery Appeal - various: this appeal, to complete the Garden Gallery at Trunkwell, is now closed. The work was completed in late Spring 2014. The amount expended reflects the remaining depreciation charge.

Living Through Landscapes: a Big Lottery funded partnership between Thrive, Learning through Landscapes, Age UK, Groundwork and University of Kent to support people with dementia by transforming outdoor spaces at 30 care settings across the UK.

Care Homes/ Gardening Together - various: aimed to help people be healthier for longer and live fuller lives after they leave their own homes and move to a care home. Using adapted gardening methods and tools, new or experienced gardeners can enjoy a healthy activity that is beneficial to their overall well-being. Funders included Comic Relief, Rayne Foundation, The D'Oyly Carte Charitable Trust, The Gerard Palmer Eling Trust and WG Edwards Charitable Foundation.

Sow & Grow - Reaching Communities: Big Lottery Reaching Communities grant funding for the Sow & Grow project that started in Autumn 2014. This 3 year community outreach project provides 8 week gardening programmes targeted at helping older people in Berkshire, Oxfordshire and Hampshire, living with a disability or in isolation to develop skills, social networks and self-confidence through gardening.

Grow & Learn: grant funding for Thrive's programme at Birmingham and Gateshead for 14-25 year olds with complex needs.

Geoffrey Udall Centre refurbishment: this represents the monies raised in year to contribute to the building works. Funders included Wolfson Foundation, Clothworkers' Foundation and the Bernard Sunley Charitable Foundation.

Womens Project - Birmingham: a project to support women who have suffered domestic violence and/or sexual abuse. Funded by West Midlands Police and Crime Commissioner's Victims Fund.

Stroke - Birmingham: a therapeutic horticulture programme for stroke survivors. Funded by Birmingham South and Central Clinical Commissioning Group.

Summer Garden Club - Birmingham: a support programme for children aged between 7 and 15 with disabilities or ill health. Funded by BBC Children in Need.

Training Kitchen:

Funding received for equipment for the training kitchen and to train staff members in food hygiene to deliver accredited training.

The Society for Horticultural Therapy

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

21. RELATED PARTY DISCLOSURES

The Trustee, Christopher D'Olley, is a partner of Carter Jonas LLP. Thrive engaged the services of Carter Jonas for estates advice; to undertake the valuation of the investment properties at year end and the sale of investment property land. The fee for this work was £6,789 (2017: £9,679).

The Trustee, Jeremy Wright, is director and majority shareholder of GreenPlantSwap Ltd. GreenPlantSwap Ltd charged Thrive commission of £1,320 (2017: £nil).

22. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018	2017
	£	£
Net income for the reporting period (as per the statement of financial activities)	239,131	95,611
Adjustments for:		
Depreciation charges	52,858	45,366
Losses/(gain) on investments	13,468	(96,638)
Interest received	(111)	(2,400)
Dividends and rents from investments	(101,423)	(106,198)
Proceeds from sale of fixed assets	-	(2,000)
Decrease in stocks	-	3,618
Increase in debtors	(392,596)	(42,384)
Increase in creditors	<u>11,382</u>	<u>33,368</u>
Net cash provided by (used in) operating activities	<u>(177,291)</u>	<u>(71,657)</u>