

Royal Botanic Gardens Kew

Annual Report and Accounts

for the year ended 31 March 2022

HC 660



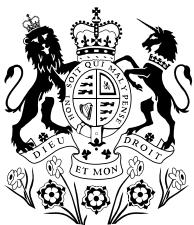
Royal Botanic Gardens, Kew

Annual Report and Accounts for the year ended 31 March 2022

Presented to Parliament
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of Schedule 1 of the National Heritage Act 1983

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Foreword

2021 to 2022 has been an enormously important and exciting year for developing our future plans and putting the structures in place to deliver them. Despite the challenges of the last two years, not least the continued impacts of the COVID-19 pandemic, we have maintained momentum in our work.

At the start of the year, we published our new corporate strategy for 2021 to 2030. We called it 'Our manifesto for change', relaying the sense of urgency in the need to protect the natural world. It is a critical moment for us all to commit to tackling the twin crises of climate change and biodiversity loss, the consequences of which are daunting: global, protracted, and devastating for hundreds of millions of people. As experts in botanical sciences and horticulture, with unrivalled global collections, we have a significant role to play, and there is no time to lose. As Sir David Attenborough, a previous RBG Kew Trustee, said: 'What we do now, and in the next few years, will profoundly affect the next few thousand years'.

We also launched our new five-year science strategy in September. Dovetailed with 'Our manifesto for change', the strategy outlines our ambitious plans to help stop biodiversity loss and discover sustainable nature-based solutions to some of the biggest global challenges through our five science priorities.

We also published our ten-year sustainability strategy, setting out both our commitment to become climate positive by 2030 and the tangible actions we will take to respond to the environmental emergency. In November, a contingent of colleagues represented RBG Kew at COP26 in Glasgow. Our Carbon Garden exhibit was in the UN Pavilion at the heart of the conference, providing an opportunity to engage in valuable discussions with a wide variety of people from around the globe: senior government officials, philanthropists and foundations, corporate leaders, NGOs and policy makers. These discussions focused on the important role of nature-based solutions in solving the climate crisis, and how RBG Kew can help.

Safeguarding the security of our collections for the benefit of future generations has been, and continues to be, a significant priority. In November we were delighted that government announced £10 million of funding to begin digitisation of our eight million herbarium and fungarium specimens, making them accessible for global scientific research to unlock the potential of plants and fungi to help solve global challenges. This important work started in April 2022, and we will continue to seek funding to secure its completion. We also progressed plans for a new Herbarium to safeguard the long-term security of our collections.

We launched our Landscape Ecology Programme at Wakehurst in May, a research programme which uses our unique site in Sussex to better understand the benefits of UK biodiversity. As part of this programme, we were grateful to secure funding from the HM Treasury Shared Outcomes Fund, working together with Natural England, the Environment Agency, Defra and BEIS to research carbon sequestration in biodiverse habitats. This important work will be used to inform government policy. Further afield, we were pleased to secure Defra funding for a major new research project in

Madagascar which aims to protect and restore biodiversity, reduce poverty and mitigate the impact of climate change.

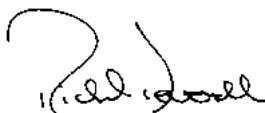
We have been delighted to have been able to keep the gardens open throughout the year for the enjoyment of our visitors, despite indoor venues being closed for the first part of the year due to COVID-19 restrictions. Our programmes, events and displays have felt all the more vivid and joyful after the pandemic disruptions of 2020–21. We know that the shared appreciation of being within nature for the benefit of our wellbeing continues after the easing of restrictions. We were pleased, therefore, to launch new ticketing initiatives, including our £1 ticket for those on low incomes and our new young person's membership. These two important initiatives are designed to make our sites more accessible to a greater number of people, a key strategic priority for RBG Kew. We also enhanced our offer to families through the opening of the new Family Kitchen & Shop at Kew Gardens.

In February, Dame Amelia was honoured to be reappointed as the Chair of our Board of Trustees for a second three-year term. Professor Liam Dolan, Catherine Dugmore and Professor Sue Hartley retired as Trustees in the final quarter of the year. Their passion, insight and extraordinary commitment have been hugely valuable to our organisation over the years, and they will be greatly missed. Two new Trustees joined us in 2021 to 2022 (Judith Batchelor in April 2021 and Professor Ian Graham in November 2021) and three further Trustees have joined us as of April 2022: Steve Almond, Kate Priestman and John Scanlon. They all bring significant expertise and experience that will complement our already strong Board and help steer us through the delivery of our ambitious strategies.

On behalf of the Board of Trustees and Executive Board, we would like to thank our staff, students and volunteers, whose dedication, resilience and creativity continue to make RBG Kew the wonderful and impactful organisation that it is. We also would like to extend our grateful thanks to our members and donors for their ongoing support, and to Defra for its support, including additional financial assistance in response to COVID-19. The future of our planet may be in peril, but the commitment to our purpose – to protect and share the wonders of plants and fungi to enable a better world for everyone – is stronger than ever.



Dame Amelia Fawcett
Chair of the Board of Trustees
Royal Botanic Gardens, Kew
29 September 2022



Richard Deverell
Director
Royal Botanic Gardens, Kew
29 September 2022

Management commentary

Statutory functions

The National Heritage Act 1983 ('the Act') sets out the statutory functions and powers of RBG Kew. The General Functions of RBG Kew (s.24 of the Act) are to:

- Carry out investigation and research into the science of plants and related subjects, and disseminate the results of the investigation and research.
- Provide advice, instruction and education in relation to those aspects of the science of plants with which the Board are for the time being in fact concerned.
- Provide other services (including quarantine) in relation to plants.
- Care for their collections of plants, preserved plant material and other objects relating to plants, books and records.
- Keep the collections as national reference collections, secure that they are available to persons for the purposes of study, and add to and adapt them as scientific needs and the Board's resources allow.
- Afford to members of the public opportunities to enter any land occupied or managed by the Board, for the purpose of gaining knowledge and enjoyment from the Board's collections.

Our mission to 2030 is 'to understand and protect plants and fungi for the wellbeing of people and the future of all life on Earth'.

In reviewing and setting RBG Kew's aims, objectives and strategic plans, the Trustees have had due regard for the Charity Commission's guidance on public benefit guidance (in accordance with section 17 of the Charities Act 2011).

Highlights and challenges

This was the first year of activity under our ambitious new corporate strategy, 'Our manifesto for change 2021–30'. We have grouped the year's highlights and challenges below under the manifesto's strategic priorities.

Priority 1 – Deliver science-based solutions to help us protect biodiversity and use natural resources sustainably

RBG Kew scientists will identify and strive to protect species of plants and fungi globally, as well as revealing those that could be new sources of food, medicine, fuel or materials.

We continued our research activities in **Madagascar**, one of RBG Kew's ten key strategic countries due to its incredible biodiversity. This year, our scientists were awarded £10 million in grant funding from the Defra Biodiverse Landscapes Fund for a future project there, working with a consortium of partners to develop a sustainable landscape management model for community-led forest conservation, carbon storage and livelihoods enhancement.

We entered the second year of our **Landscape Ecology Programme**, launching it publicly in May 2021. The programme establishes Wakehurst as a living laboratory and a site of globally significant plant science, working

to influence and inform policy and practice on land use, conservation and nature-based solutions.

In April, we published a study on *Coffea stenophylla*, a rare and 'forgotten' coffee species from West Africa that grows at higher temperatures and has a superior flavour, which could help to **future-proof the coffee industry** against climate change.

In September, we launched our new **science strategy for 2021 to 2025**, based around five Scientific Priorities, to help us achieve transformative change and maximum positive impact. It outlines how, in partnership with our global network of collaborators, we aim to understand, protect and restore biodiversity at taxonomic, genetic, functional and ecosystem levels.

In February, we published a new paper which identified 1,044 plant species, 63 of which are threatened with extinction in the wild, with the potential to be a **source of vitamin B**. The study was carried out by RBG Kew scientists working with a team of evolutionary biologists, ecologists, conservationists and food researchers from across the UK.

We have worked with Proctor & Gamble on their new Herbal Essences campaign, raising money to support an RBG Kew reforestation project in Mexico. '**Replant our Planet**' by Herbal Essences is a project which aims to support the planting of native trees of community interest and is funded by the purchase of shampoo.

Priority 2 – Inspire people to protect the natural world

RBG Kew will promote and provide access to knowledge, ideas and beautiful gardens that motivate individuals to be advocates for nature.

Visitor numbers totalled **2.4 million** in 2021 to 2022 at Kew Gardens and Wakehurst, compared with 1.7 million visits in 2020 to 2021. Recovery of our visitor numbers, following the impacts of the COVID-19 pandemic, has continued in 2021-22 and further recovery is expected in 2022-23, including international visitors.

In February we opened our annual **orchid festival**, this year themed around Costa Rica, a major orchid habitat and a role model for biodiversity conservation. Alongside a dazzling display of orchids, the vibrant installations in our Princess of Wales Conservatory included monkeys, sea turtles and the native quetzal bird, a symbol of Costa Rican forest protection. Ethereal Nature, a series of installations by Costa Rican artist Dino Urpí, explored the balance, beauty and harmony of the natural world.

The **Naturally Brilliant Colour** exhibition opened in our Shirley Sherwood Gallery in May, showcasing a new type of colour and technology to produce any shade of colour in its most vivid form. Later in the year, **Natural Reserve** by renowned artist Zadok Ben-David opened at the gallery, exploring themes of tragedy and hope, as well as shining a uniquely creative light on the relationship between humanity and the natural world.

Kew Gardens: A Year in Bloom was aired on Channel 5, which had excellent viewing figures and brought Kew Gardens to life for viewers at home. This was followed in June by a special episode of *Gardeners' World*, filmed at Wakehurst.

Our **Summer of Sound** at Wakehurst was a series of large-scale sound installations designed to inspire visitors' connection to nature. It sold over 40,000 tickets, and importantly attracted new visitors to experience the site for the first time.

In September, we were delighted to be awarded a new **Guinness World Records** title: 'Largest collection of living plants at a single-site botanic garden', an accolade to reflect the impressive 16,900 species of plants at Kew Gardens.

Our **Japan festival** opened in Kew Gardens in October, as our first ever autumn festival, and offered stunning artistic displays in the Temperate House and a Momijigari Trail around the Gardens, as well as Japan After Hours evenings with a range of performances from dance theatre to live music. This event contributed to our highest October visitor numbers on record.

Our **Gruffalo's Child trails** in October plotted enchanting journeys through both Kew Gardens and Wakehurst. Intrepid explorers of all ages enjoyed immersing themselves in the magic of the much-loved imaginative world, getting the chance to play and explore in our natural landscapes.

Hundreds of thousands of visitors joined us for our magical winter trails at **Christmas at Kew** and **Glow Wild** at Wakehurst, enjoying the annual after-dark festivities with family and friends. These events also featured in a Christmas special on Channel 5.

Our Participation team have been working to tell Kew stories in a variety of new and innovative ways throughout the year, including botanical beauty, gin discovery and chocolate workshops, a 'plan your year in the Kitchen Garden' event, and botanical art and knitting courses.

Priority 3 – Train the next generation of experts

The world needs brilliant scientists and horticulturists now and in the future. We are committed to training students from the UK and around the world.

In August, we launched our new **MSc in Biodiversity and Conservation** in partnership with Queen Mary University of London, followed by our MSc in Food Security, Sustainability and Biodiversity in October, with Royal Holloway University of London. We also invested further in our PhD students through a new funded post.

We launched a new '**Introduction to Horticulture**' 12-month course specifically designed to provide opportunities for people of diverse ethnicities to gain an entry point into a horticultural career. This is in recognition of the fact that within the profession of horticulture widely in the UK there are low levels of ethnic diversity. Our intention is to continue with this programme in subsequent years.

In September, one of our third-year students from our Kew Diploma in Horticulture won the Chartered Institute of Horticulture's **Young Horticulturist of the Year** award.

We welcomed three new **Arborist apprentices** to Kew in September, who have been working to develop their skills while also studying at college.

School bookings increased gradually during the year in line with the easing of restrictions, with over 50,000 school children visiting Kew Gardens and Wakehurst, and we hope soon to be back to full capacity. Almost 6,000 primary and secondary school teachers are now signed up to Endeavour, our free digital learning platform, giving a potential reach of over 170,000 pupils.

We progressed plans for a new **Learning Centre** at Kew Gardens, which will enable delivery of our schools' learning strategy (including teacher training); deliver more opportunities for community audiences (e.g. early years and families, youth); and increase the number, range and length of short courses we are able to offer.

In July, Wakehurst's Learning Programme was awarded the Learning Outside the Classroom Quality Badge. Kew Gardens also has this award, demonstrating that both sites meet schools' learning and risk-management needs.

Priority 4 – Extend our reach

RBG Kew is a public body and charity with global collections and influence. It must be for everyone, disseminating its knowledge and collections both physically and digitally for global benefit.

We have been working to develop and launch exciting **new ticketing offers**, to make both our gardens more accessible to people of all ages and incomes. In April, we launched our young person's membership at half-price, reduced-price day tickets for young people, and reduced-price family tickets. From January, a **new £1 entry offer** was introduced at both sites, for people who receive either Universal Credit or Pension Credit.

We continued our Community Access Scheme, providing services to people who would otherwise face barriers to visiting Kew Gardens independently, and held our second Community Open Week in July, a free event with the aim of engaging audiences with our collections and mission in a fun and accessible way.

In October, we secured government funding (subject to business case) to begin to **digitise our 8.5 million plant and fungal specimens** and create a complete catalogue of our internationally significant collections. This work will make our specimen records and images freely available online and accessible to researchers across the globe, providing a unique, world-leading resource of accessible data from more than 260 years of scientific exploration.

We have also made strides internally, with the constitution of our new **Equality, Diversity and Inclusion (EDI) Committee**, chaired by a Trustee; the formation of additional staff inclusion networks; and the creation of a phased delivery plan for our EDI strategy, building a strong foundation for delivery of our EDI work moving forwards. We set up an internal working group to consider history, equity and inclusion at RBG Kew and to develop recommendations to inform our work going forwards.

In 2021 we facilitated 724,000 positive actions online through our Grow Wild outreach programme, exceeding our target by 383%. Our seed kit campaign was adapted for key workers as a way of saying thank you for working through difficult conditions during the pandemic. Our evaluation revealed that 73% of participants intended to take further action for nature beyond growing their wildflower seeds, including seed collecting and creating shelters for wildlife.

Priority 5 – Influence national and international opinion and policy

RBG Kew will speak with confidence and prominence to advocate policies aligned with its mission. It will be an exemplar of environmental responsibility in all that it does, including by exceeding net-zero carbon emissions to become climate positive by 2030.

In April we launched our first **sustainability strategy**, marking a step change in our approach to tackling climate change. The strategy sets out a series of ambitious commitments to reduce our carbon footprint and use our voice and expertise to address the environmental emergency. Our aim is to go beyond 'net zero' and become 'climate positive' by 2030.

In July, we hosted **John Kerry, the US Special Presidential Envoy for Climate**, who gave a major speech outlining what nations must do if environmental and social devastation from runaway climate warming is to be averted.

In August, we launched our new brand campaign, **Our Future is Botanic**, with the aim of widening public perceptions of RBG Kew – from being known mainly for our beautiful gardens, to also being known as a world-leading plant science institute.

Professor Sir Partha Dasgupta was awarded the 2021 **Kew International Medal** in September for his work to protect nature and stop biodiversity loss, following his ground-breaking report, 'The Economics of Biodiversity'. The 2022 medal was awarded in March to Elizabeth Maruma Mrema, Executive Secretary of the Convention on Biological Diversity. Ms Mrema gave a powerful keynote lecture in which she addressed the scale of the challenge facing the planet and highlighted the need for collaboration and partnership to achieve a sustainable future.

In September we were delighted to welcome **HRH The Prince of Wales**, our patron, and the President of Gabon to Kew Gardens with a small group of CEOs, to promote the importance of HRH's Sustainable Market Initiative in addressing the critical challenges facing nature and humanity from the biodiversity and climate crises.

In October we received a second royal visit from **the Duke and Duchess of Cambridge**, joined by the Mayor of London, who took part in a Generation Earthshot event with children from a local school. The group worked to generate big, bold ideas to repair the planet. We were proud to be chosen in January as an official nominator for the **Earthshot Prize 2022**, a prestigious environmental award looking for eco-innovations to help solve the Earth's greatest problems.

In October, we published the '**Kew Declaration on Reforestation for Biodiversity, Carbon Capture and Livelihoods**', which aims to promote the long-term protection and restoration of natural forest ecosystems worldwide. Over 3,000 global experts and concerned citizens from 114 countries have supported and signed the Declaration, which was published in the journal *Plants, People, Planet*.

We also hosted a pre-COP26 Defra event with the Secretary of State and ministers. At the **COP26 United Nations Climate Change Conference in November**, our Carbon Garden in the UN Pavilion garnered high visibility and response. The same month, the Millennium Seed Bank Partnership at Wakehurst was awarded the **Worldwide Award for Biodiversity Conservation** at a ceremony in Madrid.

Sir David Attenborough's new five-part series, **The Green Planet**, which included sequences shot at Kew Gardens and Wakehurst, was broadcast on BBC1 from January. RBG Kew played a key role in the research for each of the stories featured in the popular series, with over 35 people from our Science and Horticulture teams involved in research and filming.

Our international partnership with Hay Festivals was relaunched with an event in Colombia in January. The event, '**The power of fungi, an overview of wonderful Colombian fungi**', shone a spotlight on Colombia's hidden fungal universe and generated significant national media coverage for our Useful Plants and Fungi of Colombia project.

Priority 6 – Ensure we have the infrastructure, people and financial health to succeed

Underpinning the five strategic priorities of 'Our manifesto for change' is a sixth priority, covering the core activities required to ensure we have the resources to deliver.

We are committed to **attracting and retaining great people** on our workforce in an unpredictable national labour market; we have been working to ensure that RBG Kew remains an excellent employer. We were pleased that in this year's staff survey, engagement remained high at 74%, and nearly 8 in 10 people rated themselves as very or fairly satisfied with working at RBG Kew.

We have continued to grow our **self-generated income** through admissions, fundraising, events, retail, licensing and memberships, following a dip in performance the previous year due to COVID-19. We have been developing plans for our next comprehensive fundraising campaign, which aligns with the priorities and timeline of our corporate strategy.

EVE (Enhancing the Visitor Experience) is our **major systems transformation project**. Through EVE, we are introducing new technology and automation, new processes, and new ways of working for our teams. The intended benefits span across visitor operations, retail experience (both on site and online), marketing, and stock management. Significant progress was made with the project in 2021 to 2022 and the first phase went live in the first quarter of 2022 to 2023.

We have made good progress on a number of capital projects. In December, we were delighted to open our new **Family Kitchen & Shop**. Designed with children in mind, it is themed around the four seasons and the elements that plants need to survive. It is a bright and colourful space which sparks curiosity and fun and enhances the provision for families at our Kew Gardens site.

In June 2021, Dame Judi Dench cut the 'ribbon' on our new Arboretum HQ building, which provides fit-for-purpose facilities for staff. This is **our first net-zero-ready building**, which will contribute to our sustainability targets.

We have begun making vital repairs to the roof of our **Herbarium** building, to ensure the safety of the collections housed within it, and have progressed proposals to refurbish and improve our historic **Palm House**, an iconic feature in the Kew Gardens landscape.

To ensure the continued safety of our staff and our visitors throughout the year in the ongoing response to COVID-19 we have had clear protocols and guidance in place at each site, particularly inside closed spaces such as our glasshouses and restaurants.

Measuring success

The table below shows performance during 2021 to 2022 for each of our corporate success measures; an explanation is provided on page 9. This was the first year of our new corporate strategy, ‘Our manifesto for change 2021–2030’, and we revised our success measures to align to our new priorities.

Some measures were still impacted by the COVID-19 pandemic, with performance against a number of targets affected. However, performance was strong in many areas, such as the number of citations to RBG Kew staff publications (where we outperformed all previous years), and the number of household memberships, which has remained strong throughout the pandemic.

Priority	Success measure	Outturn 2021 to 2022	Target 2021 to 2022	Outturn 2020 to 2021	% Outturn vs target
Deliver science-based knowledge and solutions to help us protect biodiversity and use natural resources sustainably	1. Number of new plant, fungal and seed accessions to the RBG Kew Science Collections	10,079	15,000	5,287	67%
	2. Number of IUCN† threatened species in our seed bank collections	1,560	1,210	1,110	129%
	3. Number of taxa that have threatened conservation status (IUCN Red List: Vulnerable, Endangered, Critically Endangered, Extinct in the Wild)	1,271	1,200	1,412	106%
	4. Number of visits to RBG Kew digital collections database resources	4.63 million	4.5 million	4.35 million	103%
	5. Total number of scientific publications	648	250	373	259%
	6. Number of citations to RBG Kew scientific publications	60,147	35,000	49,750	172%
Inspire people to protect the natural world	7. Total visits to Kew Gardens and Wakehurst	2,382,142	2,170,737	1,652,132	110%
	8. Total number of household memberships for Kew Gardens and Wakehurst	104,875	94,006	97,705	112%
	9. Percentage of daytime visitors who feel they have learnt something as a result of their visit to Kew Gardens and Wakehurst	58%	75%	No data available	77%
Train the next generation of experts	10. Number of school pupil visits to Kew Gardens and Wakehurst	52,976	105,692	2,240	50%
	11. Percentage of horticulture students/apprentices moving on to relevant education/employment	100%	95%	100%	105%
Extend our reach	12. Net Brand Equity Score	46%	N/A	No data available	N/A
Influencing national and international opinion and policy	13. Carbon emissions from all fuel sources: scope 1 & 2 and core scope 3 (tonnes)	7,674	7,536	7,575	101%
Ensure we have the right people, financial health and infrastructure to succeed	14. Self-generated income	£56 million	£51 million	£35 million	110%
	15. Staff engagement index score	74%	77%	77%	96%
	16. Increase in the number of assets categorised as in ‘Good’ condition	63%	65%	57%	97%

† International Union for Conservation of Nature

Notes on performance

1. Number of new plant, fungal and seed accessions to the RBG Kew Science Collections

This measure records the number of new specimens added to the plant, fungal and seed collections. We were not able to achieve our target for the year, due to the impact of COVID-19 (through our inability to conduct fieldwork collection activities) and tighter restrictions for international material transfer from some countries.

2. Number of IUCN threatened species in our seed bank collections

This measure demonstrates the representation of species in our seedbank collection that are recorded on the IUCN Red List of Threatened Species. The increase this year was driven by new accessions and new Red List assessments being released into the IUCN database.

3. Number of taxa that have threatened conservation status (IUCN Red List: Vulnerable, Endangered, Critically Endangered, Extinct in the Wild)

This measure demonstrates the representation of taxonomic groups in our Living Collections that are recorded on the IUCN Red List of Threatened Species.

4. Number of visits to RBG Kew digital collections database resources

This measure records the level of usage of RBG Kew's databases. Access in 2021 to 2022 exceeded our target, demonstrating the importance of increasing access to Kew's collections through mass digitisation.

5. Total number of scientific publications

This measure records the number of scientific publications by RBG Kew staff. The output for 2021 to 2022 was 648, more than double the target set. This significant increase is likely due to the impact of COVID-19, in that many scientists were unable to conduct field work and focused on producing published work.

6. Number of citations to RBG Kew scientific publications

This measure records the number of instances RBG Kew publications have been cited. In 2021 to 2022, we achieved 60,147 citations, again, more than double the target and outperforming all previous years, reflecting the positive and influential global impact of our scientific publications.

7. Total visits to Kew Gardens and Wakehurst

This measure records the overall number of visitors to Kew Gardens and Wakehurst. Despite still recovering from the impact of COVID-19, particularly in terms of international visitors at Kew Gardens, we have been able to achieve our target. This is largely a result of higher-than-expected member visits at both sites and a record number of visitors to Christmas at Kew this year. The total visitor figure for 2021 to 2022 is only 9% lower than our 2019 to 2020 visitor figures, one of our highest on record.

8. Total number of household memberships for Kew Gardens and Wakehurst

The total number of household memberships was 104,875, which was above this year's target and reflects the continued support of our members during the pandemic.

9. Percentage of daytime visitors who feel they have learnt something as a result of their visit

This measure demonstrates our role in developing understanding of the importance of plants and fungi. Our visitor surveys, which are run at both Kew Gardens and Wakehurst, were cancelled in 2020 to 2021 as part of a cost-saving exercise due to COVID-19, so we were unable to compare against last year. For comparison, in 2019 to 2020, the number of daytime visitors who felt they had learnt something as a result of their visit to Kew Gardens was 79%. For 2021 to 2022, the perceived dip in learning could be due to a low sample size from the survey. We are reviewing our learning metrics as part of a wider project to understand how to better encourage people to learn something new on a visit to RBG Kew.

10. Number of school pupil visits to Kew Gardens and Wakehurst

The number of visits to both sites totalled 52,976, under our target of 105,692, although significantly improved on last years' number of 2,240. Our schools programme was still affected by COVID-19 restrictions in 2021-22 but has improved steadily throughout the year. We hope to run our full schools programme in 2022 to 2023.

11. Horticulture students/apprentices moving on to relevant education/employment

This measure aims to show the effectiveness of RBG Kew's professional training programmes. Of the horticulture students/apprentices who participated in our survey, 100% moved onto relevant education/employment.

12. Net Brand Equity Score

This measure shows whether perceptions of RBG Kew align with our brand positioning and ethos among key stakeholders. Our tracking research was cancelled in 2020 to 2021 as part of a cost-saving exercise due to COVID-19. We took the opportunity to undertake a new study and 2021 to 2022 is the new baseline. We will set a target for next year using this data.

13. Carbon emissions

This measure records scope 1, 2 and core scope 3 emissions, which totalled 7,674 tonnes CO₂e. For this measure, emissions lower than the target would be a positive indicator. After the 2021 to 2022 emission target was set, a long-running metering error was discovered which increased RBG Kew's baseline and annual emissions, and this increase has pushed our emissions performance slightly over the 2021 to 2022 target. In previous years, we have only reported direct carbon emissions, so it is not possible to compare this measure against previous years. Further information is provided on pages 22 to 26.

14. Self-generated income

We measure our income generated from non-government sources including fundraising, research grants, admissions, memberships and commercial enterprises. The total self-generated income for the year was higher than our target – this was driven largely by a successful Christmas at Kew run, membership and philanthropy.

15. Staff engagement index score

The staff engagement score is calculated using a set of questions taken from our annual people survey. Our 2021 to 2022 score was 74%, slightly lower than last year's score of 77%, but still demonstrating an engaged workforce.

16. Increase in the number of assets categorised as in 'Good' condition

This indicator measures the improvements in the built estate arising from our estates work programme. We have been able to continue our estates improvement work and only narrowly missed our target.

Plans for future periods

We have developed a corporate operational plan setting out the key activities that we will undertake over 2022 to 2023. This plan sets out 26 corporate priorities grouped under the six strategic manifesto priorities outlined above and includes commencement of the digitisation project, completion of RIBA Stage 2 for the restoration of the Palm House and the launch of two new master's programmes. To monitor our progress in achieving our objectives, we will review our organisational performance on a quarterly basis using success measures and delivery milestones as indicators of success.

Customer care

RBG Kew is attuned to the needs of our existing and potential future customers. We continue to explore new ways of enhancing the customer experience and broadening engagement with both our physical sites and our wider work, whilst prioritising accessibility. We are proud, as public servants, to provide two leading visitor attractions. Our Kew Gardens site was recently announced as the second most-visited attraction in the UK in the calendar year 2021¹. We track customer visitor feedback through:

- a visitor survey for both Kew Gardens and Wakehurst, run by an external market research company. This survey tracks key aspects of our visitor experience year-round, as well as providing benchmarking data. The survey was paused in 2020 to 2021 due to COVID-19 restrictions but resumed in 2021 to 2022.
- a mystery shopper scheme, run by an external market research agency
- the Visitor Attraction Quality Assurance Scheme (VAQAS) operated by Visit England
- our information email addresses, info@kew.org and wakehurst@kew.org
- our social media channels

The 2021 to 2022 results from the annual visitor survey show that 97% of visitors rated enjoyment of their visits as either good or excellent, and 84% of paying visitors rated value for money as either good or excellent.

Health and safety

To ensure RBG Kew is a safe place to work and visit, the management of health and safety is at the root of how we operate.

This year was dominated again by COVID-19; ensuring the

safety of our staff, visitors and others therefore remained a priority. This was achieved by communicating clear guidance and applying effective controls. Our controls were inspected by both local authority inspectors (Q1) and the Health and Safety Executive (Q3) and found to be compliant.

The Health and Safety Committee continues to meet quarterly to review current health and safety arrangements and set direction for the organisation. The Committee is chaired by the Director of RBG Kew and includes representatives of the three recognised trades unions, a representative from the Departmental Health and Safety Coordinators, and representatives from the Health and Safety department.

We have relevant health and safety objectives, key performance indicators and a corporate health and safety risk register, all of which are reviewed on a regular basis.

An internal audit of the management of health and safety was carried out in Q3. It looked at a wide range of controls including governance arrangements, key policies, organisational communication, etc. RBG Kew received a green 'substantial assurance' rating.

The annual staff survey continues to reflect positive employee engagement with health and safety, with 94% of staff saying they had a good understanding of health and safety responsibilities, and 92% saying that health and safety was managed well or very well at RBG Kew.

In the reporting year April 2021 to March 2022, there were no RIDDOR reportable incidents at RBG Kew. All health and safety incidents continue to be investigated, and remedial action taken as appropriate.

Equality, diversity and inclusion: Evolving our working culture

Diversity and inclusion of staff and volunteers is a key priority for RBG Kew, and our wider people and culture strategy supports the overall corporate strategy and our ambition to be a dynamic and sustainable organisation. We launched our equality, diversity and inclusion (EDI) strategy in 2020, covering the period 2020 to 2024. A Head of EDI commenced in post in May and is working to embed the strategy across the organisation. This year we have:

- developed a three-year delivery plan for the EDI strategy
- developed an EDI data dashboard, allowing us to better understand the demographics of our people, and providing a baseline for measuring the success of further initiatives in this area
- improved quantitative diversity reporting data by 26 percentage points; we now hold this data for 80% of our staff
- created six new staff networks, supported two existing networks, and provided training for our network chairs. Each network is sponsored by an Executive Board Member
- delivered Inclusive Leadership training for our Executive Board members
- applied for Athena Swan bronze accreditation (which recognises and celebrates good practices in research institutions, towards the advancement of gender equality) for Kew Science

¹ ALVA | Association of Leading Visitor Attractions

- set up an EDI Committee of the Board, charged with providing ambition, challenge and oversight to the delivery of our ‘Extend our reach’ strategic priority and the EDI strategy

Equality, diversity and inclusion: Improving equity of access

At RBG Kew we are committed to broadening our reach to include diverse audiences and provide equity of access. We work in partnership with a wide range of individuals, organisations and community groups, and our Community Access Scheme provides reduced entry for groups facing physical, sensory, psychological or social barriers to visit Kew Gardens independently. We also provide tickets free of charge for *Christmas at Kew* and other commercial programmes (e.g. adult short courses and late events) to members of Kew’s Community Access Scheme. In January 2022, we introduced a new low-cost entry (£1) for people in receipt of Universal Credit or Pension Credit. We have recently recruited a Participation Manager at Wakehurst to lead on the delivery of a new participation plan for the site.

During the first six months of 2021, we continued to deliver our learning programmes online and free of charge, while also reintroducing on-site programming for community groups focusing on creative writing, music and wellbeing, tai chi and knitting. The last involved over 100 participants in creating a large, knitted artwork, mapping the relationships between plants and how they have evolved over time. We also restarted our Discovery and Access activities on-site, providing dementia-friendly health walks, wellbeing walks and sensory tours – including tours for a youth group from the Royal Society for Blind Children and members of the Kingston Association for the Blind.

Partnering with children’s centres in our local boroughs, we piloted a new Family Saturday Science Club, and ran four quiet sessions in the Children’s Garden for almost 400 children with special educational needs and disabilities and their families. Our Community Horticulture programme shared over 800 packets of basil seeds and growing instructions with foodbanks across London and we sent crates of lettuce, pak choi, broad beans and purple peas to two local food banks, which then distributed the produce to over 50 families.

Kew’s Community Connectors also met for the first time since 2019 and fed back on the main challenges their groups were facing and their experiences at Kew Gardens, all of which will help to inform programming during 2022.

Our Access Forum met three times during the year, advising us on making the audio tour on our land train more accessible and creating a visual guide and accessible map for both Kew Gardens and Wakehurst. We also trained visitor-facing staff and volunteers in British Sign Language, disability confidence, dementia awareness and race and ethnicity training, and produced a disability language and etiquette guide to help everyone feel more confident in engaging with people who have access requirements.

Schools and outreach

The numbers of school pupils visiting RBG Kew sites this year has increased dramatically from the previous year as a result of easing COVID-19 restrictions.

On our website, we provide free curriculum-aligned resources for KS1 to KS5, designed to keep pupils on track with their learning whether at home or in the classroom. Our schools’ learning platform, Endeavour, provides free curriculum-related plant science resources and continues to engage schools across the UK. It equips teachers with the tools to deliver lessons on a host of useful and relevant topics, with access to our leading knowledge and research at their fingertips. This year saw the launch of a series of new challenges for all Key Stages, including a challenge on plant diseases which invited pupils to design and carry out a plant health survey and explore the devastating effect ash dieback is having on our native ash trees in the UK.

Looking ahead, we have developed plans for Wakehurst’s teachers to lead school groups in research measuring the wellbeing value of connecting with nature, as part of the wider Landscape Ecology Programme. Twenty-three classes of students will be visiting between May and October 2022.

Grow Wild, RBG Kew’s national outreach learning programme, continues to deliver meaningful impacts for communities across the UK and inspire people to value and celebrate the UK’s native plants and fungi. Grow Wild funded and supported 64 youth projects nationwide with mentoring and training.

Volunteering

While 2020 to 2021 was a challenging year for many in RBG Kew’s volunteering community, 2021 to 2022 heralded the COVID-19 vaccination programme and a return to some semblance of normality for our volunteers and volunteering programmes. Our joy this year has been seeing RBG Kew buzzing with volunteers back on site.

At the end of last year there were 753 volunteers supporting RBG Kew’s work in a wide variety of settings. Volunteers are a vital and integral part of the organisation and contribute diverse talents and skills including horticultural support, guiding, youth volunteering and support to our schools, families, galleries and science teams. Last financial year our volunteers donated in excess of 70,000 hours to our mission. Although this broadly equates to a value of £1.2m that the organisation would have had to spend on an equivalent contribution of staff time, more important still is all the qualitative data and feedback that we receive concerning the way our volunteers enrich our community with their talent, commitment, skills, enthusiasm and energy. For example, 1,528 volunteer-led guided walking tours across the Kew Gardens and Wakehurst sites could not have enhanced our visitor experience without the sterling support of our volunteers.

Volunteer recruitment during the pandemic has been largely to remote or virtual roles with exciting initiatives such as our Travelling Plants project, where we collaborated with the University of Roehampton and the U3A to recruit over 30 remote volunteers. The project was carried out entirely remotely and involved encoding an archive document to make the data more shareable and accessible. In addition, our volunteering programme became truly global with 60 new recruits based in the US, India, China, Italy, Germany, Switzerland and Nigeria. These Joseph Hooker Correspondence Project volunteers took part in an exciting new approach to transcribing his letters using Transkribus, an AI text recognition platform, making them available to all. However, last year also heralded the reopening of

recruitment to new on-site roles with a total of 162 new recruits. We also introduced a new category of 'Visitor Volunteer', a short-term, bite-sized volunteering role aimed at giving students a valuable work experience opportunity. A total of 22 Visitor Volunteers supported the installation of the Zadok Ben-David exhibition in the Shirley Sherwood Gallery of Botanical Art.

One of the key quantitative indicators of our volunteers' value to our organisation is the Volunteer Investment and Value Audit (VIVA) ratio, which demonstrates that for every £1 the organisation invests in our volunteering programme, we receive over £6 in return. RBG Kew retains more than four fifths of our volunteer task force year on year, with a retention rate of 93% (excluding fixed-term volunteering placements).

RBG Kew also promotes environmental volunteering by hosting 'Employee Volunteering Days' for the corporate sector. In the financial year, 503 volunteers took part in corporate volunteering activities over 32 days.

As part of our commitment to supporting and promoting active citizenship, we recognise the important contribution of volunteers to our work and community. With a record of involving volunteers since 1992, last year we introduced a long service award for 30 years of service, in addition to our awards for 5, 10, 15, 20 and 25 years of service. RBG Kew celebrates and thanks our volunteers for their precious gifts of time and talent to our organisation, as well as the many staff who support, supervise and develop them.

Third-party engagement

RBG Kew is committed to ethical responsibility, both as an institution and on the part of individual members of staff, volunteers and students. As an organisation largely funded by charitable donations and public funds, RBG Kew aims to achieve value for money and deliver the greatest possible positive impact for our beneficiaries and the public.

RBG Kew works with a range of third parties in pursuance of our objectives. In negotiating relationships, we seek to further the aims of RBG Kew, as described in our mission, and protect our reputation and brand. In doing so we undertake to use appropriate due diligence in developing third-party engagement relationships and to use a least harm and maximum benefit approach in assessing potential partners. This approach is set out in RBG Kew's third-party engagement policy, which was last reviewed by the Board of Trustees in March 2022.

Safeguarding

Overall accountability for RBG Kew's safeguarding policy rests with the Board of Trustees. The Audit and Risk Committee monitors the implementation of the policy and reviews the risks and controls in place. The Director of Gardens is the Safeguarding Lead and manages a full-time Head of Safeguarding who came into post in October 2021. Responsibility for overseeing safeguarding incidents/concerns is delegated to the Head of Learning and Participation for Kew Gardens, the Head of Programmes and Learning for Wakehurst, and the Deputy Director of Science for Kew Madagascar Conservation Centre (and all other overseas work).

Safeguarding is managed through the Safeguarding Oversight Committee, which meets biannually and includes senior staff from across the organisation. Nominated Safeguarding Champions from each directorate meet every two months to identify any gaps that need addressing and support the implementation of the policy through the cascading of information and following up actions. The Champion meetings are a reflective learning space and allow for the sharing of best practice. A quarterly dashboard is circulated to all in the organisation to promote and profile safeguarding, and regular blog posts are posted on our staff intranet site.

In August, an internal audit of safeguarding was conducted. This provided adequate assurance on the design and effectiveness of internal controls in this area, and six recommendations were raised. All these recommendations have now been implemented.

In January, the safeguarding policy was revised to incorporate a greater focus on RBG Kew's international work; to introduce a code of practice; to detail best practice in relation to managing disclosures of abuse or harm; and to reference the emotional content and potential impact of safeguarding work. The policy has been translated into six languages in addition to English, and has been adapted into an easy-read format to increase accessibility for all.

During 2021 to 2022, 78 staff and volunteers attended safeguarding training delivered online. More specialist training, focused on safeguarding governance, was also run for Safeguarding Leads, HR, and department heads responsible for visitor-facing activities. A social media safeguarding training programme was also developed and facilitated, to support the work being done online during the pandemic. Safeguarding training was temporarily paused in September 2021 to allow for a new training programme to be designed; a full year of training dates have now been set for delivery in 2022 to 2023.

The development of an international safeguarding framework is underway. A three-phase in-country safeguarding assessment has been planned at Kew Madagascar Conservation Centre, with phase one taking place in April 2022. The assessment will aim to consider the wider contextual and intersectional issues within Madagascar. Following this we will look to implement enhanced governance measures to mitigate risk both internally and in RBG Kew's work with partner agencies.

During 2021 to 2022 there have been a total of 16 safeguarding incidents/concerns reported, with six of these requiring external follow-up. This is a small increase compared to previous years and in our view demonstrates growth in the workforce ability to confidently identify and respond to safeguarding matters.

Fundraising approach and list of donors

In 2021 to 2022, most fundraising activity was undertaken as a service provided by RBG Kew's subsidiary, RBG Kew Enterprises Limited, and recharged to RBG Kew. Fundraising performance in 2021 to 2022 was strong, with £9.1 million of fundraising income (an increase of £1.7 million compared to 2020 to 2021), and ahead of target primarily due to securing new restricted grants from trusts and foundations for Kew Science research. The costs of raising funds in 2021 to 2022 was £4 million and in line with the prior year;

there is no material expenditure incurred to raise income in the future.

RBG Kew is registered with the Fundraising Regulator and both RBG Kew and RBG Kew Enterprises Limited adhere to the Regulator's Code of Fundraising Practice. There have been no incidences identified of failure to comply with the code by RBG Kew, RBG Kew Enterprises Limited, or any other partners worked with during the year. No complaints were made regarding our fundraising practices. We regularly review fundraising processes to ensure that no undue pressure is placed on visitors or supporters and that all approaches protect the public and vulnerable people from unreasonably intrusive or persistent fundraising.

The Board of Trustees of RBG Kew thank the following for their generous support of our vital work:

70 St Mary Axe Trustees
The A. G. Leventis Foundation
The Aldama Foundation
The Amar-Frances & Foster-Jenkins Trust
Annington
Arcadia – a charitable fund of Lisbet Rausing and Peter Baldwin
Barbara Aspinal
The Auriga Academy Trust
Bank of America
Struan Bartlett
BBVA Foundation
Bloomberg LP
Boundless
Brown Advisory
Bytes Software Services
The Calleva Foundation
Carlton Tower Hotel (Jumeirah Group)
CSSC Sports & Leisure
Helen and Peter Cullens
Daikin UK
The Dennis Curry Charitable Trust
Jonathan Drori
EcoWorld London
The Ellis Goodman Family Foundation
Empresaria Group plc
Esmée Fairbairn Foundation
Evolution Education Trust
Dame Amelia Fawcett DBE, CVO
Findlay Charitable Trust
Franklinia Foundation
Frugi
The Gatsby Charitable Foundation
Goldman Sachs Gives – Ben and Harriet Thorpe
Ground Control Limited
GSK
The Guardian and The Observer
IKEA of Sweden AB
The Ingram Trust
JATO Dynamics
The John Eccles Charitable Trust
The John Lewis Partnership
John Lyon's Charity
Kusuma Trust UK
Linde
The Mallinckrodt Foundation
Alexander McQueen
Mount Anvil and Peabody
The Nicholas Bacon Charitable Trust
Mrs Roslyn Packer AC
PerkinElmer
Peter Sowerby Foundation
Jan and Linda Pethick
Players of People's Postcode Lottery
PuraPharm
Richmond Parish Lands Charity
The Roger and Ingrid Pilkington Charitable Trust
The Schroder Foundation
Jake and Hélène Marie Shafran
ShareGift
James Sherwood and Shirley Sherwood OBE
Sky Zero
Starling Bank
The Steel Charitable Trust
SWIFT
Robert Swindale
The 3 Ts Charitable Trust
Mr and Mrs Thirkell-White
Margaret and David Walker
The Winslow Family
And all other supporters, including our loyal Patrons and those who have chosen to remain anonymous.

Governance statement

Overview

Kew Gardens was founded as a Royal Garden in 1759. RBG Kew was established under the National Heritage Act 1983 ('the Act') and is an executive non-departmental public body (NDPB) and a body corporate, with exempt charitable status, operating under a Board of Trustees and a Director.

RBG Kew aspires to high standards of governance. This statement sets out the arrangements RBG Kew has in place, reports on the effectiveness of those arrangements, and outlines the key activities and issues which have arisen since the last report.

Our internal governance rules are set out in 'Governance at RBG Kew', which details the operating rules for RBG Kew and what it means to be an arm's-length public body and an exempt charity. The document also helps staff to navigate rules relating to decision making, delegated authorities and internal control mechanisms. It was updated in 2020. Governance at RBG Kew is broadly aligned with the Charity Governance Code for larger charities and draws upon various other principles and best practice as befitting to Kew's status, size and breadth of operations, such as the government corporate governance code of good practice and the Charity Commission's guidance on trustee boards.

As an executive NDPB, we operate at arm's length from our sponsor department, Defra, which acts as RBG Kew's principal regulator for charity law purposes. Defra's role is a strategic one. A revised Framework Document was agreed with Defra in July 2022 to replace the previous version, which had expired. There were no significant changes to the document, the purpose of which is to set out arrangements for monitoring and understanding RBG Kew's strategy, performance and delivery.

1. Governance arrangements

The Board of Trustees

The Board of Trustees was established under the Act and came into existence on 8 August 1983. It has collective and non-delegable responsibility for RBG Kew. It determines the strategy of the organisation and ensures that it has appropriate policies and procedures to fulfil its statutory and administrative obligations with regard to the use of public funds. Collectively, the Trustees operate as the Board, observing the legal and good-practice expectations included in their responsibilities. The Board meets four times a year, and additionally when necessary, to consider matters relating to the overall control, business performance and strategy of the organisation.

The 12 Trustees on the Board have been selected to provide an appropriate balance of skills, experience and knowledge to discharge their duties effectively. Of the 12 Trustees, 11 have been appointed by the Secretary of State for Environment, Food and Rural Affairs and one by Her Majesty The Queen. The recruitment of Trustees is regulated by the Office of the Commissioner for Public Appointments and conducted through fair and open competition, in accordance with the Governance Code on Public Appointments. In addition, we use the expertise of a number of Independent Members who sit on different Boards and Committees. On appointment Trustees are briefed by Defra and inducted into RBG Kew's operations.

Board effectiveness reviews are normally carried out annually, with the last review taking place in December 2020. The 2021 review was postponed due to changes in Board membership and will be conducted later in 2022. The last review concluded that the Board was operating effectively with some areas identified for improvement and associated recommendations implemented. Improvements made during the year include a new format for Board papers to provide greater clarity and focus, and increasing time for strategic discussion at meetings. We also made changes to support the delivery of the corporate strategy, including introducing a strategy focus item at meetings; setting up a new Equality, Diversity and Inclusion Committee; and identifying the skills and experience required on the Board to deliver our new strategy, to inform the recruitment of new Trustees.

Membership of the Board during 2021 to 2022 was as follows:

Dame Amelia Fawcett DBE CVO (Chair)
Nick Baird CMG CVO (until 31 October 2021)
Judith Batchelar OBE (from 1 April 2021)
Professor Liam Dolan FRS (appointed Queen's Trustee on 9 April 2021, until 28 February 2022)
Catherine Dugmore (until 28 February 2022)
Sarah Flannigan
Professor Ian Graham FRS (from 1 November 2021)
Krishnan Guru-Murthy
Professor Sue Hartley OBE (until 28 February 2022)
Jantiene Klein Roseboom van der Veer
Professor Christopher Gilligan CBE, ScD (appointed Queen's Trustee on 17 March 2022)
Sir Paul Nurse CH FRS FMedSci HonFREng HonFBA MAE
David Richardson
Three new Trustees joined the Board as of 1 April 2022: Steve Almond, Kate Priestman and John Scanlon.

Standard Board agenda items include a regular report from the Director covering major strategic issues, financial updates, government affairs, reports from Committees and any declarations of interest. The Board considered a range of significant matters during the year including:

- broadening access to underrepresented audiences, and history, equity and inclusion at RBG Kew
- protection of RBG Kew's Science Collections, including plans for digitisation
- approval for pricing for 2022 to 2023 for Kew Gardens, Wakehurst and membership
- approval of key policies, including third party engagement and reserves
- approval of the RBG Kew Annual Report and Accounts 2020 to 2021 and the budget and operational plan 2022 to 2023
- preparation for the upcoming comprehensive fundraising campaign
- plans for renovation of the Palm House and a new Learning Centre

Committees

RBG Kew has two types of committee: Committees of the Board of Trustees and Committees of the Executive Board. Committees are advisory and only make decisions in relation to the execution of the specific remit of each Committee. Committees include a minimum of two Trustees, and some have Independent Members. Each Committee has written terms of reference.

Committees of the Board of Trustees play an important governance function in assuring the Board of Trustees that the Executive Board is carrying out its role appropriately. Committees of the Board include the Audit and Risk Committee; Finance and Resources Committee; Remuneration and Nominations Committee; and a new Equality, Diversity and Inclusion Committee. Forward work plans are prepared for these Committees.

Committees of the Executive Board exist to create opportunities for Trustees and other non-executive experts to advise and make recommendations to Executive Board members on strategic development in respective subject areas. These Committees comprise the Foundation Council, Science Advisory Committee, Visitor and Commercial Advisory Committee, and a new Wakehurst Advisory Committee.

A synopsis of Committee meetings is provided to each subsequent meeting of the Board of Trustees, with an opportunity for Committee Chairs to raise concerns and highlight key matters of interest. A record of Committee membership and attendance is on page 17.

Audit and Risk Committee

The Audit and Risk Committee advises the Director of RBG Kew (the Accounting Officer) and assists the Board of Trustees in monitoring the integrity of financial reporting and the effectiveness of internal control, governance and risk management systems. It also advises the Board on the scope and effectiveness of the internal audit service and monitors the work of the external auditors. It reviews the financial statements and annual report, and reviews procedures for the detection of fraud and the handling of serious concerns from whistleblowers.

Membership of the Committee during the year comprised three Trustees and an Independent Member. Key aspects of the Committee's work are the review of RBG Kew's strategic risk register as well as directorate risk registers, and the review of internal audit reports and progress on completing recommendations. Topics discussed in 2021 to 2022 included:

- operations in Madagascar
- estates forward maintenance planning
- reviews of cyber security, information security and safeguarding
- mitigation of the risks to scientific collections in the Herbarium
- reviews of policies for anti-fraud, bribery & corruption; whistleblowing; risk management; safeguarding; and business continuity planning
- register of interests for Trustees, Executive Board, Kew Enterprises Directors and Independent Members
- internal audit strategy and plan 2022 to 2023

Finance and Resources Committee

The main responsibility of the Finance and Resources Committee is to review RBG Kew's significant plans and strategies for finance, IT, estates, and people and culture, and to make recommendations to the full Board for decision. Membership of the Committee as at 31 March 2022 comprised two Trustees and one Independent Member. Matters reviewed by the Committee during the year included:

- scrutiny of business cases for major projects and events and long-term financial plans
- review of RBG Kew's reserves, cash management and investment policies
- capital funding
- review of activity under the people and culture strategy
- 2022 to 2023 operational plan and budget
- Kew Gardens' membership scheme performance and fundraising
- estates capital programme planning

Remuneration and Nominations Committee

The Remuneration and Nominations Committee is chaired by the Chair of RBG Kew and comprises two additional Trustees. The Committee met twice in the year. In addition to reviewing senior executives' remuneration, it focused on Trustee appointments. It also reviews and approves the appointment of all Independent Members to the RBG Kew Board and its Committees.

Equality, Diversity and Inclusion Committee

The Equality, Diversity and Inclusion (EDI) Committee was newly established within the year to provide ambition, challenge and oversight to the delivery of the 'Extend our reach' strategic priority and the EDI strategy. The Committee consists of three Trustees and two Independent Members, and met once in 2021 to 2022 to establish its terms of reference, review the progress made to date, and consider future plans under the 'Extend our reach' strategic priority.

Foundation Council

The Foundation Council is a group of philanthropic supporters who act as advocates and ambassadors for RBG Kew's fundraising activity, helping to build a network of supporters that will sustain our future. In 2021 to 2022, the Council welcomed three new members and met four times. Highlights from the meetings included:

- RBG Kew's new sustainability strategy
- US engagement plan and Patrons programme refresh
- presentations on fundraising campaign timelines and flagship projects, including the Learning Centre, Wakehurst Masterplan and Palm House restoration

Science Advisory Committee

The Science Advisory Committee advises on the long-term strategy for science at RBG Kew. At 31 March 2022, the Committee comprised four Trustees and four Independent Members (the Independent Members are invited to the Committee when there are topics relevant to their areas of expertise). The Committee met four times during the year.

The Committee discussed:

- fostering innovation including commercial and consultancy opportunities
- the development of the Scientific Priorities for RBG Kew
- an update on risks to the collections (ongoing monitoring and mitigation)
- RBG Kew's position on genetic modification
- activities of the Commercial Innovation Unit
- plans for operating more effectively in key strategic countries

Visitor and Commercial Advisory Committee

The Visitor and Commercial Advisory Committee provides strategic oversight of the visitor offer at Kew Gardens and Wakehurst, and on driving growth of RBG Kew's commercial offer. The Committee consists of three Trustees and one Independent Member. It met three times in 2021 to 2022. The Committee discussed topics including:

- visitor and commercial performance at Kew Gardens and Wakehurst
- proposals for the visitor offer and public programming
- catering at Kew Gardens and Wakehurst
- interpretation and wayfinding
- Wakehurst Commercial and Marketing Development Plans
- membership at Kew Gardens and Wakehurst

Wakehurst Advisory Committee

The Wakehurst Advisory Committee is a new Committee for 2021 to 2022. Its remit is to help drive, challenge and support ambition, innovation and excellence in all aspects of the Wakehurst estate and its role within RBG Kew. It met three times in 2021-22. The Committee discussed topics including:

- Wakehurst's performance, trends and operational priorities
- the Landscape Ecology Programme and the integration of Kew Science at Wakehurst
- Wakehurst's Marketing and Communications strategy

Board of Trustees and Committee attendance 2021 to 2022

Board & Committee	Board	Audit and Risk	Finance and Resources	Remuneration and Nominations	Equality, Diversity and Inclusion	Wakehurst Advisory	Visitor and Commercial Advisory	Foundation Council	Science Advisory
RBG Kew Trustees									
Dame Amelia Fawcett	4 out of 4*		3 out of 3*	2 out of 2*	1 out of 1				
Nick Baird (to October 2021)	2 out of 2		1 out of 1*	1 out of 1					
Judith Batchelar	2 out of 4						3 out of 3*	3 out of 4	
Professor Liam Dolan (to February 2022)	3 out of 3								4 out of 4*
Catherine Dugmore (to February 2022)	3 out of 3	5 out of 5*		2 out of 2					
Sarah Flannigan	3 out of 4						3 out of 3	2 out of 4	
Professor Christopher Gilligan	4 out of 4			1 out of 1		3 out of 3*			4 out of 4
Professor Ian Graham (from November 2021)	2 out of 2		2 out of 2						2 out of 2
Krishnan Guru-Murthy	3 out of 4				1 out of 1*		1 out of 3		
Professor Sue Hartley (to February 2022)	3 out of 3								2 out of 4
David Richardson	4 out of 4	5 out of 5				3 out of 3			
Jantiene Klein Roseboom van der Veer	4 out of 4	5 out of 5							4 out of 4
Sir Paul Nurse	3 out of 4								1 out of 4
Independent Members									
Marcus Agius								4 out of 4	
Johanna Waterous								3 out of 4	
Lady Barbara Davis								3 out of 4	
Hélène Marie (Ewi) Shafran								3 out of 4	
Kenneth (Ken) Khaw								0 out of 4	
Ruth Yeoh								3 out of 4	
Jan Pethick								4 out of 4	
John Taysom								1 out of 4	
Jamie Ritblat								4 out of 4	
David Fransen								4 out of 4	
Pippa Wicks								3 out of 4*	
Joe Gromacki								1 out of 4	
Robert Lloyd George								2 out of 4	
Razan Khalifa Al Mubarak (from June 2021)								2 out of 4	
Herta Von Stiegel (from September 2021)								3 out of 3	
Margaret de Heinrich de Omorovicza (from September 2021)								3 out of 3	
Sarah Fransen								2 out of 3	
Mike McDonagh	4 out of 5								
Jane Reeves		3 out of 3							
Andy Bassadone						3 out of 3			
James Wong (from November 2021)					0 out of 1				
Bola Fatimilehin (from November 2021)					0 out of 1				
George Loudon (until February 2022)									2 out of 4
Professor Fred Asiegbu									1 out of 1+
Professor Richard Ellis									1 out of 1+
Professor Nathalie Seddon									0 out of 1+
Dr Xerxes Mazda									1 out of 1+

NB: Where the total number of meetings shown against an individual is less than total number of meetings held this indicates that the individual did not hold office at the time of the meeting. * Denotes chair + Science Advisory Committee Independent Members are invited by rotation depending on specialty / meeting topic.

Director of RBG Kew and Accounting Officer

The Director is accountable to the Board for the running of RBG Kew and is appointed by the Board, subject to approval of the Secretary of State. The Director is also the Accounting Officer for RBG Kew and is responsible for:

- accounting for public funding and stewardship of assets for which they have charge
- ensuring propriety, regularity, value for money and feasibility in the handling of public funds
- ensuring that RBG Kew is managed in accordance with the standards set out in HMT's Managing Public Money

The Accounting Officer is accountable to Parliament and Defra's Principal Accounting Officer for the use of Grant-in-Aid and also advises the Defra Minister. These responsibilities are set out in the Framework Document.

Executive Board

The Executive Board is a decision-making forum acting under delegated authority from the Director, who chairs the Board's weekly meetings. The Board's primary purpose is to support the Director in delivering RBG Kew's corporate strategy.

Membership in 2021 to 2022 was as follows:

- Director RBG Kew (Chair), Richard Deverell
- Director of Science, Professor Alexandre Antonelli
- Director of Gardens, Richard Barley
- Director of Marketing and Commercial Enterprise, Sandra Botterell
- Chief Information Officer, Ian McKetty
- Director of Foundation, Meredith Pierce Hunter
- Director of Resources, Fern Stoner
- Director of Wakehurst, Tony Sweeney
(until 30 September 2021)

Related and connected parties

The Foundation and Friends of the Royal Botanic Gardens, Kew

Established as an independent charity in 1990, The Foundation and Friends of the Royal Botanic Gardens, Kew ('Kew Foundation') exists to raise funds for the purposes of RBG Kew. Kew Foundation exists as a separate legal entity with responsibility for legacy fundraising and managing investment income to support the work of RBG Kew.

RBG Kew can appoint up to two RBG Kew Trustees to the Board. At 31 March 2022 there were five Trustees, one of which was RBG Kew-appointed, and four were independent. The Board of Kew Foundation met three times in 2021 to 2022.

Kew Foundation is deemed to have an associate relationship with RBG Kew from an accounting perspective, based on the number of Trustees who can be appointed by RBG Kew. As such, in accordance with the Accounts Direction issued by the Secretary of State for Environment, Food and Rural Affairs, with approval of HM Treasury, a share of the Foundation's net assets is consolidated into the accounts

this financial year (see Note 17 of the financial statements). This reflects the number of Trustees who can be appointed by RBG Kew (up to two Trustees) as a proportion of the total number of Trustees which RBG Kew can appoint plus the total number of actual independent Trustees (two plus four Trustees – six Trustees in total), which was 33% at 31 March 2022. RBG Kew does not have the ability to exercise control over the net assets recognised, which remain subject to decision-making by the Foundation's independent Board of Trustees, and these assets are therefore shown as restricted assets in RBG Kew's financial statements.

Bentham-Moxon Trust

The Bentham-Moxon Trust is a separate registered charity which provides financial support for botanical collections, research and publications that further the work of RBG Kew. The Trust makes annual grants to RBG Kew and can make grants to non-related parties and organisations.

An associate relationship is deemed to exist between RBG Kew and the Trust based on the number of RBG Kew staff who are members of the Trust's Board of Trustees. As such, in accordance with the Accounts Direction issued by the Secretary of State for Environment, Food and Rural Affairs, with the approval of HM Treasury, a share of the Bentham Moxon Trust's net assets is consolidated into the accounts this financial year (see Note 17 of the financial statements). This reflects the number of Trustees who can be appointed by RBG Kew (up to three Trustees) as a proportion of the total number of Trustees which RBG Kew can appoint plus the total number of actual independent Trustees (three plus three Trustees – six Trustees in total), which was 50% at 31 March 2022.

RBG Kew Enterprises Limited

Kew Enterprises is the wholly owned trading subsidiary of RBG Kew, and its accounts are consolidated into the accounts of RBG Kew. It is governed by a Board of Directors, appointed by and accountable to the Board of Trustees of RBG Kew. Enterprises is structured into three divisions: Commercial Enterprises, Foundation, and the Commercial Innovation Unit (CIU). The Board maintains general responsibility and accountability for Enterprises as a whole, reviews its performance, and approves its strategy and budget, remuneration policies, and standard corporate matters such as the Annual Report and Accounts. The Director of RBG Kew is an ex officio member, while the other Directors are Trustees of RBG Kew and executive staff. The Operating Agreement between RBG Kew and Kew Enterprises was approved and signed in March 2021. The Board met three times in 2021 to 2022, in addition to approving the Annual Report and Accounts in July.

Enterprises' key identified business risks are its dependence on visitors to Kew Gardens and Wakehurst, and the success of commercial events held in the gardens. Risk in these areas has reduced significantly following the lifting of restrictions in relation to the COVID-19 pandemic during 2021 to 2022, and other non-visitor related income streams (including licensing income, e-commerce income and recharge of fundraising services) were not vulnerable to the impact of COVID-19. These income streams continue to provide some assurance of the company's financial resilience. Risks and mitigations have been managed carefully throughout the COVID-19 pandemic.

Defra

We support delivery of the Defra strategy and wider UK government objectives. The Defra strategy sets out a shared vision and a set of priority outcomes for the Defra group. RBG Kew supports Defra's strategic approach as a member of Defra's Environment Committee and Natural Environment and Rural outcome system, and RBG Kew's activities are included in the Defra group outcome delivery plan.

Regular meetings take place between Defra officials and RBG Kew management. There are meetings between the sponsor Minister, the Chair of the Trustees and the Director of RBG Kew every six months. At a working level, contact with Defra officials is frequent and covers a variety of strategic and financial matters. A Defra representative is invited to attend RBG Kew's Audit and Risk Committee meetings. A Framework Document sets out RBG Kew's relationship with Defra.

Risk management

The Board of Trustees, and the Audit and Risk Committee on behalf of the Board, has overall responsibility for overseeing risk management activities at RBG Kew. Day-to-day management of risk is the responsibility of the Director and Executive Board.

We operate a comprehensive risk management system, which is centred around a hierarchical structure of risk registers flowing from departmental, through directorate and up to strategic/corporate levels. This structure promotes the escalation of risks that cannot be controlled at the lower levels, or which may have an impact on other departments, directorates, or the organisation as a whole. Quarterly reviews of the strategic risk register are undertaken throughout the year as part of the Executive Board operational plan review process. We have a risk policy as part of our risk management framework, which is approved biennially by the Executive Board and Audit and Risk Committee. The risk policy was last approved in February 2022. The risk appetite statement is approved by the Board of Trustees, and provides our appetite for risk against each of RBG Kew's defined risk categories and in alignment with the key priorities of 'Our manifesto for change'.

The Audit and Risk Committee ensures oversight of risk management by reviewing relevant activities and outputs, including the strategic risk register and audit activity, on a quarterly basis. It requests an Executive Director to attend each meeting and describe the risk environment within their directorate. This provides Committee members with an opportunity to review operational risk registers. Directors of the following directorates attended in 2021 to 2022: Information Technology (IT); Science; Gardens; and Foundation. A rolling programme of directorate risk register reviews continues into 2022 to 2023.

Key risks

The majority of our strategic risks relate to our ability to secure sufficient income so that we can safeguard our collections, continue to meet our obligations for Kew Gardens as a World Heritage Site, deliver world class science, and maintain our estates infrastructure. The COVID-19 pandemic increased these risks, primarily as a result of loss of visitor income, and has brought additional

risks relating to our people, our visitors and the delivery of our programmes. These risks were identified, managed and escalated through our risk management framework. Key risks are also escalated to Defra.

As of March 2022, five risks carried a red risk rating. These are detailed below alongside mitigating activities for each risk:

1. Protection of our internationally important Science Collections:

We have continued to actively manage the risk from fire, flood, pest damage and other environmental conditions such as temperature and humidity, within the constraints of the Grade 2* listed Herbarium. Our focus remains on digitising our collections to provide a 'back up' copy to partially mitigate the risk, and the realisation of a long-term plan to redevelop our science buildings.

2. Impact of climate change on our Living Collections:

We continue to monitor and manage the risk with careful landscaping and increased plant resilience, adaptation to underlying site ecology, and continued tree management to prevent the loss of valuable (sometimes irreplaceable) taxa from our Living Collections.

3. Care for the built estate:

We have developed and continue to follow a ten-year plan to repair and maintain our aging and historically important estate (with a significant number of buildings and structures, including more than 40 listed buildings across two sites), prioritising critical works and continued statutory compliance.

4. Decline in government funding:

Stability in this element of our funding is key for the delivery of our strategy and maintenance of our estate. We continue to promote and clearly articulate RBG Kew's contribution to government priorities and make the case for investment. This includes calling for longer-term funding settlements, which would allow us to have more certainty in our future plans.

5. Delivery of the EVE* Project:

RBG Kew is undertaking a large and complex project to replace our current visitor-facing systems and processes. Ensuring this is delivered successfully is a key priority. A programme board and programme delivery team monitor the progress and risks of this project regularly. (*EVE: Enhancing the Visitor Experience).

The Executive Board are monitoring the impact of the current macroeconomic pressures, including high and increasing levels of inflation, on the business and on RBG Kew's approach to pay and reward, and taking mitigating action where possible. Following the invasion of Ukraine, a group of key representatives across RBG Kew continue to meet to review our business continuity response and to consider potential impacts on our operations, reputation and finances.

Internal control framework

The Trustees and the Director as Accounting Officer are responsible for maintaining a sound system of internal control that supports the achievement of RBG Kew's policies, aims and objectives, and safeguards public funds and assets. The Accounting Officer of RBG Kew is accountable to the Principal Accounting Officer of Defra, to enable her to discharge her overall responsibility for ensuring that RBG

Kew, as an NDPB of Defra, has adequate internal control systems and procedures in place. RBG Kew has regard to the government's Functional Standards and continues to incorporate them into its business assurances processes, as appropriate.

As Accounting Officer, RBG Kew's Director has responsibility for reviewing the effectiveness of the system of internal control. This review is informed by the senior managers responsible for the development and maintenance of the internal control framework, and the work of the internal auditors, who provide independent and objective assurance on its effectiveness.

The internal audit strategy and plan for the year were approved by the Audit and Risk Committee in March 2021. The plan was based on:

- an assessment of RBG Kew's strategic risk register
- discussions with key stakeholders and the Executive Board
- an assessment of, and follow-up on, previous internal audit reviews

The Head of the Internal Audit service provided the Committee with regular updates on progress against the audit plan at its quarterly meetings. The Committee also considered progress against the recommendations for improvement in internal control made by RBG Kew's external auditors.

Financial management and control

Financial management is supported through monthly management accounts, monthly financial reporting to the Executive Board, quarterly re-forecasts, and summary reporting to the Finance and Resources Committee and Board of Trustees. This financial reporting is reviewed to assess performance, understand any emerging risks or opportunities, and take any necessary financial decisions. A long-term financial strategy to support the delivery of the new corporate strategy was developed in 2021 to 2022 and will be further refined in future years. Financial information is available to all budget-holders to enable them to monitor their performance against budgets at any time. The delegated financial authorities policy is approved by the Board of Trustees annually and was last approved in October 2021.

Fraud risk management

We have a zero-tolerance policy towards fraud, bribery and corruption and all staff are required to undertake mandatory training which includes content relating to fraud, bribery and corruption. Internal audits consider the risk and likelihood of fraud within the scope of their remits. The Audit and Risk Committee reviewed the anti-fraud, bribery and corruption policy and the whistleblowing policy during the year; reviewed a counter fraud action plan; and received a report on gifts and hospitality offered and received.

We contribute to government counter-fraud activities through collaboration with the Defra Group Counter Fraud Network, where best practice is shared between Defra departments and other arm's-length bodies. During the year there were two incidents of fraud of immaterial value. In both cases the funds were fully recovered. Any incidents of fraud are logged and reported to both the Defra Group Counter Fraud Network

and the Audit and Risk Committee. There were no reports of whistleblowing in the period.

Performance management

The Executive Board met quarterly to review progress on delivery of the 2021 to 2022 operational plan and budget. The Board of Trustees focused on the major initiatives and deliverables that will deliver our corporate strategy, including consideration of a ten-year operational plan in April 2022.

Management of interests

RBG Kew has processes in place for managing conflicts of interest as set out in '[Governance at RBG Kew](#)'. Trustees, Executive Board members, Kew Enterprises Limited Directors and Independent Members are formally required to review their interests annually and declarations of interest are standing items on Board and Committee agendas. Registers of interests are maintained and are reviewed by the Audit and Risk Committee annually. The Trustees' Register of Interests is published on [kew.org](#). In 2021 to 2022, no Trustees or members of the Executive Board held company directorships or other significant interests which conflicted with their responsibilities.

2. Governance and internal control issues

The areas reviewed by internal audit during the year included:

- health and safety (substantial assurance)
- safeguarding (moderate assurance)
- Gift Aid (substantial assurance)
- strategic planning (substantial assurance)
- IT – Active Directory – management and security (advisory review)

A further audit was commenced in year (to be completed in 2022), relating to the first phase of the EVE project.

The Audit and Risk Committee has received regular reports on progress with the implementation of internal audit recommendations throughout the year. The internal audit annual report for 2021 to 2022 concluded that RBG Kew's framework of governance, risk management and control is 'Moderate' in its overall adequacy and effectiveness.

Based on the information and explanation provided in 2021 to 2022, the Audit and Risk Committee concluded it was satisfied that risks are managed appropriately, and risk management is robust and well embedded. The Committee has assurance that internal control arrangements are solid and improving, and benefit from the scrutiny and challenge offered by both internal audit and the Committee. The Committee is satisfied that the volume of audit days available is sufficient to maintain coverage of key risk areas.

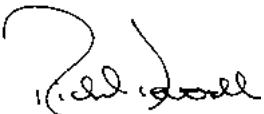
Conclusion

The reports of our internal auditors demonstrate that the Board can take adequate assurance from the risk and control framework in place across RBG Kew in 2021 to 2022, and that it has proved sufficient in terms of meeting RBG Kew's obligations, mitigating risks, and safeguarding assets. However, the control framework will need to continue to evolve to respond to emerging risks and challenges.



Dame Amelia Fawcett

Chair of the Board of Trustees
Royal Botanic Gardens, Kew
29 September 2022



Richard Deverell

Director
Royal Botanic Gardens, Kew
29 September 2022

Sustainability report

Summary

2021 saw the launch of the 2025 Greening Government Commitments targets, and an update to the reporting baseline year to 2017 to 2018 (previously 2009 to 2010). For some emissions categories we do not hold data for 2017 to 2018, as we completed a more comprehensive carbon footprint baseline exercise applicable to the financial year 2019 to 2020 (across scope 1, 2 and 3 emissions as defined in the Greenhouse Gas Protocol).

Overall RBG Kew scope 1 and 2 emissions have reduced slightly over 2021 to 2022, despite an uptick in our operational activities following a suppressed year in 2020 to 2021. This increase in activity, and particularly business travel and employee commuting, has led to an increase in core scope 3 emissions compared to last year – but it is worth noting this still represents a significant reduction. compared to pre-COVID-19 trends.

Summary of performance

Area	2019 to 2020 performance	2020 to 2021 performance	2021 to 2022 performance	% change performance since 2019 to 2020	% change since last FY
CO ₂ e emissions	Scope 1 & 2 emissions*	6,848	6,259	5,800	-15%
	Core scope 3 emissions*	3,288	1,316	1,874	-43%
	Total scope 1 & 2 and core scope 3 emissions	10,136+	7,575+	7,674	-24%
Energy usage [1]	Site electricity (MWh)	7,266	6,424	7,784	7%
	Site fossil fuel use (MWh)	23,586	21,850	20,795	-12%
Water	Water supplied (thousand m ³)	167	246	99	-41%
Waste	Waste (tonnes)	1,072	888	1,359	27%
	Waste to landfill (%)	6%	1.7%	0.3%	-95%

[1] Excludes vehicles – ‘Energy usage’ relates to site energy use

* See ‘carbon footprint overview’ below for a breakdown of emissions categories within scope 1, 2 and core scope 3.

About our data

Carbon footprint reporting is aligned with the guidelines set out in the GHG Protocol (ghgprotocol.org).

This data is reported in accordance with HM Treasury’s Sustainability Reporting Guidance 2021 to 2022. We have also chosen to align with the requirements set out in Streamlined Energy and Carbon Reporting guidelines. Consumption figures are based on a mix of billed amounts and direct meter readings and may be subject to future adjustments. COVID-19 has impacted our teams and operations, resulting in some unusual performance patterns through 2020 to 2021 and 2021 to 2022.

+ in this section denotes where data has been restated following the discovery of an historic gas meter read error. This had led to some underreporting in prior years.

RBG Kew carbon footprint: Overview

RBG Kew has committed to measure and report emissions across scope 1, 2 and 3 emissions categories. Our approach to scope 3 emissions is to separate those emissions where data is more easily available (core scope 3 emissions – reporting from 2021 onwards) from emissions where estimation is more challenging (wider scope 3 emissions – which we plan to report from 2025 onwards).

Core scope 3 emissions categories are those from business travel, employee commute, emissions from use of water, generation and recycling of waste, investments, and the scope 3 emissions associated with energy use. Wider scope 3 emissions categories include emissions from purchased goods and services, upstream transport emissions, and capital (construction) project emissions – as these are currently difficult to accurately quantify.

Emissions from visitor travel fall outside RBG Kew’s organisational boundary. However, we estimate emissions from visitor travel using data from visitor surveys. We will continue to encourage and enable sustainable travel to our sites to influence a reduction in emissions from visitor journeys.

We expect that there has been some continued suppression of emissions in 2021 to 2022 due to COVID-19 lockdowns and travel restrictions, which have prevented some organisational activities from taking place.

Carbon footprint (tonnes CO₂e)	Emissions source	2017 to 2018 (GGC baseline)	2019 to 2020	2020 to 2021	2021 to 2022
Scope 1	Heating and CHP [1]	4,530+	4,397+	4,130+	3,918
Scope 1	Fuel use (vehicles & generators) [2]	294	418	554	191
Scope 1	Other direct emissions [3]	**	176	77	38
Scope 2	Electricity	2,636	1,857	1,498	1,653
Scope 3	Business travel	723	1,146	10	141.5
Scope 3	Employee commute	864*	864	155	355
Scope 3	Water	113	93	137	23
Scope 3	Waste	134	57	28	31
Scope 3	Investments	41*	41	41	5.5
Scope 3	Energy scope 3 [4]	1,475+	1,087+	945+	1318
Totals	Total emissions	10,810	10,136	7,575	7,674
	Scope 1 emissions	4,824	4,991	4,761	4,147
	Scope 2 emissions	2,636	1,857	1,498	1,653
	Scope 3 emissions (listed above)	3,350	3,288	1,316	1,874

[1] Scope 1 emissions from heating and CHP include emissions from gas, oil, LPG, and biomass.

[2] Scope 1 emissions from vehicles and generators includes petrol, diesel, and biofuel/HVO.

[3] 'Other direct emissions' comprises refrigerant use, and an estimated land-use emissions value from a small number of livestock which graze at Wakehurst.

[4] 'Energy scope 3' includes transmission and distribution losses (electricity), and well-to-tank emissions (gas, oil, LPG, petrol, diesel and electricity).

* 2017 to 2018 data not available so 2019 to 2020 data backfilled for the purpose of establishing a baseline emissions level

** no data available

Details of performance

Energy breakdown (use and generation)

RBG Kew's energy use for 2021 to 2022 is outlined in the table below. Energy use has remained relatively steady from the previous year, even with the opening of two new buildings at Kew Gardens (replacing two existing facilities). Despite no significant increase in energy use, there has been an increase in energy spend, in part caused by rebilling relating to gas usage in 2019 to 2020 and 2020 to 2021. An equipment fault caused a reduction in runtime of a large on-site CHP which has also increased Kew Gardens' electricity costs, and at both sites we are beginning to see the impacts

of energy price increases and expect this impact to continue to increase in 2022 to 2023.

Both new buildings at Kew Gardens have photovoltaic panels installed on the roof, significantly increasing our ability to generate solar power. This year we also began the process of producing an energy strategy, which will outline our approach to continued energy efficiency improvements, and the electrification of heating.

Energy (MWh)	2017 to 2018 (GGC baseline)	2019 to 2020	2020 to 2021	2021 to 2022	% change since baseline	% change since last FY
Total	33,822	32,874	30,221	30,473	-10%	1%
Electricity	7,498	7,266	6,424	7,784	4%	21%
Electricity (CHP)	1,027	803	862	627	-39%	-27%
Electricity generation (solar)	1,181	1,219	1,085	1,268	7%	17%
Gas	20,943+	21,138+	19,842+	19,290	-8%	-3%
Oil	3,149	2,406	1,980	1,466	-53%	-26%
LPG (Propane)	23.7	42.4	28.1	38.3	62%	36%
Energy costs (£m)	£1.40 million	£1.56 million	£1.20 million	£2.38 million	70%	98%

Travel and commuting

COVID-19 has continued to suppress travel and commuting emissions in 2021 to 2022, due to restrictions on travel and office working.

Through 2021 to 2022 many staff continued to work from home, in line with government guidance. As restrictions eased, RBG Kew has developed and is piloting a new hybrid-working policy to facilitate ongoing homeworking for suitable roles. The continuation of home working has led to reduced commuting emissions compared to pre-COVID-19 levels.

During the first half of 2021 to 2022 many international staff trips (e.g. for scientific research and conservation) were postponed or cancelled, creating opportunities for online events and collaboration. We hope this will lead to a continued reduction in business travel emissions compared to pre-COVID-19 levels.

Travel	2017 to 2018 (GGC baseline)	2019 to 2020	2020 to 2021	2021 to 2022	% change since baseline	% change since last FY
Business travel emissions (tonnes, CO ₂ e)	723	1,146	10	141.5	-80%	1315%
Business travel spend (£, 000)	£790	£350	£128	£195	-75%	52%
Employee commuting (tonnes, CO ₂ e)	864*	864	154	355**	-59%	131%

* 2017 to 2018 employee commute baseline not available – 2019 to 2020 data used as a proxy baseline.

** 2021 to 2022 employee commute data has been estimated awaiting completion of staff travel survey.

Note: Business travel emissions data includes UK and international business travel. Business travel expenditure includes accommodation and subsistence spend.

Fleet vehicles

RBG Kew has a small fleet of road vehicles and a larger fleet of specialist or horticultural vehicles. We are seeking to replace our vehicles and equipment with 100% battery electric powered vehicles wherever feasible. This has included replacing the Kew Explorer 'land train' vehicles with two electric vehicles. At present 18% of RBG Kew's vehicles are electric. We are identifying vehicle replacements to meet the Government Fleet Commitment for 25% of the government car fleet to be ultra-low emission vehicles (ULEV) by 31 December 2022, and for 100% of the government car and van fleet to be fully zero emissions at the tailpipe by 31 December 2027.

Waste and resource consumption minimisation

RBG Kew has appointed a waste and circular economy consultant to undertake a Waste Review and identify recommendations for improvement to prevent the generation of waste where it is avoidable, maximise reuse and recycling, and reduce the carbon emissions of our waste streams.

RBG Kew composts more than 4,000 tonnes of garden waste per annum, for use on site (we hold an Environment Agency permit for both Kew Gardens and Wakehurst). This material does not leave our sites, so it is not counted within our waste or recycling tonnage. We cannot currently record and report the weight or value of reused equipment and materials, but significant reuse occurs throughout our operations, such as the reuse of signage across multiple years' events, and last year Kew Estates worked with a furniture reuse company to reuse furniture items with an estimated value of over £3,000 and estimated embodied carbon saving of over 2.5 tonnes.

Waste (tonnes)	2017 to 2018 (baseline year)	2019 to 2020	2020 to 2021	2021 to 2022	% change since baseline	% change since last FY
Total waste	1,318	1,072	887	1,359	3%	53%
Reused, recycled, offsite compost	511	228	189	457	-11%	142%
Energy from waste (energy recovery)	619	784	683	802	30%	17%
Waste incinerated (without energy recovery)	No data	No data	0	96	N/A	N/A
Landfill	188	60	15	4	-98%	-73%
(of which waste deemed hazardous)	(180)	(28)	(2.8)	(4.2)	-102%	50%
Total disposal cost (£, 000)	264	156	136	162	-39%	19%

Water use

Most of RBG Kew's water use is used in irrigation for our precious Living Collections: variations in temperature and rainfall contribute to fluctuations in our water consumption. 2020 to 2021 saw an increased water consumption partly due to a dry summer. In 2021 to 2022 there has been a significant fall in water use, which we hope to sustain in future years with ongoing rainwater harvesting and water

efficiency projects. This decrease is reflected in reduced water use costs. Water costs have not consistently reflected usage across recent financial years due to supplier changes and invoicing delays. We also abstract groundwater (under license from the Environment Agency) for cooling of the Herbarium; this water is returned to the aquifer.

Water (thousand m ³)	2017 to 2018 (baseline year)	2019 to 2020	2020 to 2021	2021 to 2022	% change since baseline	% change since last FY
Total water consumption	306	222	408	170	-44%	-58%
Supplied	202	167	246	99	-51%	-60%
Abstracted [1]	104	56	162	71	-32%	-56%
Water utility cost (£ 000) [2]	332	463	295	73	-78%	-75%

[1] Low annual abstraction level in 2019 to 2020 was due to Ground Source Heat Pump system refurbishments, and further maintenance has been undertaken in 2021 to 2022.

[2] From 2019 to 2020 onwards, the water utility cost also includes wastewater costs to provide a more holistic representation of costs.

Further sustainability information

Sustainable procurement

Purchasing has enormous potential to support people, communities and the environment. We aim to achieve social and environmental good through every pound that we spend, as well as good value for money. RBG Kew has a procurement and contract management strategy and policy for 2018 to 2023, which is aligned to our strategic objectives and values, including sustainability goals. We plan to update our sustainable procurement guidelines in the coming year. We will work more closely with our large suppliers to better understand, report and reduce their environmental impacts – encouraging suppliers to set their own carbon reduction targets, and provide emissions data relating to the goods and services provided to RBG Kew.

Environmental management system

RBG Kew's environmental management system is based on the requirements of BS EN ISO 14001:2015. This system will continue to be an integral tool to manage RBG Kew's environmental impacts and to provide a mechanism to monitor, report and deliver against targets and objectives.

An external audit of our ISO14001 EMS was completed in December 2021 and received positive feedback from our auditors, with three minor non-conformities and 20 observations, of which 12 were opportunities for improvement and eight were positive observations. Our ISO14001 certificate is available to view on kew.org.

Sustainable construction

In 2021 to 2022, Kew Gardens opened two new buildings: the Arboretum Headquarters, which is our first certified BREEAM Outstanding building, and the Family Kitchen & Shop, which is certified to BREEAM Excellent. BREEAM Excellent or Outstanding rating recognises significant

environmental features in a building. In future we will use additional sustainability standards, such as Passivhaus certification, and whole-life carbon assessment, to ensure environmental excellence in construction and operation for future new build projects.

In 2021 to 2022 we were successful in bidding for funding via the Public Sector Decarbonisation Scheme (Phase 3a), a BEIS fund delivered by Salix Finance, to deliver decarbonisation and refurbishment projects in 2022 to 2023. These projects will replace gas boilers with lower-carbon electrified heat via air source heat pumps in two buildings at Kew Gardens. We will report on progress against these projects next year.

Biodiversity action planning

RBG Kew has a 330-acre site at Kew Gardens and a 535-acre site at Wakehurst which contain our globally biodiverse Living Collections, the management of which is set out in our Living Collections strategy (2019). Currently, 5% of the accessions to the Living Collections are categorised as threatened by extinction under the IUCN Red List of Threatened Species.

Certain habitats within Kew Gardens, including those found within the 15-hectare Natural Area (semi-natural woodland with pockets of unimproved neutral and acid grassland), are regarded as being of high conservation value for the Greater London Area. In addition, the trees (native and introduced species) in all areas of the Gardens support a number of threatened or rare species of epiphytic fungi. At Wakehurst, a 156-hectare site (Wakehurst and Chiddingly Woods, noted for its Wealdon ghyll woodland with exposures of sand rock, a nationally rare habitat) has been designated a Site of Special Scientific Interest.

Both Kew Gardens and Wakehurst are managed to conserve the integrity of the sites and support diverse and thriving

species assemblages. At Kew Gardens we are beginning new biodiversity surveys within the natural areas to help better understand and manage the habitats for wildlife.

Through our Landscape Ecology Programme we are researching natural capital across biodiverse UK landscapes, and we have created a habitat map of Wakehurst and an above-ground carbon baseline for both Kew Gardens and Wakehurst. Habitat quality indicators such as pollinator species, gas flux, and soil carbon and mycorrhizal biota are being collected across Wakehurst's woodland and grassland habitats alongside ecosystem services including the abundance and diversity of pollinators, carbon sequestration and greenhouse gases fixed. This project will continue to identify and implement methodologies and sample habits to measure above- and below-ground carbon stocks in detail on our sites.

Climate change adaptation

Future climate change risks to Kew Gardens' landscapes, collections and listed buildings have been assessed within the 2020 to 2025 World Heritage Site Management Plan. Key risks include the increased potential for severe weather

events leading to storm damage or prolonged droughts, increased flood risk, the introduction of new plant pathogens and changes to existing growing conditions in the Gardens. Controls and mitigation measures for the projected impact of climate change will continue to be analysed and integrated into all aspects of site management. We are investigating the opportunity to participate in the government Climate Change Adaptation Reporting Scheme in future.

Reducing environmental impacts from ICT and digital

The ICT function at Kew has focused on improving measurability and reporting, publishing its third annual report in 2021. Key progress has been made in the evaluation of suppliers, decommissioning older systems, and replacing them where appropriate with more efficient solutions or as part of our cloud first strategy. Monitoring of printing and changes to settings have shown improvements, and this year we have reduced our fleet of printers. Continued review and modernisation of processes have contributed to the reduction of waste, such as the introduction of an electronic signature platform.

Paper use	2017 to 2018	2019 to 2020	2020 to 2021	2021 to 2022	% change since baseline	% change since last FY
Total weight (kg)	3,250	3,430	274	1,596	-51%	482%

UN Sustainable Development Goals

RBG Kew's sustainability strategy, launched in 2021, identifies the many ways in which our work contributes to the UN Sustainable Development Goals, with links to specific Goals identified in each section of the strategy. Additionally in 2021, RBG Kew contributed to a Special Issue of the journal Sustainability on the subject of 'Botanic Gardens and Their Contribution to the Sustainable Development Goals', publishing an open access paper titled 'Fortuitous Alignment: The Royal Botanic Gardens, Kew and the Sustainable Development Goals'.

Governance

Overall responsibility for sustainability strategy and performance lies with RBG Kew's Board of Trustees and Executive Board. In order to drive forward sustainability progress, we have also established a number of cross-directorate working groups, including the Climate Positive Working Group, Travel Plan Working Group, and Environmental Management Steering Group. Sustainability performance and activity is reported to Executive Board via these groups and additional regular reporting processes.

Statement of Trustees' and Accounting Officer's responsibilities

Under Schedule 1 Part IV subsection 39(2) National Heritage Act 1983 the Board of Trustees of RBG Kew is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Secretary of State for Environment, Food and Rural Affairs, with the consent of HM Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of RBG Kew's and the group's state of affairs at the year end and of the group's incoming resources, application of resources, Balance Sheet and cash flows for the financial year.

In preparing the accounts, the Trustees and Accounting Officer are required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Secretary of State for Environment, Food and Rural Affairs including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis

The Director of RBG Kew has been appointed as the Accounting Officer for RBG Kew by Defra's Principal Accounting Officer. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding RBG Kew's assets, are set out in 'Managing Public Money' published by HM Treasury.

The Accounting Officer and Board of Trustees confirm that:

- the Annual Report and Accounts as a whole is fair, balanced and understandable and they take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable
- there is no relevant audit information of which the auditor is unaware
- they have taken all the steps they ought to ensure the auditor is aware of all relevant audit information

Statutory information

Results

The accounts have been prepared in a form directed by the Secretary of State, with the approval of HM Treasury, under Schedule I Part IV subsection 39(4) of the National Heritage Act 1983 and on the basis of the accounting policies set out in Note 2.

Total income for the year was £101.6 million (£80.7 million in 2020 to 2021) of which £36.9 million (£35.2 million in 2020 to 2021) was Grant-in-Aid from Defra. Total expenditure was £88.4 million (£77.7 million in 2020 to 2021) and there was a £0.2 million gain on investments (£1.0 million gain in 2020 to 2021) and a gain on revaluation of assets of

£19.9 million (£5.8 million loss in 2020 to 2021) leaving a surplus of £33.3 million (£1.8 million deficit in 2020 to 2021) after revaluation of assets.

Of the overall surplus of £33.3 million, the majority related to movements in funds which RBG Kew does not have free access to. This includes a surplus totalling £27.5 million on the capital, capital revaluation and investments reserves. The capital reserves reflect capital and project funds to be offset by future depreciation on assets purchased or future capital or project expenditure. In addition, there was a £2.9 million increase in the restricted donations and projects reserves and a £2.8 million net loss being the share of the results of the Bentham-Moxon Trust and Kew Foundation.

RBG Kew generated a small surplus on the unrestricted general reserves of £0.2 million and a £5.5 million surplus on the unrestricted designated reserves (as a result of a more improved operating performance than anticipated), which has been allocated for much-needed investment in capital and other projects primarily in 2022 to 2023 and 2023 to 2024.

Total funds increased to £288.1 million (£254.8 million 2020 to 2021). These include a revaluation fund of £130.3 million (£111.2 million in 2020 to 2021) to reflect the value of certain land and buildings to which the Trustees do not have title, as outlined below, and the capital reserves of £112.3 million (£103.9 million in 2020 to 2021) which consist of restricted grants and unrestricted income for capital expenditure to be used to offset future depreciation of assets already purchased. The share of net assets of associates represents £9.9 million (£12.7 million in 2020 to 2021) of restricted reserves. The remaining £35.6 million (£27.0 million in 2020 to 2021) includes project funds, donations and general funds, some of which have been designated.

Land and buildings

The Board does not hold title to the land and buildings used by RBG Kew, except for the Wellcome Trust Millennium Building and adjacent land at Wakehurst, including Havelock Farm (35 acres of land purchased by RBG Kew in 2012, located in the centre of the existing Wakehurst estate). The National Trust owns the freehold of the remaining land at Wakehurst. The land and buildings at the Kew Gardens site are owned by the Crown. The Board exercises the management and maintenance functions on behalf of the Minister in relation to the properties used. Information on land and buildings can be seen in Notes 10 and 11.

Other fixed assets

Significant changes in other fixed assets are shown in Notes 10 and 11.

Investments

Investments are detailed in Note 12 and are held in accordance with the Trustees' powers. The Accounting Officer and Trustees consider the Churches, Charities and Local Authorities Investment Fund provides an adequate balance between risk and reward.

Investments include a share of the net assets of associates (the Foundation and Bentham-Moxon Trust) determined

by the proportion of the voting rights held by RBG Kew of each charity. Each associate sets and monitors its own investment policies.

Payments to creditors

Our policy is to settle all invoices with our creditors within 30 days unless otherwise specified in the contract, and to observe the principles of the CBI Prompt Payment Code. During 2021 to 2022 RBG Kew settled its debts on average in 31 days (30 days in 2020 to 2021).

Reserves

The reserves of the organisation are explained in Note 2 of the accounts. The Board has agreed that the unrestricted part of the general reserves (Unrestricted General Reserve – other) should not fall below a minimum of £4 million to give the organisation the flexibility to cope with fluctuations in income streams and unforeseen expenditure. The reserves policy is reviewed on an annual basis.

At 31 March 2022, this fund stands at £6.7 million (£6.5 million at 31 March 2021) and may be used to partly fund any short-term shortfall in income and to meet major capital needs in the future. In addition, as at 31 March 2022, RBG Kew holds designated unrestricted funds for future capital and project requirements of £13.0 million (£7.5 million at 31 March 2021).

The minimum level of unrestricted reserves is anticipated to be retained at £4 million to meet working capital requirements and provide funds to cope with future fluctuations in income. However, this will be kept under review by the Board through 2022 to 2023.

Going concern

The Trustees have considered the factors that may influence the organisation in the 12 months following certification of these accounts, in particular the ongoing impact of the COVID-19 pandemic and inflationary pressures. Self-generated income is expected to continue to increase in 2022 to 2023, as visitor numbers continue to increase and return to more typical expectations. RBG Kew has prepared a balanced budget for 2022 to 2023 on this basis, with increases in expenditure over income funded by current year surpluses. Government funding for 2022 to 2023 has been confirmed, a contingency is held within the budget, and RBG Kew's levels of general unrestricted and designated reserves provide cover for any additional adverse income risks should these emerge. Defra has been kept updated on the financial challenges and continues to be supportive.

Under the National Heritage Act 1983, RBG Kew has statutory responsibilities as outlined in this report, and the Trustees and Accounting Officer have assumed in making the going concern assessment that sufficient government funding support will continue to be made available to fulfil this responsibility.

On the basis set out above, the Trustees believe it is appropriate to prepare the accounts on a going concern basis. The Trustees note that the Directors of its trading company, RBG Kew Enterprises Limited, have prepared the accounts of the company on a going concern basis, and expect to continue to support RBG Kew through the gifting of profits made by the company in the future.

Foundation and Friends of the Royal Botanic Gardens, Kew

The Foundation and Friends of the Royal Botanic Gardens, Kew is a registered charity (registration no. 803428) as well as a company limited by guarantee. It is a distinct entity to RBG Kew whose purpose is to provide grant funding to support RBG Kew's activities. It is consolidated into these accounts as an associate.

Bentham-Moxon Trust

The Bentham-Moxon Trust is a separate registered charity (registration no. 305966). It is a distinct entity to RBG Kew whose purpose is to provide financial support for botanical collections, research and publications that further the work of research organisations, including RBG Kew. It is consolidated into these accounts as an associate.

RBG Kew Enterprises Limited

RBG Kew owns 100% of the issued share capital of RBG Kew Enterprises Limited. Its results have been fully consolidated into the accounts of RBG Kew.

Director

Richard Deverell has been the Director of RBG Kew since 17 September 2012.

Internal audit

The Board has appointed Mazars as internal auditors who report on a quarterly basis to the Audit and Risk Committee. 2021 to 2022 was Mazars' sixth year as RBG Kew's internal auditors following their reappointment in January 2020 for financial years 2020 to 2021, 2021 to 2022 and 2022 to 2023.

Bankers

Lloyds Banking Group
4th Floor, 25 Gresham Street
London
EC2V 7HN

External auditor (RBG Kew)

Comptroller and Auditor General
National Audit Office
157–197 Buckingham Palace Road
London
SW1W 9SP

External auditor (RBG Kew Enterprises Limited)

haysmacintyre
10 Queen Street Place
London
EC4R 1AG

Employee involvement

Consultations take place with employees' representatives so that the views of employees may be taken into account in making decisions which are likely to affect their interests. We have a range of channels for staff to provide feedback, including a regular staff survey, the results of which are used to inform business planning, and have set up a range of staff networks. We have continued to embed measures to promote staff wellbeing, including Mental Health First Aiders, flexible working arrangements, our Employee Assistance Programme, and a vibrant annual wellbeing programme.

Gender pay gap

The relevant gender pay gap averages for RBG Kew as at March 2021 were 11.7% (mean average) and 12.7% (median average). The bonus pay gap, including non-consolidated payments paid to staff, was 5.9% (mean average) and 0% (median average). The proportion of men and women receiving a bonus, including non-consolidated payments, was 3.7% and 3.3% respectively. The hourly pay quartiles are shown in the table below:

Quartile	Women	Men
Lower quartile	61.2%	38.8%
Lower middle quartile	65.1%	34.9%
Upper middle quartile	60.4%	39.6%
Upper quartile	48.4%	51.6%

Trade union facility time

In accordance with the Trade Union (Facility Time Publication Requirements) Regulations 2017, relevant data in relation to the usage and expenditure on trade union facility time is as follows:

- There was a total of 17 (FTE) employees who were union officials during the relevant period.
- Thirteen employees spent up to 1% of their working hours on facility time and four spent between 1% and 50% of their working hours on facility time.
- The percentage of the pay bill spent on facility time was 0.0076% as laid out in the table below.

Cost of facility time	£3,182
Total pay bill	£41.7m
% of total pay bill spent on facility time	0.0076%

The time spent on paid trade union activities as a percentage of total paid facility time was 100%.

Freedom of Information

Between 1 April 2021 and 31 March 2022 RBG Kew received 40 Freedom of Information requests (39 requests were received within the 2020 to 2021 financial year).

Out of the 40 requests received, seven have been carried forward into the new financial year (and are due to be responded to within the statutory timeframe) and two requests were closed as clarification was not supplied by the

requestors. Out of the remaining 31 requests responded to, 30 (97%) were dealt with in line with the statutory timeframe.

Modern slavery

RBG Kew is committed to ensuring modern slavery is not present in our own operations or in our supply chains. Whilst our use of established public sector procurement frameworks where possible mitigates many of the risks, we continue to review our approach and policy in this area. Our full statement and policy can be found at kew.org.

Insurance

RBG Kew has a range of commercial insurance policies which include public liability, professional indemnity, motor vehicle, cyber liability and other relevant products. However, commercial insurance has not been taken in a number of other areas, notably heritage buildings without commercial use, in line with the HM Treasury guidance 'Managing Public Money'.

Personal data related incidents

RBG Kew identified a data breach in May 2021 concerning access to an external portal by two ex-employees. Upon identification the situation was quickly contained, and an investigation carried out. It was deemed that the situation presented a low risk to the rights and freedoms of individuals. However, due to the large dataset involved, the incident was reported to the Information Commissioner's Office (ICO) as a precautionary measure. The ICO confirmed that no further action would be taken.

Sickness absence

The average number of days' sickness for staff in 2021 to 2022 was 5.2 days (1.8 in 2020 to 2021). RBG Kew's lower than usual sickness levels in 2020 to 2021 were linked to the COVID-19 lockdowns and Kew's utilisation of the Coronavirus Job Retention Scheme.

Dame Amelia Fawcett

Chair of the Board of Trustees
Royal Botanic Gardens, Kew
29 September 2022

Richard Deverell

Director
Royal Botanic Gardens, Kew
29 September 2022

Remuneration report

Remuneration policy

The remuneration of the Director is set by the Remuneration and Nominations Committee, a sub-committee of the Board of Trustees. The members are identified on page 17.

The salary of the Director is reviewed on an annual basis, and in reaching its recommendations the Committee has regard to performance (based on objectives set by the Board of Trustees), affordability and government pay policy.

The Remuneration and Nominations Committee reviews the Director's recommendations on the remuneration packages of Executive Board members and other employees on individual contracts on an annual basis. The Trustees do not receive any remuneration for their services to RBG Kew. Note 9 details their expenses.

Service contracts

Kew appointments are made in accordance with the Civil Service Commissioners' Recruitment Code, which requires appointments to be on merit, on the basis of fair and open competition, but also includes the circumstances when appointments may otherwise be made.

Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the current Executive Board. The Remuneration and Nominations Committee sets performance objectives and awards bonuses based on performance against agreed objectives.

The value of pension benefits during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. This may be a negative value in the year.

Remuneration (Audited)		2021 to 2022 Salary	2021 to 2022 Pension benefits to nearest (£1,000)	2021 to 2022 Total to nearest (£1,000)	2020 to 2021 Salary	2020 to 2021 Pension benefits to nearest (£1,000)	2020 to 2021 Total to nearest (£1,000)
		£	£	£		£	£
Richard Deverell ¹	Director	193,676	26,000	220,000	193,426	26,000	219,000
Alexandre Antonelli ²	Director, Science	155,125	58,000	213,000	148,625	58,000	207,000
Richard Barley ³	Director, Gardens	115,916	43,000	159,000	115,439	41,000	156,000
Sandra Botterell ⁴	Director, Marketing and Commercial Enterprise	149,093	14,000	163,000	129,426	13,000	142,000
Ian McKetty ⁵	Chief Information Officer	116,397	45,000	161,000	116,147	45,000	161,000
Meredith Pierce Hunter ⁶	Director, Kew Foundation	131,025	10,000	141,000	130,050	10,000	140,000
Fern Stoner ⁷	Director, Resources	120,924	47,000	168,000	114,927	45,000	160,000
Tony Sweeney ⁸	Director, Wakehurst until 30-09-21	52,237	20,000	72,000	104,474	41,000	145,000
Andrew Williams	Director, Estates and Capital Development until 30-06-20	-	-	-	28,892	11,000	40,000

1. Salary includes annual salary from RBG Kew of £173,426 (2020 to 2021 £173,426), and £20,000 (2020 to 2021 £20,000) for fundraising services from RBG Kew Enterprises in 2021 to 2022, and £250 recognition award.
2. Salary includes annual salary from RBG Kew of £148,625 (2020 to 2021 £148,625), £6,250 for an advance royalty payment relating to the publication of a book, and £250 recognition award.
3. Salary includes annual salary from RBG Kew of £110,666 (2020 to 2021 £105,439) and £5,000 (2020 to 2021 £10,000) for fundraising services from RBG Kew Enterprises in 2021 to 2022, and £250 recognition award. Executive Board responsibility for Wakehurst transferred to Director of Gardens from 1 October 2021.
4. Employed by RBG Kew Enterprises. Includes bonus payment of £13,794 (2020 to 2021 £nil). Responsibility for Visitor Operations at Kew Gardens transferred to Director of Marketing and Commercial Enterprise on 1 April 2021.
5. Salary includes annual salary from RBG Kew of £116,147 (2020 to 2021 £116,147) and £250 recognition award.
6. Employed by RBG Kew Enterprises.
7. Salary includes annual salary from RBG Kew of £120,674 (2020 to 2021 £114,927) and £250 recognition award. Responsibility for Estates and Capital Development transferred to Director of Resources in 2020 to 2021. The Director, Estates and Capital Development role was not replaced.
8. Full time equivalent salary £104,474 (2020 to 2021 £104,474).

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances; and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by RBG Kew and thus recorded in these accounts.

Benefits in kind

Post holders do not receive any benefits provided by the employer and treated by HM Revenue & Customs as a taxable emolument. For certain post holders, on-site accommodation is provided for the proper performance of the duties of the employment, or where it is customary for employees in that role to be provided with on-site living accommodation for the better performance of the duties of the employment. This is not treated as a taxable emolument.

Bonuses

Bonuses for RBG Kew Enterprises employees are based on business performance. In 2021 to 2022, bonuses of £140,620 were paid for RBG Kew Enterprises staff (2020 to 2021: £nil). Bonuses reported in 2021 to 2022 relate to performance in 2021 to 2022 and the comparative bonuses report for 2020 to 2021 relate to performance in 2020 to 2021. No bonuses are paid to RBG Kew employees.

Gender

As at 31 March 2022, the gender split of the Executive Board was four men and three women.

Salary ratios (Audited)

The ratio to the Director's remuneration of £193, 676 in 2021 to 2022 (2020 to 2021: £193,426) was as follows:

Ratio	Salary 2021 to 2022	Ratio 2021 to 2022	Salary 2020 to 2021	Ratio 2020 to 2021
Lower quartile	£22,750	8.5	£22,500	8.6
Median	£26,834	7.2	£26,500	7.3
Upper quartile	£37,677	5.1	£37,417	5.2

Salary ratios include both the Royal Botanic Gardens, Kew and RBG Kew Enterprises salaries.

Salary includes gross salary, allowances and non-consolidated performance-related pay.

Agency pay has been excluded from the salary calculations since this pay arrangement would give rise to a distortion of the results. There has been a 0.1% change in Director's remuneration and allowances due to non-consolidated performance-related pay (2020 to 2021: 1.1%).

The range of pay in the organisation in 2021 to 2022 was £16,744 to £193,676 (2020 to 2021: £16,387 to 193,426). There has been a 1.0% increase (2020 to 2021: 1.4%) in average salaries and allowances.

Cash Equivalent Transfer Values

Pension benefits (Audited)	Accrued pension at age 60 as at 31-03-22 & related lump sum	Real increase in pension & related lump sum at age 60	CETV at 31-03-22	CETV at 31-03-21	Real increase in CETV	Employer contribution to partnership pension account
Director	£'000	£'000	£'000	£'000	£'000	£'000
Richard Deverell	-	-	-	-	-	26.4
Alexandre Antonelli	10 – 15	2.5 – 5	107	71	23	N/A
Richard Barley	20 – 25	2.5 – 5	360	307	35	N/A
Sandra Botterell	-	-	-	-	-	13.6
Ian McKetty	10 – 15	2.5 – 5	191	151	28	N/A
Meredith Pierce Hunter	-	-	-	-	-	10.5
Fern Stoner	20 – 25	2.5 – 5	250	212	24	N/A
Tony Sweeney	10 – 15	0 – 2.5	255	235	17	N/A

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. There were no transfers in 2021 to 2022 (no transfers in 2020 to 2021). They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, or contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement), and uses common market valuation factors for the start and end of the period.

Civil Service Pension Schemes

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension age (or 65 if higher). From that date, all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60, and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within ten years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between ten years and 13 years and 5 months from their normal pension age on 1 April 2012 switched into alpha between 1 June 2015 and 1 February 2022. All members who switched to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with

Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from the appointed provider – Legal & General. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found here: civilservicepensionscheme.org.uk

Tax arrangements of public appointees

RBG Kew has a number of staff engaged under contract and not through payroll. In line with guidance from HM Treasury, RBG Kew is required to publish information about its controls to ensure the regularity of the tax arrangements of its non-payroll appointees. The scope includes any individual who is engaged to carry out a role in the organisation, including office holders who are earning more than £245 per day and who are self-employed, supplied by an agency or other company or working through a personal service company.

Table 1: For all off-payroll engagements as of 31 March 2022, of more than £245 per day and that last for more than six months (not audited)

Number of existing engagements as of 31 March 2022	18
Of which at the time of reporting:	
Number that have existed for less than one year	8
Number that have existed for between one and two years at time of reporting	7
Number that have existed for between two and three years at time of reporting	3

All existing off-payroll engagements, outlined above, have at some point been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, assurance has been sought.

Table 2: For all off-payroll appointments engaged at any point during the year ended 31 March 2022 and earning at least £245 per day

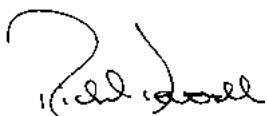
The number of appointments in force during the time period	30
Of which:	
Not subject to off-payroll legislation	7
Subject to off-payroll legislation and determined as in-scope of IR35	10
Subject to off-payroll legislation and determined as out-of-scope of IR35	13
Number of engagements reassessed for compliance or assurance purposes during the year	-
Of which: Number of engagements that saw a change to IR35 status following review	-
Number of engagements where the status was disputed under provisions in the off-payroll legislation	-
Of which: Number of engagements that saw a change to IR35 status following review	-

Table 3: Off-payroll engagements of Board members with significant financial responsibility during the year (not audited)

Number of off-payroll engagements at Board level and/or senior officials with significant financial responsibility	-
Total number of individuals that are Board members and/or senior officials with significant financial responsibility	8



Dame Amelia Fawcett
Chair of the Board of Trustees
Royal Botanic Gardens, Kew
29 September 2022



Richard Deverell
Director
Royal Botanic Gardens, Kew
29 September 2022

Auditor's certificate and report

The certificate and report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the Royal Botanic Gardens, Kew and its Group for the year ended 31 March 2022 under the National Heritage Act 1983.

The financial statements comprise the Royal Botanic Gardens, Kew and its Group's:

- Balance Sheet as at 31 March 2022;
- Consolidated Statement of Financial Activities and Consolidated Cash Flow Statement for the year then ended;
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the Royal Botanic Gardens, Kew and its Group's affairs as at 31 March 2022 and income and expenditure for the year then ended;
- have been properly prepared in accordance with the National Heritage Act 1983 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements of Public Sector Entities in the United Kingdom. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Royal Botanic Gardens, Kew and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Royal Botanic Gardens, Kew and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Royal Botanic Gardens, Kew and its Group's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Trustees and Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Royal Botanic Gardens, Kew and its Group is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Annual Report, but does not include the financial statements nor my auditor's certificate and report. The Trustees and Accounting Officer are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Heritage Act 1983.

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

- those parts of the Annual Report subject to audit have

been properly prepared in accordance with Secretary of State directions issued under the National Heritage Act 1983; and

- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Royal Botanic Gardens, Kew and its Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report, I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the Royal Botanic Gardens, Kew and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Annual Report, subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by the Charities Act 2011 have not been made or parts of the Remuneration Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Trustees and Accounting Officer for the financial statements

As explained more fully in the Statement of Royal Botanic Gardens, Kew Trustees' and Accounting Officer's Responsibilities, the Trustees and the Accounting Officer are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Trustees and the Accounting Officer determine is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- assessing the Royal Botanic Gardens, Kew and its Group'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 and Accounting Officer anticipates that the services provided by the Royal Botanic Gardens, Kew and its Group will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Heritage Act 1983.

My 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 certificate that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting noncompliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of noncompliance with laws and regulations, including fraud, I considered the following:

- The nature of the sector, control environment and operational performance including the design of the Royal Botanic Gardens, Kew and its Group's accounting policies, key performance indicators and performance incentives.
- Inquiring of management, the Royal Botanic Gardens, Kew and its Group's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Royal Botanic Gardens, Kew and its Group's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud.
- The internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations including the Royal Botanic Gardens, Kew and its Group's controls relating to the Royal Botanic Gardens, Kew's compliance with the National Heritage Act 1983, Charities Act 2011 and Managing Public Money.
- Discussing among the engagement team including significant component audit teams and involving relevant internal and external specialists, including experts in the valuation of land and buildings regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Royal Botanic Gardens, Kew and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex

transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls. I also obtained an understanding of the Royal Botanic Gardens, Kew and its Group's framework of authority as well as other legal and regulatory frameworks in which the Royal Botanic Gardens, Kew and its Group operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Royal Botanic Gardens, Kew and its Group. The key laws and regulations I considered in this context included, the National Heritage Act 1983, Charities Act 2011 and Managing Public Money, employment law, tax legislation, and pensions legislation.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management, the Audit Committees and in-house legal counsel concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and the Trustees and internal audit reports;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing the risk of revenue recognition due to fraud, assessing the recognition of income in line with the accounting framework and undertaking procedures to test the completeness and accuracy of admission and membership income; donation and sundry grants income; and trading activity income.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies

30 September 2022
Comptroller and Auditor General
National Audit Office
157–197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Royal Botanic Gardens, Kew

Consolidated Statement of Financial Activities for the year ended 31 March 2022

	Notes	Unrestricted	Restricted	Endowment	2021 to 2022 total	Unrestricted	Restricted	Endowment	2020 to 2021 total
Income from:		£m	£m	£m	£m	£m	£m	£m	£m
Grant in aid	3	19.8	17.1	-	36.9	22.9	12.3	-	35.2
Grants and donations – RBG Kew	4	3.6	19.1	-	22.7	3.2	12.1	-	15.3
Charitable activities	6	20.4	0.2	-	20.6	13.6	5.4	-	19.0
Other trading activities	5/16	20.9	-	-	20.9	11.0	-	-	11.0
Investments		-	-	-	-	-	-	-	-
Share of associates' results	17	-	0.5	-	0.5	-	0.2	-	0.2
Total income	18	64.7	36.9	-	101.6	50.7	30.0	-	80.7
Expenditure on:									
Raising funds – trading	7/16	11.8	-	-	11.8	7.1	-	-	7.1
Raising funds – fundraising	7/16	4.2	-	-	4.2	3.7	-	-	3.7
Charitable activities									
• Research and conservation	7	28.9	20.8	-	49.7	27.9	22.2	-	50.1
• Visitor activities	7	16.9	2.5	-	19.4	13.6	3.2	-	16.8
Share of associates' results	17	-	3.3	-	3.3	-	-	-	-
Total expenditure	18	61.8	26.6	-	88.4	52.3	25.4	-	77.7
Net gains / (losses) on investments		0.2	-	-	0.2	1.0	-	-	1.0
Net income/ (expenditure)		3.1	10.3	-	13.4	(0.6)	4.6	-	4.0
Revaluation of assets		19.9	-	-	19.9	(5.9)	-	0.1	(5.8)
Net movement in funds		23.0	10.3	-	33.3	(6.5)	4.6	0.1	(1.8)
Reconciliation of funds:									
Total funds at 1 April restated	18	155.0	99.5	0.3	254.8	161.5	94.9	0.2	256.6
Total funds at 31 March	18	178.0	109.8	0.3	288.1	155.0	99.5	0.3	254.8

All activities arise from continuing operations. All recognised gains and losses have been included in the Statement of Financial Activities. The Notes on pages 40 to 57 form part of these accounts.

Royal Botanic Gardens, Kew

Balance Sheets at 31 March 2022

	Notes	Royal Botanic Gardens, Kew		Consolidated	
		2022	2021 Restated	2022	2021 Restated
		£m	£m	£m	£m
Fixed assets					
Intangible assets	10	3.6	1.0	3.6	1.0
Tangible assets	10	58.6	50.2	58.6	50.2
Heritage assets	11	173.2	156.9	173.2	156.9
Investments	12	8.4	8.2	18.0	20.6
		243.8	216.3	253.4	228.7
Current assets					
Stocks of goods for sale		0.3	0.4	1.2	1.3
Debtors	13	15.6	10.1	12.0	8.7
Cash at bank and in hand		30.5	31.3	38.0	35.0
		46.4	41.8	51.2	45.0
Liabilities					
Creditors: amounts falling due within one year	14	(11.7)	(15.7)	(16.2)	(18.6)
Net current assets		34.7	26.1	35.0	26.4
Total assets less current liabilities		278.5	242.4	288.4	255.1
Creditors: amounts falling due after more than one year	15	(0.3)	(0.3)	(0.3)	(0.3)
Net assets		278.2	242.1	288.1	254.8
Funds					
Unrestricted general	18	47.7	43.8	47.7	43.8
Unrestricted revaluation	18	130.3	111.2	130.3	111.2
Restricted	18	99.9	86.8	109.8	99.5
Endowment	18	0.3	0.3	0.3	0.3
		278.2	242.1	288.1	254.8

The Notes on pages 40 to 57 form part of these accounts.

Note 27 details figures restated.

The financial statements were approved by the Director and Board of Trustees
on 13 September 2022 and signed on their behalf by:

Dame Amelia Fawcett
Chair of the Board of Trustees
Royal Botanic Gardens, Kew
29 September 2022

Richard Deverell
Director
Royal Botanic Gardens, Kew
29 September 2022

Royal Botanic Gardens, Kew

Consolidated Cash Flow Statement for the year ended 31 March 2022

	Note	2021 to 2022	2020 to 2021
		£m	£m
Cash flows from operating activities			
Net cash provided by operating activities	(a)	16.6	14.5
Cash flow from investing activities			
Dividends, interest and rents receivable		0.3	0.2
Purchase of intangibles, property, plant and equipment	10	(10.6)	(1.7)
Purchase of Heritage assets	11	(3.3)	(5.7)
Cash flow from financing activities			
Cash inflows from new borrowing		-	-
Change in cash and cash equivalents in the reporting period		3.0	7.3
Cash and cash equivalents at 1 April 2021	(b)	35.0	27.7
Cash and cash equivalents at 31 March 2022		38.0	35.0

a) Reconciliation of net income to net cash flow from operating activities

	2021 to 2022	2020 to 2021
	£m	£m
Net income for the reporting period	13.4	4.0
Depreciation and impairment charges	5.8	4.7
Losses / (gains) on investments	2.6	(1.2)
Loss on disposal of fixed assets	0.7	3.6
Decrease / (increase) in stock	0.1	-
(Increase) / decrease in debtors	(3.3)	0.4
(Decrease) / increase in creditors	(2.4)	3.2
Dividends, interest and rents receivable	(0.3)	(0.2)
Net cash provided by operating activities	16.6	14.5

b) Analysis of cash and cash equivalents

	2021 to 2022	2021 to 2022
	£m	£m
Cash at bank and in hand	38.0	35.0
Total cash and cash equivalents	38.0	35.0

c) Analysis of changes in net debt

	As at 1 April 2021	Cash flows	Non-cash changes	As at 31 March 2022
	£m	£m	£m	£m
Cash and cash equivalents				
Cash at bank and in hand	35.0	3.0	-	38.0
	35.0	3.0	-	38.0
Borrowings				
Due within one year				
Due after one year	(0.3)	-	-	(0.3)
	(0.3)	-	-	(0.3)
Total	34.7	3.0	-	37.7

Notes to the accounts year ended 31 March 2022

1. Form of accounts

As stated in the Statutory Information, these accounts have been prepared in the form directed by the Department for Environment, Food and Rural Affairs, on a going concern basis and in accordance with FRS102 and the Accounts Direction issued by the Department for Environment, Food and Rural Affairs. Without limiting the information given, the accounts meet the accounting and disclosure requirements of applicable accounting standards so far as those requirements are appropriate and comply with the Financial Reporting Manual to the extent that they are not in conflict with the FRS102 Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2019). The Royal Botanic Gardens, Kew is a public benefit entity.

2. Accounting policies

Accounting convention

The accounts are prepared under the modified historical cost convention with fixed assets shown at historic cost, except for tangible fixed asset buildings which are shown at fair value. Investments and certain heritage assets (see policy below) are shown at fair value.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Royal Botanic Gardens, Kew and its subsidiary RBG Kew Enterprises Limited for the year ended 31 March 2022. Consolidation has been carried out on a line-by-line basis.

The Foundation and Friends of the Royal Botanic Gardens, Kew (Foundation) and the Bentham-Moxon Trust are consolidated in the accounts per the Accounts Direction issued by the Department for Environment, Food and Rural Affairs as material associate undertakings as Kew has more than 20%, but not more than 50%, of voting power, based on the number of trustees on the boards of these charities who are appointable by Kew or who are employed by Kew.

For Foundation this is on the basis of the number of Trustees who can be appointed by RBG Kew (up to two Trustees) as a proportion of the total number of Trustees which Kew can appoint plus the total number of actual independent Trustees (two plus four Trustees – six Trustees in total), which was 33% at 31 March 2022.

For Bentham-Moxon Trust this is on the basis of the number of Trustees who can be appointed by the Director of RBG Kew, which was 50% at 31 March 2022.

A share of the net assets of these charities is included as Investments and as Restricted reserves in the consolidated accounts. In the opinion of the Trustees, Kew does not have the ability to exercise control over these organisations or the net assets recognised, and the net assets could only be realised following the approval of these charities' independent boards of trustees and not RBG Kew's Board of Trustees.

Going concern status

The Trustees have considered the factors that may influence the organisation in the 12 months following certification of these accounts, in particular the ongoing impact of the COVID-19 pandemic and inflationary pressures. Self-generated income is expected to continue to increase in 2022 to 2023, as visitor numbers continue to increase and return to more typical expectations. RBG Kew has prepared a balanced budget for 2022 to 2023 on this basis, with increases in expenditure over income funded by current year surpluses. Government funding for 2022 to 2023 has been confirmed, a contingency is held within the budget, and RBG Kew's levels of general unrestricted and designated reserves provide cover for any additional adverse income risks should these emerge. Defra has been kept updated on the financial challenges and continues to be supportive.

Under the National Heritage Act 1983, RBG Kew has statutory responsibilities as outlined in this report, and the Trustees and Accounting Officer have assumed in making the going concern assessment that sufficient government funding support will continue to be made available to fulfil this responsibility.

On the basis set out above, the Trustees believe it is appropriate to prepare the accounts on a going concern basis. The Trustees note that the Directors of its trading company, RBG Kew Enterprises Limited, have prepared the accounts of the company on a going concern basis, and expect to continue to support RBG Kew through the gifting of profits made by the company in the future.

Key sources of estimation uncertainty

In the preparation of financial statements, RBG Kew is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

These estimates include: the useful economic lives of assets over which depreciation is calculated, estimates of income or expenditure to accrue in advance of receipt or invoice, the recoverability of debt, and the valuation and impairment of land and buildings, plant and equipment. All estimates are based on knowledge of current facts and circumstances, assumptions concerning past events, and forecasts of future events.

In relation to the valuation of land and buildings, a full valuation exercise was carried out by professional valuers for the 2021 to 2022 year end valuations. The Trustees consider that the valuation provided is an appropriate basis on which to determine a materially fair value of relevant land and buildings at the date of reporting.

Fair value is based on external valuers employing RICS valuation methodology for property. The property held is valued using methodologies specific to the nature of the property with operational assets valued on the basis of

Existing Use Value (EUV) or Depreciated Replacement Cost (DRC), and investment properties valued using Market Value (MV), this includes use of indices, estimated rent yields, and comparable land values.

The fair value of the property held is estimated noting there is difficulty in predicting the outlook for certain parts of the UK property market where there are a lower number of comparable transactions.

Income

Government grants

Grant-in-aid, including capital grant, is credited to income in the year for which it is received. Grant-in-aid received for a specific purpose is treated as restricted income (capital or revenue).

Income from activities and generated funds

Income is accounted for on a receivable basis, net of VAT. Grant income is recognised when RBG Kew has met any performance or other deliverable criteria for its recognition. Where the grant is received in advance of performance its recognition is deferred and included in creditors, where entitlement occurs before the grant is received it is accrued to debtors. Member subscriptions, season tickets, corporate memberships and Patron membership are accounted for in the period when received and are not refundable if membership is cancelled. Income is allocated to Restricted Income when it is given by the donor or grant maker for specific purposes.

Charitable activities – Income from government grants

Income from government grants represents income received through the government's Coronavirus Job Retention Scheme which is recognised on a performance basis in line with when the related salary expenditure of furloughed staff is incurred, and in compliance with the conditions attaching to the Scheme.

Gifts in kind

Gifts in kind are valued at the estimated value to RBG Kew of the service or goods received, based on the market price of an equivalent service or goods.

Donated services

Kew also engages with unpaid volunteers to support our activities over the course of the year. Due to the absence of a reliable measurement basis, the contributions of volunteers are not included as income in the accounts. The details of the roles played by these volunteers and the nature of their contributions can be found in the section 'Volunteering'.

Investment income

Investment income comprises interest receivable from cash at bank and short-term deposits, income from investments held in the Churches, Charities and Local Authorities

Investment Fund and income relating to investment properties. Investments also includes nine properties that are now being commercially let.

Expenditure

Expenditure is accounted for on an accruals basis and is classified under the relevant activity within the Statement of Financial Activities.

Expense allocation

Costs are allocated to Research and Conservation and Visitor Activities in line with the objectives of RBG Kew as set out in the Management Commentary.

Indirect costs have been allocated to the headings in the Statement of Financial Activities on the basis of headcount. Governance costs include the costs of strategic planning, the Annual Report and Accounts, the external audit fee and Trustees' expenses.

Grants payable are recognised when the criteria for a constructive obligation are met, payment is probable, values can be measured reliably, and there are no conditions attached to its payment that limit its recognition.

Heritage assets

The land and buildings and collections used by RBG Kew are Heritage Assets as defined by Financial Reporting Standard 102 (section 34) and are accounted for in accordance with this as set out below. Heritage assets held primarily for their contribution to knowledge and culture but with some operational use have been classified as operational heritage assets. Where assets are solely used for operational purposes these are not classified as heritage assets and have been treated as tangible fixed assets, these are also accounted for as set out below.

Land and buildings

The Board of Trustees does not hold title to the land and buildings used by RBG Kew, except for the Wellcome Trust Millennium Building and the land it is situated on, and the adjacent Havelock Farm, which was acquired in 2012 to 2013. The remaining land and buildings are owned by the Crown at Kew Gardens and by the National Trust at Wakehurst. As required by FRS102, existing buildings used for fundraising, administration or accommodation purposes plus land and the Wellcome Trust Millennium Building were valued and capitalised on the Balance Sheet at 31 March 2001 (Notes 10 and 11). Subsequent additions are included initially at cost.

Land and buildings are revalued every five years by external professionally qualified valuers, on the basis of either open market value for existing use or depreciated replacement cost. Professional revaluations were carried out during 2001 to 2002, 2006 to 2007, 2011 to 2012, 2016 to 2017 and 2021 to 2022. Up until 2018 to 2019, in between professional revaluations, values have been updated using indices provided by the professional valuers. For the 2019 to 2020 and 2020 to 2021 accounts, in light of additional uncertainty arising from COVID-19 and its potential impact on land and building asset values, desktop valuation exercises

were undertaken by Kew's valuer. Revaluation gains are recognised in the SOFA under 'Revaluation of assets' unless they reverse a charge for impairment previously recognised as a cost within the expenditure headings of the SOFA. Revaluation losses are recognised as an expense in the relevant expenditure heading of the SOFA except to the extent they reverse any previous revaluation gains.

RBG Kew has not capitalised heritage buildings acquired before 2001 to 2002. Under Charities SORP this is allowable where it is considered that the cost of obtaining valuations for other existing buildings would be onerous compared to the benefit to the readers of the Accounts. Expenditure on new heritage buildings over £5,000 is capitalised. Those buildings used for fundraising, administration, accommodation or other operational purposes have been capitalised as tangible fixed assets. The capitalisation threshold was changed from £2,000 to £5,000 during 2021 to 2022; this has not resulted in any material changes.

Collections

The Board of Trustees has reviewed the costs of valuing the heritage assets by collection including, in particular, the staff time involved and consider that the cost of obtaining valuations for all existing collections would be onerous, because of the time it would take, compared to the benefit to the readers of the Accounts. Therefore, no values have been placed on these as allowed by section 34 FRS102. New items to the collections costing more than £5,000 and acquired after 2001, are capitalised. The capitalisation threshold was changed from £2,000 to £5,000 during 2021 to 2022.

Collections are unlikely to depreciate and are expected to have a life in excess of 50 years, so no depreciation is provided against them. Impairment reviews of these collections are undertaken on a five-year basis and when changes in circumstances dictate. The next review date is scheduled for March 2023.

Other fixed assets

Other fixed assets are stated at their value to the business by reference to cost less depreciation (previously at current costs).

Depreciation

Capital items costing more than £5,000 are capitalised as fixed assets. The capitalisation threshold was changed from £2,000 to £5,000 during 2021 to 2022. Depreciation is provided on all fixed assets, except land and collections, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Buildings: between 20 and 80 years

Gardens equipment: between 5 and 20 years

Scientific and laboratory equipment: over 10 years

Computer and photographic equipment:

between 3 and 10 years

Office equipment and motor vehicles: over 5 years

A full month (or year in the case of buildings) of depreciation is charged in the month of disposal and none in the month of acquisition. The carrying value of tangible fixed assets

is reviewed for impairment when events and/or changes in circumstances indicate the carrying value may not be recoverable.

Construction in progress

Internally generated assets are recognised as construction in progress, and not depreciated until the completed asset is brought into service. Where dwellings are being refurbished for commercial let, these are held as tangible fixed assets and transferred to investment properties on completion.

Research and development

Expenditure on research activities is written off as incurred, due to the inherent uncertainty surrounding the economic benefit resulting from the asset. Capitalisation of development costs is contingent on fulfilment of the criteria noted in FRS102 section 18.

Intangible fixed assets

When fully operational in the business, internally generated software is stated at cost less accumulated depreciation. Assets in construction are not amortised until brought into use. IT software assets are amortised over a three-year period in line with useful economic life.

Investments

Investments are stated at current market value at the Balance Sheet date. Valuations are kept up to date such that when investments are sold there is no gain or loss arising. As a result, the Statement of Financial Activities only includes unrealised gains and losses arising from the revaluation of the investment portfolio throughout the year. Historical costs are not disclosed as required by FRS102 as, in the view of the Accounting Officer and the Board of Trustees, this adds no information of value to the Accounts.

Investments include investment properties (land and buildings) for commercial let, these are measured at fair value annually with any change recognised in the Statement of Financial Activities. The fair values are based on valuations estimated by third party professional valuers. Properties are recognised as investment properties at the point at which they become available for commercial let.

Within Investments, RBG Kew recognises a share of the net assets of the Foundation and the Bentham-Moxon Trust as associates. RBG Kew's interest in the associate is determined by the proportion of the voting rights held by Kew of each of the charities. On recognition (and because there was no consideration involved), the interest in the associate is accounted for as a gift and recognised as a share of the associate net assets in the Statement of Financial Activities. In subsequent years the carrying amount is adjusted to reflect RBG Kew's share of the net assets and the results of the associates.

Current assets and liabilities

Stock is stated at the lower of cost and net realisable value. Debtors are measured at their recoverable amounts and creditors at their settlement amounts when these can be measured or estimated reliably.

Pensions

Pension arrangements are described in Note 21 to the accounts. Pension contributions payable by RBG Kew are expensed as incurred.

Net liquid resources

Liquid resources comprise short term cash deposits. All cash is held in commercial banks and none with the Government Banking Service.

Reserves

Reserves are analysed under the headings Unrestricted, Unrestricted – Designated, Restricted and Endowment Funds.

Unrestricted general reserves

The Board of Trustees, with the approval of the Secretary of State for Environment, Food and Rural Affairs, may undertake certain activities the proceeds from which, together with donations and funds from other sources, including those profits of RBG Kew Enterprises Limited which have been covenanted to Kew, but excluding Grant-in-aid, are taken to the General Reserves. These funds may be used at the Board's discretion within the terms of section 24 of the National Heritage Act 1983.

Unrestricted capital revaluation reserve

This represents the cumulative difference between historic and current costs of fixed assets. Where this relates to unrestricted assets, it forms part of the unrestricted reserve. Where this relates to restricted assets, it forms part of the restricted reserve.

Unrestricted designated funds

These are unrestricted funds which have been set aside by the Trustees for particular purposes. The aim and use of each material fund is set out in the notes to the accounts.

Restricted funds

These are funds which have been given to Kew for specific purposes by donors. The aim and use of each material restricted fund is set out in the notes to the accounts. Kew recognises a share of the net assets of the Foundation and the Bentham-Moxon Trust as associates in line with the relevant accounting standards. These are restricted funds for which RBG Kew has no control or ability to utilise.

Endowment funds

These are capital funds where Trustees have no power to convert the capital to income. However, the income generated by these funds can be used for the purposes for which the endowment was given.

Taxation

The Royal Botanic Gardens, Kew is an exempt charity as a consequence of Schedule 5 subsection 4 of the National Heritage Act 1983. RBG Kew Enterprises Limited covenants most of its profits to the Royal Botanic Gardens, Kew and consequently only a small amount of taxation may be payable, mainly due to timing differences. The Royal Botanic Gardens, Kew and RBG Kew Enterprises Limited are group registered for VAT purposes and are able to recover part of their input VAT, and all VAT balances are processed through RBG Kew.

Leases

Royal Botanic Gardens, Kew has no finance leases. Rentals under operating leases are charged on a straight-line basis over the lease term, even if payments are not made on such a basis.

3. Grant-in-aid

Grant-in-aid of £36.9 million was received from Defra in 2021 to 2022 to carry out its statutory functions as outlined in the Management Commentary (2020 to 2021 £35.2 million). Of this, £17.1 million is restricted to specific revenue and capital projects (2020 to 2021 £12.3 million).

4. Grants and donations

	Unrestricted	Restricted	2021 to 2022	Unrestricted	Restricted	2020 to 2021
	£m	£m	£m	£m	£m	£m
Income received from Kew Foundation	1.6	6.9	8.5	-	3.1	3.1
Fundraising	1.9	7.2	9.1	3.0	4.4	7.4
Other project income	0.1	4.9	5.0	0.2	4.4	4.6
EU project income	-	-	-	-	0.1	0.1
Grant for maintaining Wakehurst	-	0.1	0.1	-	0.1	0.1
	3.6	19.1	22.7	3.2	12.1	15.3

Grants and donations income includes £0.2 million from the Players of People's Postcode Lottery towards research and conservation projects (2020 to 2021: £0.4 million).

5. Other trading activities

	2021 to 2022		2020 to 2021	
	£m	£m	£m	£m
Retailing	5.7		2.7	
Commercial development (i)		14.3	7.0	
Income from government grants (ii)		-	1.0	
Corporate membership and sponsorship	0.9		0.3	
	20.9		11.0	

i. Commercial development consists of concerts, events, licensing and venue hire.

ii. Income from government grants represents income received by RBG Kew Enterprises under the Coronavirus Job Retention Scheme.

6. Income from charitable activities

	Unrestricted	Restricted	2021 to 2022	Unrestricted	Restricted	2020 to 2021
	£m	£m	£m	£m	£m	£m
Admissions	8.5	-	8.5	4.8	-	4.8
Memberships	8.3	-	8.3	6.8	-	6.8
Catering contracts	1.5	-	1.5	0.6	-	0.6
Education charges	0.5	-	0.5	0.2	-	0.2
Income from government grants	-	0.1	0.1	-	5.4	5.4
Other income from third parties	1.6	0.1	1.7	1.2	-	1.2
	20.4	0.2	20.6	13.6	5.4	19.0

Income from government grants represents income received under the government's Coronavirus Job Retention Scheme for staff furloughed in response to the COVID-19 (Coronavirus) pandemic. Other income from third parties consists of supplies made of goods and services from, amongst other things, consultancies, provision of photographs, reproduction fees and identification services and rents receivable.

7. Expenditure

	Staff costs	Dep'n & impair't	Other direct costs	Grant funding of activity	Support costs	Total 2021 to 2022
	£m	£m	£m	£m	£m	£m
Raising funds – trading	3.4	-	8.4	-	-	11.8
Raising funds – fundraising	2.9	-	1.3	-	-	4.2
Research and conservation	20.4	4.6	4.8	1.5	18.4	49.7
Visitor activities	7.6	1.2	5.4	-	5.2	19.4
Support costs	8.6	-	15.0	-	(23.6)	-
	42.9	5.8	34.9	1.5	-	85.1
	Staff costs	Dep'n & impair't	Other direct costs	Grant funding of activity	Support costs	Total 2020 to 2021
	£m	£m	£m	£m	£m	£m
Raising funds – trading	2.8	-	4.3	-	-	7.1
Raising funds – fundraising	2.8	-	0.9	-	-	3.7
Research and conservation	21.6	3.7	3.2	1.9	19.7	50.1
Visitor activities	7.6	1.0	2.7	-	5.5	16.8
Support costs	8.9	-	16.3	-	(25.2)	-
	43.7	4.7	27.4	1.9	-	77.7

Unrecovered VAT for the year of £0.9 million has been charged against these accounts (2020 to 2021 £0.6 million). £90,000 (2020 to 2021 £110,000) was paid to the external auditors for audit fees. £76,000 (2020 to 2021 £73,000) was paid for the audit of RBG Kew, and £22,000 (2020 to 2021 £37,000) for the audit of RBG Kew Enterprises. No other fees were paid to the external auditors. Grant funding of activity are grants to institutions for botanic research and conservation projects. Impairment losses of the year of £1.1 million (2020 to 2021 £nil) have been recognised due to changes in valuation.

8. Support costs

	2021 to 2022		
	Staff costs £m	Other direct costs £m	Total £m
Estates and Capital Development	2.7	11.1	13.8
IT	2.2	1.8	4.0
HR	1.2	0.6	1.8
Finance	1.1	-	1.1
Governance	0.2	0.2	0.4
Other support	1.2	1.3	2.5
	8.6	15.0	23.6

Other direct support costs include losses on disposals of fixed assets which were £0.6 million in 2021 to 2022 (2020 to 2021: £3.7 million).

	2020 to 2021		
	Staff costs £m	Other direct costs £m	Total £m
Estates and Capital Development	2.6	10.1	12.7
IT	2.0	1.3	3.3
HR	0.9	0.3	1.2
Finance	1.3	-	1.3
Governance	0.3	0.1	0.4
Other support	1.8	4.5	6.3
	8.9	16.3	25.2

9. Staff costs and trustees' emoluments

a) Employees with earnings above £60,000

	2021 to 2022	2020 to 2021
£60,000 – 69,999	18	19
£70,000 – 79,999	11	15
£80,000 – 89,999	4	3
£90,000 – 99,999	-	-
£100,000 – 109,999	1	3
£110,000 – 119,999	2	3
£120,000 – 129,999	1	-
£130,000 – 139,999	2	2
£140,000 – 149,999	-	1
£150,000 – 159,999	1	-
£190,000 – 199,999	1	1
	41	47

Details of senior staff remuneration can be found in the Remuneration Report.

b) Staff salaries and social security

	2021 to 2022	2020 to 2021
	£m	£m
Salaries	32.5	31.9
Social security costs	3.1	3.2
Pension costs	6.3	6.7
Redundancy and severance costs	(0.2)	1.2
Total staff costs	41.7	43.0
Agency staff costs	3.1	1.7
Capitalised salary and related costs	(1.9)	(1.0)
Net employee costs	42.9	43.7

£0.4 million salary and social security costs (2020 to 2021: £0.2 million) and £0.0m pension costs (2020 to 2021: £0.0 million) have been capitalised within Non-Current Assets. There are £1.5 million (2020 to 2021: £0.8 million) of agency staff costs which have also been capitalised. Redundancy costs are provided for when formal notice has been given or a detailed formal plan is in place in relation to a restructure. Redundancy costs are also provided for those employed on fixed term contracts of more than two years.

c) Reporting of compensation schemes – voluntary exit packages

Number of employees at:	Total number of voluntary exit packages	
	2021 to 2022	2020 to 2021
Less than £10,000	6	9
£10,000 to £24,999	7	18
£25,000 to £49,999	3	2
£50,000 to £100,000	-	3
Total number of exit packages	16	32
Total resource cost (£m)	0.2	0.6

During the year there was a total of one compulsory exit package in the £0 – £10,000 bracket. During 2020 to 2021 there were a total of two compulsory exit packages both in the £0 – £10,000 bracket.

d) The average monthly number of employees during the year, full-time equivalents, analysed by function

Function	Average monthly FTE	
	2021 to 2022	2020 to 2021
Research and conservation	514	506
Visitor activities	158	147
Support services and Estates management	159	156
RBG Kew Enterprises Limited – Commercial	87	76
RBG Kew Enterprises Limited – Fundraising	57	55
Total (FTE)	975	940

The number of employees includes 17 agency staff for 2021 to 2022 (2020 to 2021: 14).

There have been the equivalent costs of 8 full-time employees capitalised within Non-Current Assets this year (2020 to 2021: 8 employees)

e) Trustees' remuneration

Trustees do not receive any remuneration for their services. Travel and subsistence expenses of six Trustees (two in 2020 to 2021) amounting to £2,717 (£1,005 in 2020 to 2021) have been charged at cost as part of other direct costs.

10. Intangible and tangible assets Royal Botanic Gardens, Kew and Consolidated

	Software	Intangible assets under construction	Total intangible assets	Buildings	Gardens equipment	IT equipment	Other	Assets under construction - buildings	Total tangible assets
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Cost/Valuation	Cost	Cost		Valuation	Cost	Cost	Cost	Cost	Cost
At 1 April 2021 (Restated)	6.5	1.0	7.5	40.1	5.5	3.4	11.1	2.8	62.9
Additions	-	2.6	2.6	-	-	0.3	1.6	6.1	8.0
Disposals	-	-	-	-	(0.2)	(0.9)	(0.3)	-	(1.4)
Transfers	-	-	-	8.2	-	-	-	(8.2)	-
Revaluation	-	-	-	2.2	-	-	-	-	2.2
At 31 March 2022	6.5	3.6	10.1	50.5	5.3	2.8	12.4	0.7	71.7
Amortisation / Depreciation & Impairment									
At 1 April 2021 (Restated)	6.5	-	6.5	-	3.8	2.9	6.0	-	12.7
Charge for the year	-	-	-	0.9	0.3	0.2	0.9	-	2.3
Impairment	-	-	-	0.4	-	-	-	-	0.4
Disposals	-	-	-	-	(0.2)	(0.9)	(0.3)	-	(1.4)
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	(0.9)	-	-	-	-	(0.9)
At 31 March 2022	6.5	-	6.5	0.4	3.9	2.2	6.6	-	13.1
Net book value									
At 31 March 2022	0.0	3.6	3.6	50.1	1.4	0.6	5.8	0.7	58.6
At 31 March 2021 (Restated)	0.0	1.0	1.0	40.1	1.7	0.5	5.1	2.8	50.2

The valuations of the buildings were carried out by Montagu Evans in March 2022. The assets were valued at 31 March 2022 using Open Market Value on an Existing Use basis or, if no market exists for a property, which may be rarely sold or is a specialised asset, then the depreciated replacement cost approach was used. Valuations were prepared in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual. For the 2019 to 2020 and 2020 to 2021 accounts, desktop valuations were undertaken by Montagu Evans. The opening balance and net book value at 31 March 2021 of buildings has been restated following reclassification of £42.9 million of assets from heritage assets (Note 27).

11. Heritage assets Royal Botanic Gardens, Kew and Consolidated

	Land £m	Heritage buildings £m	Heritage buildings – operational £m	Collections £m	Assets under construction – other £m	Total £m
Valuation						
At 1 April 2021 (Restated)	42.9	83.7	25.8	0.3	4.2	156.9
Additions	-	-	-	-	3.3	3.3
Disposals	-	(0.4)	(0.3)	-	-	(0.7)
Transfers	-	3.4	0.1	-	(3.5)	-
Revaluation	0.4	4.7	9.3	-	-	14.4
At 31 March 2022	43.3	91.4	34.9	0.3	4.0	173.9
 Depreciation & Impairment						
At 1 April 2021	-	-	-	-	-	-
Charge for the year	-	1.8	0.6	-	-	2.4
Impairment	-	0.7	-	-	-	0.7
Disposals	-	-	-	-	-	-
Revaluation	-	(1.8)	(0.6)	-	-	(2.4)
At 31 March 2022	-	0.7	-	-	-	0.7
 Net book value						
At 31 March 2022	43.3	90.7	34.9	0.3	4.0	173.2
At 31 March 2021 (Restated)	42.9	83.7	25.8	0.3	4.2	156.9

The valuations of the land and buildings were carried out by Montagu Evans in March 2022. The assets were valued at 31 March 2022 using Open Market Value on an Existing Use basis or, if no market exists for a property, which may be rarely sold or is a specialised asset, then the depreciated replacement cost approach was used. Valuations were prepared in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual. For the 2019 to 2020 and 2020 to 2021 accounts, desktop valuations were undertaken by Powis Hughes (for the Temperate House) and Montagu Evans (all other land and buildings) and asset values were updated according to this valuation. All heritage asset categories have been revalued with the exception of Collections. The land value opening balance and net book value at 31 March 2021 has been restated following the £1.9 million reclassification of land pertaining to commercially let investment properties to investments (Note 27). The opening balance and net book value at 31 March 2021 of heritage buildings (including operational heritage buildings) has been restated following reclassification of £42.9 million of assets as tangible fixed assets (Note 27).

11. Heritage assets (continued)

As explained in Note 2, existing buildings at 31 March 2001 that are not used for fundraising, administration or accommodation purposes have not been capitalised, and RBG Kew's collections have not been capitalised, as allowed by section 34 FRS102. The Kew Gardens site of 132 hectares is a Grade I historic landscape and a World Heritage Site. The Wakehurst site of 202 hectares is in an Area of Outstanding Natural Beauty. RBG Kew manages over 280 buildings on the Kew Gardens and Wakehurst sites. Five of these are Grade I listed – the Orangery, Pagoda, Palm House, Temperate House and Wakehurst Mansion – and there are 37 Grade II listed buildings. The age of the buildings ranges from the 19th century through to the 21st century. RBG Kew occupies Crown land and buildings and does not currently have express obligations to undertake and hence provide for ongoing or accumulated maintenance for that land and buildings. Maintenance is undertaken and paid for in cooperation with Defra. RBG Kew has a ten

year Forward Maintenance Programme for its estate. Funds available for maintenance are prioritised by the Executive Board to the most urgent needs.

In 2021 to 2022, £3.5 million of estates capital work in progress was transferred to heritage building assets (2020 to 2021 £1.2 million).

All new land and buildings above the capitalisation threshold have been included in the Balance Sheet since April 2001 and transactions over the last five years are summarised below (this excludes Collections held as Heritage Assets). The 2020 to 2021 balance has been restated as a result of the reclassification of £42.9 million of buildings to tangible assets and £1.9 million of land to investments (Note 27). Previous years have not been restated as the work required would be onerous compared to the benefit to the readers of the Accounts.

	2017 to 2018	2018 to 2019	2019 to 2020	2020 to 2021 Restated	2021 to 2022
	£m	£m	£m	£m	£m
Valuation					
At 1 April	177.9	204.4	222.4	208.6	156.6
Cost of additions funded by government grants	6.1	8.1	3.5	2.1	1.9
Cost of additions funded by other sources	11.9	3.3	0.8	3.6	1.4
Disposals transfers	-	(0.3)	(1.1)	(3.8)	(0.7)
Revaluations/Impairments	8.5	8.8	(17.0)	(9.1)	13.7
Transfers	-	(1.9)	-	(44.8)	-
At 31 March	204.4	222.4	208.6	156.6	172.9

RBG Kew manages its collections as national reference collections as required by the National Heritage Act 1983. There are 19 separate collections recognised, but they combine into six main areas as follows:

1. Herbarium Collections: these consist of herbarium specimens (dried pressed specimens), spirit preserved specimens and mycological specimens.
2. Economic Botany Collection: items and artefacts that demonstrate the use of plants.
3. Library and Archives Collections: these include books, periodicals, pamphlets, prints and drawings, objects d'art, handwritten material and photographs relating to the history of Kew.
4. Living Collections: all plants cultivated at Kew Gardens and Wakehurst.
5. Seed Collection: all the living seeds collected as part of the project and stored in the Millennium Seed Bank building at Wakehurst, and the reference seed collections.
6. Microscope Slide Collection: these relate to plant anatomy, palynology, cytogenetics and mycology.

There is extensive information about Kew's collections available on the internet at www.kew.org/science/collections-and-resources and a brief summary for each of the main areas follows:

- The Herbarium and Fungarium collections total approximately 8.25 million specimens. They are actively managed by the scientists at Kew and are added to each year from collecting expeditions by Kew staff and other institutions.
- The Economic Botany Collection is fully catalogued and consists of approximately 100,000 items added to annually with items from all around the world. The entire collection is available for inspection and there is also a display of items for the general public in The Botanical Brasserie, a restaurant in the Gardens.
- The Library and Archives Collections consist of over 8 million items, of which 7 million are archive sheets, and together they represent one of the most important botanical reference sources in the world. The Library Reading Room is open to the public and parts of the art collection are on show to the public in changing displays in the Shirley Sherwood Gallery of Botanical Art and the permanent display in the Marianne North Gallery.

- The Herbarium, Economic Botany and Library and Archives collections are being made available via ongoing digitisation projects to wider audiences and are accessible through the internet.
- The Living Collections are fully catalogued and managed by the horticulturists at Kew Gardens and Wakehurst. They provide a reference source for all botanical and horticultural science within Kew, with over 63,000 accessions representing over 27,000 taxa.
- Kew's Millennium Seed Bank at Wakehurst is the result of one of Kew's most successful projects and holds Kew's Seed collection of over 97,000 samples representing 349 families and nearly 40,000 species, made up of 2.4 billion seeds.
- The Microscope Slide Collection totals about 150,000 items, which continue to be prepared by Kew's scientists as part of their research leading to publications and as part of their identification work, including advisory work for UK Customs.

All of Kew's collections are actively managed and used for research purposes. The numbers of additions in the last four years are as follows:

	2018 to 2019	2019 to 2020	2020 to 2021	2021 to 2022
Herbarium Collections	25,139	22,513	4,231	8,654
Economic Botany Collection	761	738	30	6
Library and Archives Collections	8,733	9,926	3,765	2,384
Living Collections	267	1,426	609	561
Seed Collection	5,378	3,434	927	985
Microscope Slide Collection	471	263	0	0

Accessions to the collections in 2021 to 2022 continued to be impacted by the COVID-19 pandemic.

The majority of Kew's collections are held indefinitely and cared for to maintain their quality and to make them available for research and to the public as appropriate. In relation to the Living Collections, Kew's disposal procedures detail the factors to be considered including the conservation rating of the plant and if it is in cultivation in other botanic gardens.

12. Investments

	Royal Botanic Gardens, Kew					Consolidated			Total
	Investments	Investment properties	Total	Investments	Investment properties	Share of net assets of associates – Bentham Moxon Trust	Share of net assets of associates – Foundation		
	£m	£m	£m	£m	£m	£m	£m	£m	
At 1 April 2021 (Restated)	0.8	7.4	8.2	0.5	7.4	3.2	9.5	20.6	
Revaluation	-	0.2	0.2	-	0.2	-	-	0.2	
Share of associates results	-	-	-	-	-	0.5	(3.3)	(2.8)	
	0.8	7.6	8.4	0.5	7.6	3.7	6.2	18.0	

Investments includes 9 properties that are now being commercially let (2020 to 2021: 8). The properties have been revalued by Montagu Evans in March 2022. The properties were valued at 31 March 2022 using Open Market Value or where no market exists on an Existing Use basis. There are no restrictions on RBG Kew's ability to realise income in relation to these properties or obligations for maintenance or enhancements. The investment properties have been restated following the reclassification of £1.9 million of land pertaining to the properties commercially let from heritage assets to investment properties (Note 27).

Investments at 31 March are analysed as follows:

	Royal Botanic Gardens, Kew			Consolidated	
	2022	2021 Restated	2022	2021 Restated	
	£m	£m	£m	£m	£m
RBG Kew Enterprises Limited	0.3	0.3	-	-	-
CCLA Investment Fund	0.5	0.5	0.5	0.5	
Investment properties	7.6	7.4	7.6	7.4	
Share of net assets of associates			9.9	12.7	
	8.4	8.2	18.0	20.6	

13. Debtors

	Royal Botanic Gardens, Kew			Consolidated	
	2022	2021	2022	2021	
	£m	£m	£m	£m	£m
Trade debtors	0.9	0.3	1.8	0.8	
Prepayments and accrued income	3.9	3.7	5.3	4.9	
Owed by subsidiary	5.8	3.1	-	-	
Owed by the Foundation	3.6	1.7	3.6	1.7	
VAT (HMRC)	1.3	1.3	1.3	1.3	
Other	0.1	-	-	-	
Total Debtors	15.6	10.1	12.0	8.7	

Intra-government bodies:

Balances with central govt. bodies	2.9	2.9	2.9	2.9
Balances with local authorities	-	-	-	-
Balances with public corporations	-	-	-	-
Balances with bodies external to government	12.7	7.2	9.1	5.8
Total Debtors	15.6	10.1	12.0	8.7

14. Creditors: Amounts falling due within one year

	Royal Botanic Gardens, Kew		Consolidated	
	2022	2021	2022	2021
	£m	£m	£m	£m
Trade creditors	1.5	0.3	1.8	0.5
Accruals & Deferred Income	7.8	11.9	11.8	15.0
Owed to subsidiary	-	0.6	-	-
Other	1.2	1.6	1.4	1.8
Tax & NI	0.7	0.7	0.7	0.7
Pension	0.5	0.6	0.5	0.6
Total Creditors	11.7	15.7	16.2	18.6
Intra-government Bodies:				
Balances with central govt. bodies	1.2	1.3	0.9	1.3
Balances with local authorities	-	-	-	-
Balances with public corporations	-	-	-	-
Balances with bodies external to government	10.5	14.4	15.0	17.3
Total Creditors	11.7	15.7	16.2	18.6

Deferred income relates to income where the activity being funded has not taken place by 31 March in any year and the performance conditions are not yet met. At 31 March 2021 deferred income was £5.6 million. During 2021 to 2022 £11.1 million was deferred in the year and £11.4 million released. At 31 March 2022 deferred income was £5.3 million.

Creditors includes provisions of £1.1 million (2020 to 2021: £1.5 million) primarily relating to potential exit costs for qualifying staff on fixed term contracts should redeployment not be possible at the end of the contract.

15. Creditors: Amounts falling due after more than one year

	Royal Botanic Gardens, Kew		Consolidated	
	2022	2021	2022	2021
	£m	£m	£m	£m
Loan	0.3	0.3	0.3	0.3
Intra-government bodies:				
Balances with central govt. bodies	0.3	0.3	0.3	0.3

In 2015 to 2016 RBG Kew borrowed £0.5 million from Defra as part of the government voted loan scheme to refurbish two of its residential properties for commercial letting. The interest rate is the National Loans Fund interest rate and was fixed at 1.78%. The loan will be repaid over 12 years from the rental income generated with installments repaid annually.

16. Trading subsidiary

The subsidiary undertaking is as follows:

Name

RBG Kew Enterprises Limited

Registered in

England & Wales Company Number 2798886

Registered address

Royal Botanic Gardens, Kew, Richmond TW9 3AB

Activity

Retailing, commercial development, authentication services and providing fundraising services to RBG Kew and the Foundation and Friends of the Royal Botanic Gardens, Kew.

Proportion of shares held

Ordinary and Redeemable shares 100%

A summary of the results of the subsidiary is shown below. All values are at historic costs.

	2021 to 2022	2020 to 2021
	£m	£m
Activities for generating funds – trading	20.0	10.7
Activities for generating funds - fundraising	0.9	0.3
Costs of generating funds – trading	(11.8)	(7.1)
Costs of generating funds – fundraising	(4.2)	(3.7)
Net surplus	4.9	0.2
Add back consolidation adjustments (intercompany expenditure / income)	3.2	2.4
Net surplus excluding adjustments	8.1	2.6
Gift Aid payable to Kew	(8.1)	(2.6)
Retained in the subsidiary	-	-
Balance Sheet		
Current assets	14.5	6.9
Current liabilities	(14.2)	(6.6)
	0.3	0.3
Share capital and reserves	0.3	0.3

17. Share of associates

	Bentham-Moxon Trust	Foundation	2021 to 2022 Total £m	Bentham-Moxon Trust	Foundation	2020 to 2021 Total £m
At 1 April	3.2	9.5	12.7	3.0	9.5	12.5
Share of associates' results – surplus	0.5	-	0.5	0.2	-	0.2
Share of associates' results – deficit	-	(1.7)	(1.7)	-	-	-
Movement from decreased percentage of voting rights	-	(1.6)	(1.6)	-	-	-
At 31 March	3.7	6.2	9.9	3.2	9.5	12.7

RBG Kew recognises a share of the net assets of Bentham-Moxon Trust and the Foundation based on the percentage of voting rights of these charities' Boards of Trustees held by Kew trustees or Kew staff.

For the Foundation this is on the basis of the number of Trustees who can be appointed by RBG Kew (up to two Trustees) as a proportion of the total number of Trustees which Kew can appoint, plus the total number of actual independent Trustees (two plus four Trustees – six Trustees in total), which was 33% at 31 March 2022 (2021: 40%).

For Bentham-Moxon Trust this is on the basis of the number of Trustees who can be appointed by the Director of RBG Kew (up to three Trustees) as a proportion of the total number of Trustees which Kew can appoint plus the total number of actual independent Trustees (three plus three Trustees – six Trustees in total), which was 50% at 31 March 2022 (2021: 50%).

The Foundation has a year end of 31 March and net assets are included as at 31 March 2022. The share of the Foundation's results included in the accounts is £(1.7 million) and a further £(1.6 million) relating to a decrease in voting rights from 40% to 33%.

The Bentham-Moxon Trust has a year end of 31 December, and a share of net assets as at 31 December 2021 and 31 December 2020 are consolidated in these accounts, the difference to 31 March 2021 and 31 March 2022 being considered immaterial.

Kew does not have control of these entities or the net assets recognised, and the net assets could only be realised following the approval of the independent Boards of Trustees and not RBG Kew's Board of Trustees.

RBG Kew's share of the income and expenditure of each associate based on the above percentages is as follows:

Bentham-Moxon Trust	2021 to 2022 £m	2020 to 2021 £m
Investment income	0.1	0.1
Botanical grants and research expenses	-	-
Net gains on investments	0.4	0.1
Net income	0.5	0.2

Kew Foundation	2021 to 2022 £m	2020 to 2021 £m
Donations and legacy income	1.1	0.7
Investment income	-	0.1
Expenditure on raising funds	(0.1)	(0.1)
Charitable expenditure	(2.8)	(1.3)
Net gains / (losses) on investments	0.1	0.6
Net expenditure	(1.7)	-

18. Statement of funds: Consolidated

	2021 to 2022					
	At 1 April 2021 Restated	Income	Expenditure	Revaluation	Transfers	At 31 March 2022
	£m	£m	£m	£m	£m	£m
Unrestricted						
General – other	6.5	63.2	(58.9)	-	(4.1)	6.7
General – capital	29.8	1.0	(1.7)	-	(1.1)	28.0
Capital Revaluation Reserve	104.2	-	(1.0)	19.9	-	123.1
Investment properties	7.0	-	-	0.2	-	7.2
Unrestricted – Designated	-	-	-	-	-	-
Future capital and projects	7.5	0.5	(0.2)	-	5.2	13.0
Total Unrestricted	155.0	64.7	(61.8)	20.1	-	178.0
Restricted						
Restricted – capital	74.1	14.0	(3.8)	-	-	84.3
Donations	1.1	-	-	-	-	1.1
National Lottery Community Fund	0.3	-	(0.3)	-	-	-
Projects	11.3	22.4	(19.2)	-	-	14.5
Share of associates	12.7	0.5	(3.3)	-	-	9.9
Total Restricted	99.5	36.9	(26.6)	-	-	109.8
Endowment						
Scott-Marshall	0.3	-	-	-	-	0.3
Robin Spare Book Fund	0.0	-	-	-	-	0.0
Total Endowment	0.3	-	-	-	-	0.3
Total Reserves	254.8	101.6	(88.4)	20.1	-	288.1

	2020 to 2021					
	2020 to 2021	At 1 April 2020 Restated	Income	Expenditure	Revaluation	Transfers
		£m	£m	£m	£m	£m
Unrestricted						
General – other	6.5	48.2	(46.3)	-	(1.9)	6.5
General – capital	29.1	2.5	(1.8)	-	-	29.8
Capital Revaluation Reserve	114.3	-	(4.2)	(5.9)	-	104.2
Investment properties	6.0	-	-	1.0	-	7.0
Unrestricted - Designated	-	-	-	-	-	-
Future capital and projects	5.6	-	-	-	1.9	7.5
Total Unrestricted	161.5	50.7	(52.3)	(4.9)	-	155.0
Restricted						
Restricted– capital	71.7	4.9	(2.5)	-	-	74.1
Donations	1.1	-	-	-	-	1.1
National Lottery Community Fund (formerly Big Lottery Fund)	0.3	0.2	(0.2)	-	-	0.3
Projects	9.3	24.7	(22.7)	-	-	11.3
Share of associates	12.5	0.2	-	-	-	12.7
Total Restricted	94.9	30.0	(25.4)	-	-	99.5
Endowment						
Scott-Marshall	0.2	-	-	0.1	-	0.3
Total Endowment	0.2	-	-	0.1	-	0.3
Total Reserves	256.6	80.7	(77.7)	(4.8)	-	254.8

RBG Kew total reserves of £278.2 million (2021 to 2021: £242.1 million) exclude share of associates of £9.9 million (2020 to 2021: £12.7 million) in the tables above.

Unrestricted General Reserves

The addition to unrestricted capital funds reflects unrestricted funds used for capital expenditure. Expenditure reflects the depreciation of those assets and any loss on disposal for the year.

Capital revaluation reserve represents the cumulative difference between historic and current costs of fixed assets and includes the revaluation of heritage asset land and buildings, and the revaluation of tangible buildings, with depreciation in relation to those assets.

Investment properties includes nine properties that are commercially let. The reserve includes the revaluation of these properties. The reserves have been restated following the reclassification of land from heritage assets to investment properties (Note 27).

Unrestricted – Designated Funds

These are unrestricted funds which have been set aside by the Trustees for particular purposes, for example future expenditure on capital and other projects as approved by the Board of Trustees. Transfers of £4.1 million from unrestricted funds are for capital projects including the Palm House renovation, and sustainability projects.

Restricted Funds

These are funds which have been given to Kew for specific purposes by donors. The addition to restricted capital funds

reflects restricted grants received during the year for capital expenditure. Expenditure reflects the depreciation of those assets and any loss on disposal for the year.

The Donations fund represents money given mainly by members of the public for specific purposes ranging from the purchase of books for the Library to money to support different parts of the gardens. There are seven different accounts within Donations (2020 to 2021: seven).

Projects are where RBG Kew receives money from third parties to fund various activities such as specific areas of research, developments in the gardens, restoration of buildings etc., much of this money coming via the Foundation division. There were over 250 such projects this year.

The share of net assets of the associates, Bentham-Moxon Trust and Foundation are disclosed in Note 17 and are based on the proportion of voting power which Kew has in each charity. Kew does not have control of these entities or the net assets recognised, and the net assets could only be realised following the approval of the independent Boards of Trustees and not RBG Kew's Board of Trustees.

Endowment Funds

These are capital funds where Trustees have no power to convert the capital to income. However, the income generated by these funds can be used for the purposes for which the endowment was given. The income from the Scott-Marshall endowment is to be used to provide travel scholarships for horticultural staff at RBG Kew.

19. Analysis of net assets between funds

	2021 to 2022			
	Unrestricted	Restricted	Endowment	Total
	£m	£m	£m	£m
General – Other	19.7	15.6	0.3	35.6
General – Capital	28.0	84.3	-	112.3
Revaluation Reserve	130.3	-	-	130.3
Share of net assets of associates	-	9.9	-	9.9
	178.0	109.8	0.3	288.1

	2020 to 2021			
	Unrestricted Restated	Restricted Restated	Endowment	Total Restated
	£m	£m	£m	£m
General – Other	14.0	12.7	0.3	27.0
General – Capital	29.8	74.1	-	103.9
Revaluation Reserve	111.2	-	-	111.2
Share of net assets of associates	-	12.7	-	12.7
	155.0	99.5	0.3	254.8

20. Analysis of funds

	2021 to 2022			
	Unrestricted £m	Restricted £m	Endowment £m	
Reserves balances at 31 March are represented by:				
Fixed Assets	151.1	84.3	-	235.4
Investments	7.6	10.1	0.3	18.0
Current Assets	29.3	21.9	-	51.2
Creditors – less than 1 year	(10.0)	(6.2)	-	(16.2)
Creditors – more than 1 year	-	(0.3)	-	(0.3)
	178.0	109.8	0.3	288.1

	2020 to 2021			
	Unrestricted Restated £m	Restricted Restated £m	Endowment £m	
Reserves balances at 31 March are represented by:				
Fixed Assets	134.0	74.1	-	208.1
Investments	7.4	12.9	0.3	20.6
Current Assets	30.3	14.7	-	45.0
Creditors – less than 1 year	(16.7)	(1.9)	-	(18.6)
Creditors – more than 1 year	-	(0.3)	-	(0.3)
	155.0	99.5	0.3	254.8

21. Pension costs

The majority of staff of RBG Kew are members of the Civil Servant and Other Pension Scheme (CSOPS) or the Principal Civil Service Pension Scheme (PCSPS). PCSPS and CSOPS, known as “alpha”, are an unfunded multi-employer defined benefit scheme but RBG Kew is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the PCSPS as at 31 March 2016. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation.

For 2021 to 2022, employers’ contributions of £5.3 million were payable to the PCSPS/ CSOPS (2020 to 2021 £5.9 million) at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2021 to 2022 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers’ contributions of £0.1 million (2020 to 2021 £0.1 million) were paid to one of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and ranged from 8% to 14.75%. Employers also match employee contributions up to 3% of pensionable earnings.

From 1 October 2019 the majority of RBG Kew’s new entrants are enrolled in a new defined contribution scheme. It made pension contributions of £0.5 million (2020 to 2021: £0.3 million) and 312 staff were members of this scheme as at 31 March 2022 (2020 to 2021: 231).

RBG Kew Enterprises Limited operates a Group Personal Pension Plan for its employees, which is a defined contribution scheme. It made pension contributions of £0.4 million to this scheme during the year (£0.4 million in 2020 to 2021). 194 staff were members of the defined contribution scheme as at 31 March 2022.

Contributions are allocated to activities and between restricted and unrestricted funds, based on staff costs charged to those activities and funds.

22. Commitments

At 31 March 2022 there were major financial commitments in relation to capital development expenditure of £3.5 million (2020 to 2021: £4.5 million). The amount payable within one year is £3.5 million (2020 to 2021: £4.5 million).

23. Connected charities and other related party transactions

RBG Kew has dealings with the Department for Environment, Food and Rural Affairs (Defra) and its sponsored bodies, and other government departments and their sponsored bodies, and receives Grant-in-aid from Defra.

Connected charities

RBG Kew recognises in its accounts its share of the net assets of material associates. As stated in the Statutory Information the purpose of the Foundation and Friends of RBG Kew is to provide support for RBG Kew.

Fundraising services are provided by RBG Kew Enterprises primarily to RBG Kew but also to the Foundation. To support its activities, RBG Kew Enterprises has three divisions – Commercial, Foundation and Commercial Innovation Unit (CIU). All fundraising costs (pay and other costs) are incurred by RBG Kew Enterprises – Foundation division and the majority are recharged to either RBG Kew or Foundation at cost in line with the relevant service level agreements.

The Foundation's activities are limited to legacy fundraising, the management of investments, and any grants which started pre-July 2017. RBG Kew Enterprises provides legacy fundraising services and services to support the management of grants and investments to the Foundation. RBG Kew provides back-office support services to the Foundation including finance services.

The Foundation made grants to RBG Kew in the year totalling £8.5 million (£3.1 million in 2020 to 2021).

RBG Kew Enterprises made charges for fundraising services to the Foundation totalling £0.2 million (2020 to 2021: £0.2 million); RBG Kew made charges for back-office support services to the Foundation totalling £0.00 million (£0.05 million in 2020 to 2021).

There are a maximum of six Trustees on the Foundation Board; two Trustees can be appointed by RBG Kew and up to four Trustees are independent. The basis of consolidation is the number of Trustees who can be appointed by RBG Kew (up to two Trustees) as a proportion of the total number of Trustees which Kew can appoint plus the total number of actual independent Trustees (two plus four Trustees – six Trustees in total), which was 33% at 31 March 2022 (2021 40%).

Jantiene Klein Roseboom van der Veer served as a Trustee for both organisations from July 2021. Nick Baird served as a Trustee for both organisations until his resignation from the RBG Kew Board in October 2021 and now serves as one of four independent Trustees for the Foundation. No control of the Foundation by RBG Kew is indicated at 31 March 2022.

The Bentham-Moxon Trust is a separate registered charity (registration no. 305966) which provides financial support for botanical collections and research and publications that further the work of Kew. Three members of staff are Trustees (Colin Clubbe, Tim Utteridge and Diane Scott) were appointed by the Director (50%) along with three external Trustees. The Trust makes annual grants to Kew and can make grants to non-related parties and organisations.

Whilst RBG Kew does not control either the Foundation or the Bentham-Moxon Trust, both entities are considered material associates based on the number of Trustees Kew is able to appoint which is greater than 20% but not more than 50%. As a result, a share of net assets of both entities are included in the accounts as restricted assets. However, Kew does not have control of these entities or the net assets recognised, and the net assets could only be realised following the approval of the independent Boards of Trustees and not Kew's Board of Trustees.

During the year RBG Kew received £0.1 million (£0.1 million in 2020 to 2021) from the Bentham-Moxon Trust.

In addition to the material associates, there are a number of other charitable organisations with which RBG Kew has

a relationship. RBG Kew also has the right to appoint three Trustees to the Castle Howard Arboretum Trust and one Trustee to the Marshall Estate; these are not deemed to be associates as there is no benefit to RBG Kew from these associations and RBG Kew does not have significant influence. The Kew Foundation America and The Joseph Banks Society, which were registered 501(c) (3) not-for-profit corporations in the United States were dissolved in 2020. The Kew Asia Foundation, incorporated in Hong Kong, was dissolved in July 2021.

Other related party transactions

During the year RBG Kew had the following transactions in which there was a related interest:

Dame Amelia Fawcett, Chair of the Trustees, is on the Board of Governors for the Wellcome Trust. In 2021 to 2022 expenditure incurred was £2,000 (2020 to 2021 £0) and income received was £0 (2020 to 2021 £0).

Judith Batchelar, Trustee, is also a Non-Executive Director for the Environment Agency. In 2021 to 2022 expenditure incurred was £11,000 (2020 to 2021 £12,000) and income received was £129,000 (2020 to 2021 £0).

Catherine Dugmore and Professor Sue Hartley, Trustees during the year, are both Board Members of Natural England. In 2021 to 2022 expenditure incurred with Natural England was £0 (2020 to 2021 £0) and income received was £75,000 (2020 to 2021 £65,000). Professor Sue Hartley is also Vice President for the University of Sheffield. In 2021 to 2022 expenditure incurred was £30,000 (2020 to 2021 £0) and income received was £0 (2020 to 2021 £0).

Professor Liam Dolan, Trustee during the year, is a Trustee for New Phytologist Trust. In 2021 to 2022 expenditure incurred with New Phytology Trust was £0 (2020 to 2021 £0) and income received was £1,000 (2020 to 2021 £1,000).

Professor Christopher Gilligan is a Non-Executive Director of the James Hutton Institute. In 2021 to 2022 expenditure incurred was £4,000 (2020 to 2021 £0) and income received was £0 (2020 to 2021 £0).

Sir Paul Nurse, Trustee, is an Advisory Board Member at The Science Museum. In 2021 to 2022 expenditure incurred was £7,000 (2020 to 2021 £0) and income received was £0 (2020 to 2021 £0).

Professor Ian Graham is an employee of the University of York. In 2021 to 2022 expenditure incurred was £0 (2020 to 2021 £0) and income received was £16,000 (2020 to 2021 £0).

Kate Priestman, Trustee, is Senior Vice President for Strategy, Portfolio & Operations at GlaxoSmithKline (GSK) and Director for GSK Intellectual Property Companies. In 2021 to 2022 expenditure incurred was £0 (2020 to 2021 £0) and income received was £112,000 (2020 to 2021 £136,000).

Enquiries about the Trustees' Register of Interests should be sent to the Head of Governance & Director's Office, Royal Botanic Gardens, Kew, Richmond, TW9 3AE.

24. Financial instruments

As the cash requirements of RBG Kew are met largely through Grant-in-aid received from Defra, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. Kew has no complex financial instruments and the risk of exposure to credit, liquidity or market risk is minimal.

25. Events after the reporting date

These financial statements were authorised by the Accounting Officer for issue on the same date as they were certified by the Comptroller and Auditor General.

26. Losses and special payments

Losses and special payments during the year totalled £0.0 million (2020 to 2021 £0.0 million). This covers bad debt provisions and stock losses.

27. Prior period adjustments

Fixed assets have been restated following the reclassification of buildings used solely for operational purposes from heritage assets to tangible fixed assets. Investment properties have been restated to reclassify the land on which the commercially let properties stand from heritage assets to investment properties. The capital revaluation reserve and general capital reserve have been restated to reflect impairment losses on assets in prior years where there have not been sufficient previous gains to offset these. The impact on the Balance Sheet and reserves note is shown below. There is no impact on the Statement of Financial Activities.

Balance Sheet Extract	Royal Botanic Gardens, Kew			Consolidated		
	2020 to 2021	Reclassification	2020 to 2021 Restated	2020 to 2021	Reclassification	2020 to 2021 Restated
			£m	£m	£m	£m
Heritage Assets (Note 11)	201.7	(44.8)	156.9	201.7	(44.8)	156.9
Tangible Fixed Assets (Note 10)	7.3	42.9	50.2	7.3	42.9	50.2
Investments (Note 12)	6.3	1.9	8.2	18.7	1.9	20.6
	215.3	-	215.3	227.7	-	227.7

Reserve Note (Note 18)

	Consolidated		
	2020 to 2021	Reclassification	2020 to 2021 Restated
			£m
Unrestricted			
General – other	6.5	-	6.5
General – capital	30.1	(0.3)	29.8
Capital Revaluation Reserve	102.2	2.0	104.2
Investment Properties	5.1	1.9	7.0
Future capital and projects	7.5	-	7.5
	151.4	3.6	155.0
Restricted			
General – capital	77.7	(3.6)	74.1
Donations	1.1	-	1.1
National Lottery Community Fund (formerly Big Lottery Fund)	0.3	-	0.3
Projects	11.3	-	11.3
Share of associates	12.7	-	12.7
	103.1	(3.6)	99.5
Endowments			
Scott-Marshall	0.3	-	0.3
	254.8	-	254.8

Annex

Royal Botanic Gardens, Kew five-year consolidated financial summary

Statement of Financial Activities

	2017 to 2018 £m	2018 to 2019 £m	2019 to 2020 £m	2020 to 2021 £m	2021 to 2022 £m
Income					
Grant-in-aid	40.8	36.3	32.0	35.2	36.9
Grants and donations – RBG Kew	31.2	19.5	18.8	15.3	22.7
Grants and donations – gain from increased/(decreased) share of net assets of associates	11.0	-	-	-	-
Income from activities	28.4	37.1	42.9	30.0	41.5
Investment income	0.1	0.1	0.2	-	-
Share of associates' results	0.2	-	0.4	0.2	0.5
Total income	111.7	93.0	94.3	80.7	101.6
Expenditure					
Charitable expenditure	70.5	66.9	70.5	66.9	69.1
Raising funds – trading / fundraising	10.9	12.8	15.1	10.8	16.0
Share of associates' results	-	0.4	1.2	-	3.3
Total expenditure	81.4	80.1	86.8	77.7	88.4
Net income	30.3	12.9	7.5	3.0	13.2
Revaluation of investments & fixed assets	8.0	8.9	(10.5)	(4.8)	20.1
Net movement in funds	38.3	21.8	(3.0)	(1.8)	33.3
Funds at 1 April	199.5	237.8	259.6	256.6	254.8
Funds at 31 March	237.8	259.6	256.6	254.8	288.1

Summary Balance Sheet

At 31 March	2018 £m	2019 £m	2020 £m	2021 Restated* £m	2022 £m
Fixed assets	227.0	243.4	234.2	228.7	253.4
Current assets	29.3	33.1	38.1	45.0	51.2
Creditors	(18.5)	(16.9)	(15.7)	(18.9)	(16.5)
Total assets less liabilities	237.8	259.6	256.6	254.8	288.1
Unrestricted	161.0	170.2	157.9	155.0	178.0
Restricted	76.6	89.2	98.5	99.5	109.8
Endowment	0.2	0.2	0.2	0.3	0.3
Total funds	237.8	259.6	256.6	254.8	288.1

*Previous years have not been restated as the work required would be onerous compared to the benefit to the readers of the Accounts.

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