



**Royal  
Botanic Garden  
Edinburgh**

## ANNUAL REPORT AND CONSOLIDATED ACCOUNTS

For the year ended 31 March 2020

CONTENTS	PAGE
Trustees' Report	3
Statement of Board's and Regius Keeper's Responsibilities	21
Governance Statement	22
Independent Auditor's Report	28
RBGE Statement of Financial Activities for the year ended 31 March 2020	33
Consolidated Statement of Financial Activities for the year ended 31 March 2020	34
Consolidated Balance Sheet as at 31 March 2020	35
Consolidated Statement of Cash Flows for the year ended 31 March 2020	36
Notes to the Accounts for the year ended 31 March 2020	37
Accounts Direction	60

Page Is Left Blank Intentionally

## Trustees' Report

### “To explore, conserve and explain the world of plants for a better future”

The global challenge of addressing the increasing destruction of natural habitats and associated loss of plant species drives the real and immediate mission of the Royal Botanic Garden Edinburgh (RBGE) to **explore, conserve and explain the world of plants for a better future.**

Our mission requires us to work at different scales: from leading single species and habitat recovery programmes in Scotland and DNA sequencing of bryophytes, to community natural resource management in Tanzania and producing inventories of the most threatened habitats in the Tropics. Such work is vital to sustain the natural systems upon which all life depends.

At the national level, as Scotland's botanical institute, RBGE is a major partner in the Scottish Government's Biodiversity Strategy, and as a Non-Departmental Public Body, we provide the Government with scientific expertise and support the delivery of the Programme for Government. As a charity and an information hub working in many partnerships, RBGE inspires a wide audience to engage with, and learn about, current environmental issues and climate challenges and to access the natural world that underpins our health and wellbeing.

At the international level, RBGE is a global resource, providing expertise, training and information to support people around the world to conserve ecosystems and protect natural capital. Through our extensive partnerships, particularly in South East Asia, tropical South America, Nepal and the Middle East, RBGE strengthens the global capacity to address the issues of plant conservation, undertaking joint projects and seeking and sharing examples of best practice.

Unlocking knowledge and understanding of plants and fungi is critically important element of our mission, and ranges from the diversity and distribution of species, and the threats they face, to how they can best be conserved and sustainably used. These programmes enrich our knowledge of key ecosystems that support biodiversity, regulate climate and benefit humanity. They also advance the sharing of important botanical data around the world, and harness technological innovation including improved DNA sequencing technologies.

Underpinning RBGE's research and conservation work is the National Botanic Collection, which is a globally important resource for research and conservation. It includes a world class herbarium of three million preserved plant specimens, a globally significant living plant collection of 13,500 species, and an extensive botanical library and archive.

Increasing the number and diversity of threatened plant species in our collection as an *ex situ* resource helps to protect against extinction and is an important element in the global network of botanic gardens, amplified by horticultural research and development.

Increasing emphasis is placed on ensuring that the Collection support global scientific and cultural research, including in those countries from which the material derives. Important projects include digitisation of herbarium specimens to enable international open-access and working with our collaborators around world on conservation projects, such as propagating the catkin yew (*Amentotaxus argotaenia*) in Edinburgh and re-establishing them in their native Hong Kong.

Addressing the shortage of botanical, biodiversity conservation and horticultural expertise is a crucial factor in tackling biodiversity loss and climate change. This starts with inspiring young people with the natural world, delivering specialist training programmes and capacity building at home and overseas. Our programmes embrace taxonomy, biodiversity science, conservation horticulture and cultural heritage, engaging individuals, community groups and our partners around the world. Our on-line

courses and in-country training now reach students in over 50 countries.

The Covid-19 pandemic has highlighted the urgency of RBGE's work to better understand and articulate the interdependence of human and environmental health. RBGE is reflecting on how to best address this at the strategic level. The pandemic required that RBGE closed all four gardens in mid-March 2020 and, where possible, move operations to be delivered by staff home working. All essential functions were maintained whilst departments adapted and regrouped to prepare to resume full delivery in 2020/21.

Our gardens in Edinburgh, Dawyck, Logan and Benmore are collectively one of Scotland's top visitor attractions with over 13,500 species of plants to delight domestic and international visitors. With the global impact of Covid-19 from January and the closure of our four gardens in March, reducing our visitor operating year by two weeks, nevertheless over 1,000,000 visitors enjoyed RBGE's gardens in financial year (FY) 2019/20.

## Structure

RBGE is a Scottish charity under the provisions of the Charities and Trustee Investment (Scotland) Act 2005 registered as SC007983. RBGE has a wholly owned subsidiary, the Botanics Trading Company Ltd (BTC) which carries out retail, catering and consultancy activities across the four gardens. BTC donates its taxable annual profits available for distribution to RBGE in accordance with the Government's Gift Aid legislation and the company's financial results are consolidated into the RBGE Annual Report and Accounts.

The remit of RBGE is set out in the National Heritage (Scotland) Act 1985, which empowers the Board of Trustees, who are appointed by Scottish Ministers to:

- carry out investigation and research into the science of plants and related subjects and to disseminate the results of the investigation and research,
- maintain and develop collections of living plants and preserved plant material, books, archives and other related objects,
- keep the collections as national reference collections, and ensure they are secure and that they are available to persons for the purposes of study.
- provide advice, information and education, in any manner which seems appropriate to them, in relation to any aspect of the science of plants or of any related subject,
- provide other services (including quarantine) in relation to plants, and
- afford members of the public opportunities to enter any land managed by the Board for the purpose of gaining knowledge and enjoyment from the collections.

## Strategy and Planning

RBGE Corporate and Business planning is set in five-year cycles by the Scottish Government however, due to the nature of its work, RBGE's overarching strategy looks significantly further forward. The key element of the overall strategic direction is RBGE's Biodiversity Strategy, on which our organisational development plans are built.

The RBGE Biodiversity Strategy 2020-2030 was developed in 2019-20 concurrently with the underpinning Corporate Plan 2020-25 and Operational Delivery Plan 2020-21. In response to the impact of Covid-19, RBGE decided to undertake a full review of the Corporate Plan 2020-25 to ensure alignment with the Scottish Government's updated Programme for Government, to include contributing to the green recovery from Covid-19 and to meet new commitments to net-zero and a nature rich economy for Scotland.

To underpin the delivery of the RBGE Biodiversity Strategy and Corporate Plan there is an urgent need to re-develop the north east corner of the Edinburgh garden, to restore and replace the failing infrastructure and facilities to ensure the organisation can fully function beyond 2025. The 'Edinburgh Biomes Masterplan', proposal for capital investment, includes a state-of-the-art plant health suite, new research glasshouses, re-furbished heritage glasshouses, a new public glasshouse and a sustainable energy centre. The development will protect the National Living Collection, provide a significantly enhanced glasshouse experience for visitors and support Scotland's understanding of the need to respond to the climate emergency, increase self-generated income, reduce energy costs and reduce carbon emissions. In 2019/20 the Scottish Government provided £1 million to enable further design and planning work to be carried out.

The Edinburgh Biomes Masterplan achieved a significant milestone in 2019/20 with fully approved planning consent in July. The draft Full Business Case for the Edinburgh Biomes Masterplan was submitted to the Scottish Government in September 2019. This described the strategic need for this project along with costs and financial modelling to allow Scottish Ministers to make funding decisions.

In September 2020, in response to an application to the Low Carbon Fund to support the carbon emission reducing elements of the Edinburgh Biomes programme, the Scottish Government announced that up to £50 million will be provided to invest in creating a more energy efficient environment at RBGE via the delivery of the Edinburgh Biomes programme. This funding illustrates the importance of RBGE in contributing to the delivery of the Scottish Government's Programme for Government and makes Edinburgh Biomes achievable in coming years.

In light of the investment from the Scottish Government, the comprehensive programme of fundraising will now be implemented to support the funding of the Edinburgh Biomes Masterplan. In 2021/22 RBGE's Development team will launch the most ambitious fundraising campaign in the RBGE's history to support Edinburgh Biomes.

## Performance Management

RBGE has a robust performance management system to assist Senior Managers with decision making. Departmental staff report on the progress of their deliverables, all of which are aligned to RBGE's strategic objectives. The Senior Management Team monitors performance against annual targets via exception reporting and action tracking undertaken on a quarterly basis. In addition, all staff performance is monitored via mid-year and end-of-year appraisal meetings with line managers to ensure that colleagues' objectives remain aligned to organisational objectives and on course for completion.

## Key Outcomes

- RBGE works closely with the Scottish Government to evidence the considerable contribution RBGE makes in fulfilling the National Outcomes for Scotland.
- RBGE outcomes for 2019/20 for biodiversity research, plant health, the National Collections, tourism, community engagement and education are reported below.

In 2019/20 RBGE contributed to the following Scottish Government National Outcomes-

**Environment:** understanding, protecting and rebuilding national and international biodiversity and natural capital; responding to climate change and delivering world leading international plant research, conservation and sustainability programmes; energy from renewable sources, reduced waste, healthy diet, sustainable communities and quality greenspaces.

**Economy & Work and Business:** Economic growth through tourism, entrepreneurial activity, and research funding

**International:** contribution to the sustainable development of other nations, Scotland's reputation for

innovative and world leading botanical research and horticulture.

**Education:** upskilling and engagement in science and horticulture, workplace and through-life learning, international capacity building and producing world leading botanists and horticulturists

**Communities:** health and wellbeing of communities, engagement with greenspace, quality of life, social development, engagement with extracurricular activities.

## Biodiversity Research

RBGE science focuses on increasing our understanding of plant diversity, providing the evidence base to underpin conservation interventions, and developing knowledge and capacity in taxonomy and biodiversity science. To this end, in 2019/20 we published 126 peer-reviewed papers and submitted 20 grant applications, of which 15 have already been successful, to a value of £1,153,792.

	2016/17 Achieved	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2020/21 Target
Number of Grant Applications	19	21	23	20	-
Number of successful awards	9	11	11	15	-
Value of successful awards	£335,930	£615,623	£2,110,202	£1,153,792	£1,000,000

## Discovery Science

In 2019/20 RBGE priorities for understanding plant and fungal diversity in Scotland and worldwide were the acceleration of biodiversity discovery and characterisation, and the development of technological innovations to support this work.

2019/20 highlights included:

- In 2019/20 we published 56 species new to science, more than one per week, ranging from fungi, lichens, diatoms and liverworts to gingers, begonias and rhododendrons, and hailing from North and South America, Asia, Africa, Australia, and Edinburgh itself. We also refound the endemic Sri Lankan ginger, *Amomum nemorale*, which had previously been considered extinct.
- We revised 283 species in monographs and Floras, and reported a further 30 species in checklists, providing important information for understanding the diversity and distribution of species.
- Our taxonomic revisions included those of the tropical tree genus *Pterospermum* (Malvaceae), comprising 26 species, of which six were described new to science, and a group of plants from the ginger family (*Globba* sect. *Nudae* subsect. *Mediocalcaratae*), with 19 species, of which nine were new to science.
- We became a founding Genome Acquisition Lab in the collaborative, Wellcome Trust-funded Darwin Tree of Life project, aiming to sequence the genomes of all 60,000 species of eukaryotic life in Britain and Ireland, with potential applications ranging from conservation to drug discovery.
- We co-authored a paper in *Nature Communications* in which we used exome sequencing to resolve the relationships of the mosses, shedding light on the evolution of this key group. Likewise, we were co-authors on a publication in *Nature Plants*, providing the most comprehensive time-calibrated phylogeny to-date, based on completely sequenced plastid genomes. This provides a framework for comparative studies of flowering plants, and provided new insights into the timing of their diversification, suggesting a much earlier diversification than that inferred by the fossil record.

- We were co-authors on an international consortium paper in *Nature* reporting and comparing over 1,000 plant transcriptome sequences, providing a robust framework for studying plant evolutionary history.

## Global Environmental Change

We aim to document and explain biodiversity and ecosystem change, focusing on the drivers of change leading to biodiversity loss, at scales ranging from individual species to major biomes, including in our role as the sector lead for the natural environment and horticulture in Scotland's Centre of Expertise in Plant Health.

2019/20 highlights included:

- We completed IUCN "Red List" conservation assessments, quantifying threat levels for all African and many Asian Zingiberaceae species (the Ginger family), and many Asian Sapotaceae species (the family including gutta-percha and the miracle berry) .
- At Scotland's first Plant Health Conference, we launched an online plant health information resource to support and inform those protecting Scotland's natural environment from emerging threats to wild plant species.
- We also published a special issue of the journal *Sibbaldia* focusing on biosecurity for conservation horticulture (<https://journals.rbge.org.uk/rbgesib/issue/view/23>).
- We contributed to the influential report *State of Nature 2019 (UK)*, published in October 2019.
- In March 2020 we co-authored a widely-publicised *Nature* paper reporting the rates at which increasing global temperatures may cause the Amazon and African rainforest to become net sources, rather than sinks, of carbon, a key climate tipping point.

## Conservation and Sustainability

We continue to support countries across the world to meet the targets of international conventions such as the Global Strategy for Plant Conservation (2011-2020) and the Convention on Biodiversity's 'Aichi 2020' Targets as well as the Scottish Biodiversity Strategy. Key priorities include developing and implementing methods to support the conservation and sustainable utilisation of plant natural capital, the maintenance of ecosystem services, the restoration of biodiversity, and nature-based solutions to climate change.

2019/20 highlights included:

- We completed our British Council-funded Socotra heritage Project run by the Centre for Middle Eastern Plants (CMEP). During this project we surveyed and assessed over 400 cultural heritage sites and 15 heritage traditions including *Aloe* and *Dracaena* harvesting techniques, developed a draft protected area system and hosted a heritage festival. In addition, seven Soqotri were trained in surveying, technical skills and community and stakeholder integration, skills which they are now successfully applying on Socotra.
- We received two project grants from Defra's Darwin Initiative. "Know your onions: Sustainable plant use in Tajikistan," is a collaboration with Fauna & Flora International and three Tajikistan organisations, aiming to ameliorate threats to plant biodiversity in Tajikistan by reducing unsustainable amounts of wild harvesting. "Uprating community forest management in Nepal: enhancing biodiversity and livelihoods," is a collaboration with five Nepali organisations, aiming to mainstream biodiversity conservation into Nepal's Community Forest programme through participatory action research. Our existing Darwin Initiative project "Science-based interventions reversing negative impacts of invasive plants in Nepal" was graded "A" in review.

- Our village surveys in 14 coastal communities of Tanzania showed that communities involved in participatory natural resource management have better governance and better access to facilities than communities that do not use such approaches.
- We established protocols and a working pipeline for the use of DART-Mass Spectrometry to support the identification of tree species from timber samples. This work is designed to help tackle the large scale global trade in illegal logging and illegal trade of endangered plants.
- In September 2019, we led a paper exploring the potential risks and benefits to the use of mass afforestation on grassland habitats, which has important implications for global land management policy for combating climate change.
- We repatriated forty rooted cuttings of the near-endangered conifer, *Amentotaxus argotaenis*, from our living collection to their native Hong Kong, where the species is now extremely rare to support a species reintroduction programme. We also planted out c. 500 young trees of Critically Endangered *Glyptostrobus pensilis* in Lao PDR.
- In 2019/20 our International Conifer Conservation Programme shipped 1,450 conifers to safe sites in Britain and Ireland, including 1,000 to the John F. Kennedy Arboretum, Ireland, via Glasnevin Botanic Garden.
- In Scotland, we established three new populations of alpine-blue sowthistle, all at sites ideal for public engagement with this iconic Scottish rarity: Benmore, Logan and Braemar.
- In May 2019, a part of the Atlantic Woodland Alliance, we published a key report highlighting the threats facing this globally significant habitat, and evidencing conservation measures that should be put in place to protect it. We also published a paper addressing forest planting strategies to ensure sufficient microclimatic refugia for conservation of temperate rainforest species in Scotland under climate change.

Working with Scottish Natural Heritage, the University of Edinburgh, and 14 other organisations, we led the publication of a world's first "Genetic Scorecard" for wild species, highlighting the Scottish flora and fauna most at risk. This scorecard was designed as a mechanism for reporting on international biodiversity targets focusing on genetic diversity, which to date have proved difficult to implement due to a lack of a workable methodology.

### Building Global Capacity

We work to mobilise and democratise knowledge to address national and international training needs in biodiversity science and conservation.

2019/20 highlights included:

- We ran a Bio-Bridge workshop in Sri Lanka training 30 researchers and students in molecular species delimitation, phylogenetics and DNA-banking.
- We ran a two-week workshop for 22 people at the National Herbarium of Peru, and set in place the foundations of a national specimen database.
- We trained two Nepalese botanists in Flora writing and IUCN "Red List" assessment, at RBGE.

Our Key Results Indicators in Biodiversity Research for 2019/20 are:



	2015/16 Achieved	2016/17 Achieved	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2020/21 Target
<b>Publications in peer review journals</b>	130	118	147	124	126	<b>120</b>
<b>No. of papers published in the last 5 years that have been cited over 50 times</b>	59	55	46	40	53	<b>45</b>
<b>No. of new species described</b>	41	35	54	46	56	<b>52</b>
<b>No. of species revised in Monographs &amp; Floras</b>	134	475	180	295	345 *	<b>200</b>
<b>No. of species in published Checklists</b>	1,294	194	14,713	5,099	30*	<b>300</b>
<b>IUCN threatened species in the Living Collection</b>	119	119	420	420	420	-
<b>Conservation - Threatened Scottish species in conservation programmes*</b>	-	-	-	-	75	<b>171</b>
<b>Conservation - Threatened Scottish species in recovery programmes</b>	-	-	-	-	9	<b>9</b>

\*Species covered in monographs & floras: 135 species published in Solanum paper which has created the positive variance

\*Species covered in checklists: Checklists are inherently spiky in nature – years where they are published can have >1000 taxa. Monitoring annual output remains useful – but the change in this case is not material.

\*Threatened Scottish species in conservation programmes: A full stock take was made of Scottish species in the living collection, identifying species where the material was dead or non-viable. This identified numerous cases where material has died, and new collections are needed. The ability to start this replenishment work was compromised by COVID restrictions this year – field work in 2021 will be needed to re-establish these collections.

## National Collections

We hold a world leading living collection of some 13,500 plant species, a herbarium of 3 million preserved plant specimens, and specialist botanical library and archive.

## The National Living Collection

Plant health concerns required continuous vigilance and the new isolation glasshouses at the regional gardens have significantly aided statutory compliance and monitoring. Essential repairs on the Quarantine House were needed to ensure this vital facility remained fully operational to facilitate plant health and biosecurity control. The purchase of a new steam steriliser will further aid best practice in plant health moving forward.

Maintaining the controlled environments of our ageing glasshouses in the face of more frequent storms remains the biggest risk to the Living Collection until Edinburgh Biomes is delivered. Work to replace vent mechanisms to improve controlling the climate and addressing slipped glass panes served to protect the Living Collection from both storms Ciara and Dennis from inflicting more serious loss of glass.

At Edinburgh replanting and bridge construction in the Rock Garden and Woodland Garden was completed along with pruning and replanting of the Chinese Hillside. In preparation for Edinburgh Biomes enabling works began to widen access and to remove/relocate selected trees, this provided the opportunity to share knowledge and develop new skills with staff and students.

Having made the strategic decision to move to IRIS, a new data base system for our Living Collection, the team completed finalising the route for data migration from BG Base and is developing comprehensive digitisation plans.

The new Raingarden, developed in collaboration with Heriot Watt University, is enabling RBGE to demonstrate how plants can provide some of the solutions for climate change. The garden features a selection of Scottish native plants from the RBGE conservation programme including; primulas, hostas

and the rare Alpine Sow Thistle *Cicerbita alpina* which is only found on four sites in Scotland. This garden showcases a specially developed compost mix designed to enhance water infiltration and the garden serves to encourage visitors to consider ways to combat the increased frequency of adverse weather events.

The three regional gardens continued to enhance their respective collections and to improve visitor access by upgrading roads paths, wooden walk ways, bridges and ramps.

Benmore is experiencing the impact of high rainfall incidents on the internal road and path infrastructure which indicates the need for climate change mitigation works. Initial assessment work commenced on improving tree health on the iconic Benmore Avenue.

Logan celebrated 50 years as an RBGE Garden with a garden party for supporters and staff past and present and it was great to see the current and two former curators present to mark this important milestone event.

Dawyck expanded the plantings of their signature Himalayan Blue Poppy, *Meconopsis 'Slieve Donard'* to replace the plantings of the invasive Skunk cabbage.

## The National Preserved Collection

Continued progress has been made on the curation, conservation, and enrichment of our herbarium collection. 986,467 herbarium specimen records have now been fully databased, representing nearly a third of the entire collection, and over half a million (512,247) of these have been digitally imaged and made available online to the global research community.

Funding was approved this year for the Distributed System of Scientific Collections (DiSSCo) Prepare project, the preparatory phase of an EU-wide project to deliver a new world-class research infrastructure for natural science collections, with RBGE participating in several work packages.

Our Key Results Indicators for FY 2019/20 are shown below:

	2015/16 Achieved	2016/17 Achieved	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2020/21 Target
Annual Herbarium specimen record downloads	485,675	512,168	454,648	2,004,718	651,870	600,000
Total Herbarium specimen records databased	743,940	808,763	865,577	921,876	986,467	1,000,000
Total % of Herbarium Collection databased	25%	27%	29%	29%	32%	33%
Total Herbarium specimen images digitised and put on-line	326,609	362,000	431,002	468,253	505,017	520,000
Total accessions recorded in the Silica-dried Collection	1,088	1,929	1,929	2,263	4,697	5,000

## The Botanical Library & Archive

The RBGE Library holds Scotland's national collection of botanical and horticultural literature as well as unique information resources relating to its living and preserved collections in the Archives. The Library continued to be well used with more than 7,000 access occurrences (i.e. visits, loans, etc) over the year.

In 2019/20, 2,246 books were added to the Library. There were also significant new additions to the Archives including books, a photograph album from the Scottish Natural History Society and a collection of original Chinese illustrations on rice paper showing the tea making process.

2019 saw the successful launch of the RBGE Florilegium, a new initiative to ensure the ongoing development of RBGE's world-class collection of botanical art. Fourteen original works by artists from around the world were added to the collection and displayed in an exhibition in the John Hope Gateway.

Three foundation projects including RBGE co-investigators were funded by the Arts and Humanities Research Council (AHRC) under the first phase of the Towards a National Collection programme.

Illustrations from a Hortus Siccus (bound herbarium) from the Library collection featured in the exhibition "Cut and Paste: 400 years of collage" at the Scottish National Gallery of Modern Art. Six original illustrations from our Indian Collections were included in the exhibition "Forgotten Masters: Indian painting for the East India Company" at the Wallace Collection in London.

Until the advent of Covid 19 restrictions, volunteers continued to carry out projects in the Library and Archives. These included the listing of items in Archive collections, basic cataloguing of the map collection and the re-housing of original illustrations in order to ensure their long-term preservation. The Library also hosted work placements for Masters students from the University of Edinburgh and Edinburgh College of Art.

	2015/16 Achieved	2016/17 Achieved	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2020/21 Target
Library access occurrences	7,449	6,485	6,500	7,751	7,114	6,500
New items added to the Library Collection	N/a	1,900	2,151	1,500	2,246	1,500

## Visitor Attraction and Tourism

RBGE provides first-class visitor attractions to enable more communities, families and individuals to enjoy and be inspired by our four gardens. The total of visits for the financial year 2019/20 across all four RBGE Gardens was 1,066,208, holding the position of the previous year. Visitor growth was running at 4% above the previous year until end of January 2020; February saw significant closures due to stormy weather and the Covid 19 emergency impacted on the March figures due to closure of all four gardens from 17 March onwards. Despite that, Benmore and Logan – celebrating its 50<sup>th</sup> anniversary as an RBGE Garden and with the addition of a new dinosaur sculpture – saw year on year increases.

Visitor figures breakdown as follows:

	2015/16 Achieved	2016/17 Achieved	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2020/21 Target
<b>Visits to the four Gardens</b> (includes miscellaneous visits)	967,224	962,473	1,008,819	1,062,002	1,066,208	<b>1,056,021</b>
<b>Visits to Edinburgh Botanic Garden</b>	808,667	790,571	815,302	848,164	855,365	-
<b>Visits to Benmore Botanic Garden</b>	48,923	47,411	50,286	49,217	50,546	-
<b>Visits to Dawyck Botanic Garden</b>	34,326	34,424	35,055	36,861	34,606	-
<b>Visits to Logan Botanic Garden</b>	22,643	22,849	25,175	25,480	27,844	-
<b>Other miscellaneous visits</b>	52,665	67,218	83,001	102,280	97,847	-
<b>Paid Visits to the Edinburgh Glasshouses</b>	76,891	75,600	90,736	87,000	100,625	<b>121,007</b>
<b>Conversion Percentage of Edinburgh Garden visitors to glasshouse visitors</b>	9.5%	9.6%	11.1%	10.3%	11.8%	<b>13%</b>

## Events & Engagement

RBGE's events and exhibition programme spanned both the arts and the sciences, with Inverleith House building on the previous year's record 40,000 visits, reaching 60,000, an increase of 50% year on year. Exhibitions included the Cordis Prize and Levon Biss's *Microsculpture*. The RBGE arts manifesto was published during the year, creating a new vision for the arts at RBGE, closely aligned to the RBGE mission. We also worked closely with partners including RSPB, Edinburgh International Science Festival, Edinburgh Fringe Festival and others to produce events throughout the year, including our month long *Below the Blanket* event, featuring works inspired by the Caithness Flow Country.

The third year of RBGE's illuminated light trail event, *Christmas at the Botanic*, saw around 77,000 visitors enjoy the Edinburgh Garden at night during late November and December. 90% of visitors surveyed said that they were likely to return to the Botanic during 2020 as a result of attending the show. 27% were first time visitors to the Botanic and 32% would not have considered visiting without the trail. A further 10,000 visitors took part in our popular Easter and October family trails, sponsored this year by Mackies chocolate.

	2015/16 Achieved	2016/17 Achieved	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2020/21 Target
<b>Number of visits to Inverleith House</b>	24,017	16,678	7,670	45,121	59,769	<b>60,000</b>
<b>C@tB: tickets sold</b>	25,975	43,311	61,151	78,338	76,268	
<b>C@tB: average nightly attendance</b>	1,129	1,883	2,108	2,701	2,460	
<b>C@tB: income</b>	£0*	£75,000	£52,000	£117,000	£114,534	
<b>C@tB: percentage of first time visitors to RBGE</b>	21%	-	-	23%	27%	

\* Cancellation impact

The last quarter of the year saw the launch of our 350<sup>th</sup> anniversary, with a very successful reception at Scottish Parliament, which included a fashion show of garments inspired by students' visits to the Edinburgh Garden in partnership with Edinburgh College of Art. Other early events included a film season with Edinburgh's Filmhouse, a Friends event at Palace of Holyroodhouse and profile raising press coverage and marketing activity; unfortunately the Covid 19 lockdown meant that by the end of March a number of high profile events planned for the year had been cancelled or postponed.

Getting the message out to all audiences is a key priority and during 2019/20 our social media followings grew to Facebook 84,989, Instagram 70,944, Twitter 28,692. The RBGE website had 586,146 users. We delivered RBGE's key messages to national and international media throughout the year, resulting in 2,183 press cuttings, 1,757 digital credits and 826 pieces of broadcast. New strategic media partnerships and contacts were developed through our participation for the first time in the Meet the Garden Press event in London and through targeted meetings with the BBC in London and Bristol.

	2015/16 Achieved	2016/17 Achieved	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2020/21 Target
<b>RBGE Website: Sessions</b>	668,136	533,689	642,186	724,125	857,725	<b>900,000</b>
<b>RBGE Website: Users</b>	470,568	383,171	439,050	539,745	600,699	<b>670,000</b>
<b>Media Messages: Press Cuttings</b>	1,740	1,763	2,398	3,007	2,183	<b>2,500</b>
<b>Media Messages: Digital Credits</b>	1,848	1,812	1,380	1,992	1,757	<b>2,000</b>
<b>Media Messages: Broadcasts</b>	191	140	239	359	862	<b>700</b>
<b>Social Media: Facebook Friends/Likes</b>	40,000	50,000	75,538	79,515	84,989	<b>89,000</b>
<b>Social Media: Twitter Followers</b>	15,000	17,000	22,768	25,629	28,692	<b>31,000</b>
<b>Social Media: Instagram Followers</b>	1,000	10,000	37,851	52,747	70,944	<b>87,000</b>

## Community Engagement

The Market Garden site has maintained its organic status and provided a supply of fresh fruit and vegetables for our catering sites across the garden. Late in the financial year a new Kitchen Garden site was opened adjacent to the Botanic Cottage which will allow for increased public interaction with the work of our Market Gardener.

In total there were 5,235 interactions with the Botanic Cottage from local community members. A wide spectrum of people are supported by the Botanic Cottage programme including adults and families experiencing disadvantage; people with autism, dementia and mental health issues; adults and teenagers with learning disabilities; people from ethnic minority backgrounds and refugees; and community gardening and cooking initiatives. Across the Edible Gardening Project, Market Garden and Botanic Cottage volunteers contributed 3675 hours of their time to our engagement programme.

Our Edible Gardening Project delivered:

	2015/16 Achieved	2016/17 Achieved	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2020/21 Target
Participants at Community Engagement activities: Edible Garden	7,375	7,200	7,096	7,114	7,427	7,500
Participants at Community Engagement activities: Botanic Cottage	3,004	5,500	12,788	5,003	5,235	5,000

By setting an example in achieving greater self-sufficiency, supplying organic, home-grown salads, vegetables and fruit for consumption in our cafes and restaurant we have been able to promote positive messages on the health benefits of growing, sharing and eating fresh, locally-sourced produce.

## Education

RBGE Education experienced a transition year concentrating on core delivery with interim departmental management put in place pending the appointment of a new Head of Education. The main focus beyond maintaining the operational status quo has been the programme development in outline provision around RHS Level 2 and extending into Level 3. The results proved encouraging with a 45% increase in participants in our online learning Propagate courses and a 25% increase on the target for the Botanical Illustration course.

A significant investment in improving the quality of lab teaching was the replacement of microscopes with demonstration and compound models to enable shared dissection to the whole class and better individual student microscopes. This is the first part of a scheduled upgrade in teaching facilities.

Our RBGE Diploma in Garden Design students lead by Kirsty Wilson saw her show garden design - *The Coffee Garden* achieve the unprecedented triple of Gold Medal, Best in Show and the People's Choice award at Gardening Scotland and has been a tremendous recruitment showcase for our course.

Much of the business development progress in education has been focused on the development of online learning programmes including RHS L2 and L3 along with Herbology and Botanic Illustration as can be seen below.

Our Key Results for FY 2019/20 are shown below:

	2015/16 Achieved	2016/17 Achieved	2017/18 Achieved	2018/19 Achieved	2019/20 Achieved	2020/21 Target*
<b>No. MSc Students</b>	15	9	19	14	20*	
<b>No. HND/BSc Students</b>	57	55	66	54	55*	
<b>No. Diploma Students</b>	61	72	86	99	31	
<b>No. Certificate Students</b>	361	405	377	415	800*	
<b>No. School Pupils</b>	9,674	9,929	8,988	8,340	6,948*	
<b>No Teachers of CPD</b>	587	268	316	340	199	
<b>Total No. of Learners</b>	11,831	11,739	9,852	9,262	11,100	<b>5,000</b>
<b>No. Short Course Participants</b>	1,107	1,217	1,238	1,150	1,313	-

\*Education KPIs are being reviewed by the recently appointed Head of Education, targets were not agreed for 20/21 before Covid 19 lock down.

\*Planned increase - aim of increasing the intake in year 1 of the BSc each year (up to 30 students in the coming years) and the MSc up to 25, and increasing retention for students as they progress through the programme. By providing additional support and feedback we are able to encourage students to realise their potential and achieve a degree or Hons degree when they may have originally felt they only wished to complete the HND (2 years).

\*RHS participants - by encouraging learners at lockdown to make use of the additional time available to them with a discounted rate, RHS students increased significantly in 19/20.

\* School pupils - Impact of lockdown before Easter

## Estates

The land and buildings occupied by RBGE are owned by Scottish Ministers and are leased to the RBGE Board. Relevant financial information relating to valuation, depreciation etc. on land and buildings can be found in Note 11. The property portfolio comprises nearly 30,000m<sup>2</sup> of built environment over 100 buildings across four Gardens, including approximately 116 hectares of land, with an asset book value of circa £55 million.

Funding for the Estate is provided from both revenue and capital sources. The repairs and maintenance budget for Estates 2019/20 was set at £642k. Total outturn was £675k. Backlog maintenance across the Estate remains at circa £15 million.

Progress has been in relation to both improving the resilience of our estate fabric in protecting our National Botanic Collections, both in the Herbarium and Library, as well as under glass. Much has centred on making existing vulnerable buildings and structures as resistant as possible to potential catastrophic infrastructure failure i.e. storm damage and water ingress. One critical project was the replacement of No 4 boiler which brings both short term resilience and has the potential to be reused within the new Energy Centre. Furthermore, completing the replacement of the glasshouse vent mechanisms and replacing broken and slipped panes prevented more serious damage from the winter storms with just 40 panes lost.

Undertaking a major incident plan exercise proved invaluable towards fine tuning our emergency response plans as part of our due diligence responsibilities to our collections and building positive relationships with the local Scottish Fire and Rescue Service.

A new Climate Response Group has been established to steer our internal delivery of and increase external engagement with our carbon reduction activities alongside managing our impacts in relation to carbon management, recycling and staff travel.

Many of RBGE's buildings are of significant architectural interest including the Grade A listed Victorian and Front Range Glasshouses, the John Hope Gateway, the restored Benmore Fernery and the Botanic

Cottage. Significant levels of RBGE's financial resources are spent to maintain the built environment.

Our Key Results for FY 19/20 are shown below:

Impacts	Measure	Target	Actual
Revenue Spend	£000	642	675
Capital Spend	£000	1,785	2,089

## Financial Review

The Consolidated Statement of Financial Activities on page 34 shows an overall movement on funds of £1,654k, mostly due to the revaluation of fixed assets of £1,320k. When this is excluded, the net income / expenditure position is a net surplus of £334k. Unrestricted funds have fallen by £271k, mainly due to the impact of the Covid19 pandemic on profits within the Botanics Trading Company and on admission and other income streams within RBGE. Restricted funds have increased by £621k, due to an excess of capital funds over depreciation (£1,008k); partly offset by a deficit of £385k on restricted projects in 2019/20. Endowment funds saw a deficit in the year of £16k with the investment portfolio seeing capital losses of £39k, partly offset by income of £31k.

The accounts have been prepared in a form directed by Scottish Ministers under paragraph 20(3) of Schedule 1 to the National Heritage (Scotland) Act 1985 and on the basis of the accounting policies set out in Note 1 to the accounts.

During the year the Garden received revenue grant in aid of £8.9m (£8.5m 2018/19) and capital grant of £3.0m (£2.6m 2018/19). Other grants, gifts and donations of £2.6m were slightly higher than the 2018/19 figure of £2.5m. Income from admissions to the Regional Gardens and Glasshouses, education courses, rents, concessions, membership income and other activities was £2.3m compared to £2.4m 2018/19, the reduction being due to a fall in Education income. Trading and commercial activity contributed £2.6m compared to £3.3m in 2018/19 due to a fall in BTC income mainly due to Covid19 and a drop in legacies received in the year. Staff costs amounted to £10.9m (£9.5m 2018/19) and £6.1m (£6.8m 2018/19) was spent on other operating costs excluding depreciation.

Capital expenditure of £3.0m (£2.9m 2018/19) was incurred, of which almost £2.1m was spent on land and buildings. The biggest project spend in the year was on continued preparatory work for the Edinburgh Biomes project.

In 2019/20 we received research grant income of £1.3 million, which included £314k to cover overhead and salary recharges to projects.

The Statement of Financial Activities for RBGE (page 33) shows an overall net movement on funds of £1,741k, mainly due to the impact of the revaluation of land and buildings of £1,320k. The Covid-19 pandemic had a significant impact on the financial performance of RBGE in the year with lost income on admissions, education and the gift aid received from the Botanics Trading Company.

The overall reserves remain healthy with an increase in group reserves to £59,282k. However, unrestricted group funds fell from £445k to £174k due to the lost income as a result of the pandemic. Project funds have decreased from £633k to £248k due to expenditure on grants and donations received in previous years.

Uncertainty continues around the level of longer-term funding from Scottish Government which makes future planning difficult. RBGE's revenue streams will also be impacted by the pandemic and the Edinburgh Biomes project over the next few years.



## Reserves Policy

The Reserves of the organisation are explained in Note 1 of the accounts. The Trustees view is that a target level of £100k of unrestricted reserves for RBGE is desirable to give the organisation flexibility to cope with funding fluctuations. Due to the impact of the Covid-19 pandemic, the unrestricted funds within RBGE as at 31 March 2020 were negative £105k (+£79k 2018/19) made up of £0k on the General Fund and -£105k on the Board Reserve.

## Other Fixed Assets

Significant changes in other fixed assets are shown in Notes 11 and 12.

## Payment Policy

RBGE's policy is to settle all debts with its creditors within 30 days but wherever possible to comply with the Scottish Government requirement to pay within 10 days. The average duration for 2019/20 was 10 days (2018/19: 21 days), with 96% (2018/19: 88%) of invoices payed within 30 days.

## Investment Policy and Performance

It is the policy of RBGE to keep capital balances intact, and use only the income generated for expenditure related to the charity. However, in exceptional circumstances Trustees may, at their discretion, consider the use of capital for specific projects. The portfolio is managed by Investment Managers using a Total Return approach. During the year, dividend income of £31k was received; the investment portfolio decreased in value by 0.86% (gross of fees) against a benchmark of a decrease of 7.17%.

An ethical investment policy was approved by the RBGE Board in 2018/19 and has been implemented but remains under constant review.

## Volunteers

The contribution of volunteers to RBGE is invaluable. In all four gardens and in many departments, volunteers contribute significantly to the success of the organisation, our science, education, horticulture, community and membership teams in particular have benefitted from their considerable expertise and assistance over the last 12 months. In 2019/20 over 280 people gave their time to us to support the delivery of RBGE's core objectives. These programmes of activities aims to engage more individuals with our collections and is part of RBGE's work to make those collections more accessible to an even wider audience.

RBGE Friends Committee continues to play a big role in our income generation and marketing initiatives. As always, RBGE continues to be hugely indebted to our volunteers for their commitment and hard work.

## Publication Scheme

The RBGE has a publications scheme that is available on our website.



## Sustainability Report 2019/20

### The Climate Change (Scotland) Acts 2009, 2018 and 2019

In 2009, the Scottish Government set what remains one of the most ambitious pieces of climate change legislation anywhere in the world. Under the recent Climate Change Emissions Act (2019), the Scottish Government set ambitious new objectives to reduce all greenhouse gasses to net-zero by 2045 *at the latest*, with interim targets for reductions of at least 75% by 2030 and 90% by 2040. In response to this new legislation, RBGE is developing a revised Carbon Management Plan for 2020-2025 which will lay the foundation for our long-term Net Zero strategy in alignment with Scottish Government objectives.

Section 44 of the 2009 Act places duties on Scottish public bodies in relation to climate change. From 1 January 2011 any public body, has, in exercising its functions, to act:

- in the way best calculated to contribute to the delivery of the Act's emission reduction targets;
- in the way best calculated to help deliver any statutory programme for adapting to the impacts of climate change; and
- in a way that it considers most sustainable.

In the context of both the biodiversity and climate crises, RBGE's work has never been more critical. To perform our vital work often requires international travel, while our own expansive estate requires significant resources to operate and maintain both of which have an effect on our carbon output. RBGE recognises the need to routinely assess our working practices, to improve our facilities and our operations, and to modify our organisational behaviour and activities, in order to reduce our carbon footprint and lower our environmental impact.

RBGE continues to fulfil our requirement to submit the annual Public Bodies Climate Change Duties Report (PBCCDR). This annual report provides a comprehensive overview of RBGE's greenhouse gas emissions and our renewable energy projects. A summary of the information from the PBCCDR is provided in the table below.

### RBGE Carbon Emissions 2019/20

Emissions Category		Total Carbon Emitted (tCo2e)		Percentage of Total Carbon		Cost of Carbon Emitted	
		2019/20	2018/19	2019/20	2018/19	2019/20	2018/19
Buildings Gas & Electricity	Edinburgh Benmore Dawyck Logan	2,528	2,458	84.0%	80.5%	£575,507	£493,997
Transport	Fleet	39	23	14.5%	15.5%	£200,420	£196,348
	Business Travel	399	448				
Waste	Combustion	2	56	0.5%	2.0%	£47,926	£44,945
	Compost	8					
	Anaerobic Digestion*	0					
	Recycling	2	8				
Water	Supply	29	57	1.0%	2.0%	£92,855	£19,526
	Treatment						
Renewable energy	Generated	(10)	(12)				
<b>Totals</b>		<b>2,996</b>	<b>3,038</b>	<b>100%</b>		<b>£916,708</b>	<b>£754,816</b>

\*Anaerobic digestion: 14.1 tonnes of food waste was sent to Anaerobic Digestion but the carbon footprint is negligible

During the 2019-2020 Financial Year, RBGE emitted 2,996 tCO<sub>2</sub>e (tonnes of carbon equivalent). Carbon output has therefore decreased by 1% (42 tCO<sub>2</sub>e) from figures reported for the previous year. The cost of carbon emitted has increased by 21% for reasons noted below.

The difference in output can mainly be attributed to improvements in our carbon accounting practices. Consequently, certain categories of emissions have seen substantial increases or decreases due to changes in how data is collated and calculated, rather than a change in actual resource consumption.

Electricity and gas figures, for example, have notably increased (+70 tCO<sub>2</sub>e) due to the inclusion of secondary energy accounts which were not previously factored into total output. Conversely, in other categories (i.e. waste) figures have fallen. RBGE's general waste has remained relatively consistent over the past two years, yet carbon output for 2019-20 has dropped from 56 tCO<sub>2</sub>e to 10 tCO<sub>2</sub>e. This change is because most of RBGE's general waste is now sent to incineration.

RBGE's carbon footprint for water has also decreased (c. 28 tCO<sub>2</sub>e) partly due to improved carbon accounting, but also due to water pipe repair work and the installation of urinal sensors. RBGE's baseline (constant) consumption has dropped from 2 m<sup>3</sup> an hour to between .06 and 0.6 m<sup>3</sup> an hour (depending on irrigation schedules).

Emissions from RBGE's business travel have decreased since 2018/19. This is due to a combination of behaviour change among staff (i.e. increased use of trains over flights) and a slight reduction in travel due to the outbreak of Covid 19 in March 2020.

While measuring carbon outputs is central to organisational sustainability, these calculations fail to capture some of the new and ongoing "green" practices implemented across RBGE's various departments such as:

- Electric vehicle charging points are available at three of the four gardens
- Ongoing cycle-to-work-scheme
- Switch to renewable grid (green) electricity through our provider under the procurement framework. This switch cannot be captured in the PBCCDR as the saving has been recorded by the provider but is important nevertheless.
- Rolling replacement of standard lights for energy efficient LED ones
- Water taps are available for visitors to fill up water bottles and products in single use plastic bottles are no longer on sale.
- Staff Swap Shop held for Edinburgh staff to promote circular-lifestyle practices
- Plastics workshop for staff led by Zero Waste Scotland as part of the Annual Conference
- Increased use of Air Ports by Horticulture – made of 95% recycled materials
- Solway Recycling initiated for plastic planters and bag recycling
- Increase use of Biocontrols for pests with at least 6 different species in use
- Increased use of less toxic, "soft chemicals" like New Way Weed Spray
- Continued emphasis on reducing peat in Horticulture
- Rechargeable equipment purchased in Horticulture leading to lower emissions, less noise, and lower impact on operators
- *Think Plastic Exhibition* at the John Hope Gateway
- The Big Compost Experiment as part of the Demonstration Garden
- Three of the four RBGE sites have Green Tourism Gold Awards

While this list is not exhaustive of every sustainability related activity at RBGE, it does provide a glimpse into the many ways, big and small, that RBGE is implementing greener practices and behaviours across the organisation in tandem with our larger carbon-reduction goals.

## Legal and Administrative Details

### PRINCIPAL OFFICE

The Royal Botanic Garden, Edinburgh  
20A Inverleith Row  
Edinburgh, EH3 5LR

### BANKERS

The Royal Bank of Scotland  
12 North West Circus Place  
Edinburgh, EH3 6SX

### SOLICITORS

Shepherd & Wedderburn W.S.  
Saltire Court  
20 Castle Terrace  
Edinburgh, EH1 2EG

Brodies LLP Solicitors  
15 Atholl Crescent  
Edinburgh, EH3 8HA

### AUDITORS

#### External

Audit Scotland  
4<sup>th</sup> Floor Athenaeum Building  
8 Nelson Mandela Place  
Glasgow G2 1BT

#### Internal

Henderson Loggie  
Ground floor, 11-15 Thistle Street  
Edinburgh EH2 1DF

### INVESTMENT ADVISERS

Brewin Dolphin (from May 2018)  
Atria One  
144 Morrison Street  
Edinburgh EH3 9BR

## Appointment of Auditors

In terms of Schedule 1 to the National Heritage (Scotland) Act 1985, an auditor appointed by the Auditor General for Scotland audits the annual report and accounts prepared by the Board of Trustees in respect of each financial year. Scottish Ministers lay copies of it and the auditor's report before the Scottish Parliament.

## People

### Equal Opportunities, Diversity & Inclusion

In 2019/20 RBGE renewed the commitment to become a more accessible organisation and to work hard to increase the diversity of all stakeholder groups and audiences. This was led by the Chair of the

Board and the Regius Keeper and equalities, diversity and inclusion work will have increased focus going forward.

RBGE is actively committed to ensuring that all staff, volunteers, students and visitors are treated equally irrespective of their sex, marital status, age, race, ethnic origin, sexual orientation, disability, religion or social background, any pregnancy or maternity, gender reassignment, or marriage / civil partnership status in accordance with the Equalities Act 2010.

Although not covered as a listed authority under the specific duty of the Equalities Act 2010, RBGE is committed to the general duty. To this end we are committed to ensure that all in the organisation have due regard for the need to eliminate discrimination and to advance equality of opportunity for all people.

RBGE achieved the renewal of the Athena Swan Bronze Award in 2019/20. To support the first Athena Swan work, in 2017 we established a wider staff-led group focussing more broadly Equalities, Diversity and Inclusion (EDI). In 2019/20 RBGE has been widening the focus of the EDI group to include consideration of all protected characteristics and to move to assess how we can widen access to and participation of people who experience disadvantage and discrimination. Part of this awareness raising has included delivering unconscious bias and diversity training to senior staff and managers and to commence rolling this out to all staff. RBGE seeks to develop ways to embed an equalities based approach to all aspects of the organisation's work.

The success of RBGE's greater focus on gender equalities in recent years has been seen in the significant reduction in RBGE's gender pay gap, from 17.7% in 2015 down to 9.1% in 2018. In addition, at that time, our mean gender pay gap reduced down to 5.9% and our median gender pay gap was -7.2%. We intend to carry out another equal pay exercise in 2020 to assess further progress.

In 2018/19 RBGE rolled out the organisational values, which had been developed from feedback from a variety of staff surveys since 2017, these values are as follows:

- **Inclusive** – we recognise, reward and celebrate each other's unique contribution and treat everyone with dignity and respect
- **Pride** – we have a strong sense of belonging and demonstrate this through what we say and what we do
- **Purpose** – we are clear on the long and short term priorities of RBGE and align our contribution, responses and actions to these
- **Communicative** – we are open, respectful, and consultative, creating an environment of transparency and trust
- **Collaborative** – we respect expertise and actively seek opportunities to improve how we work together
- **Customer-focussed** – we understand the needs of our customers and colleagues, and meet and exceed their expectations
- **Curiosity** – we are inquisitive and engaged with the world around us, constantly exploring, expanding our expertise and sharing our knowledge

### Employee Consultation

The management of RBGE consults collectively with the representatives of the recognised trade unions. Our partnership agreement remains in place and biannual partnership meetings, involving the Regius Keeper and a Head of Division along with the Head of HR, continue to take place with Prospect staff representatives.

### Sickness Absence Data

The average number of days absence per employee was 6.54 days in 2019/20 compared to 5.07 in 2018/19. This is well below the public sector average of 8 days of absence per employee published by CIPD.

Short term absence in 2019/20 has increased compared to 2018/19, from 723 to 828 days. Long term sickness absence (defined as over 20 consecutive days), has risen from 630 days in 2018/19 to 927 in 2019/20.

The total days of reported staff absence 2017/18 to 2019/20 is shown below:

Year	Total Absence (days)
17/18	1,958
18/19	1,353
19/20	1,755

### Disclosure of Relevant Audit Information

All reasonable steps have been taken to ensure that all relevant audit information has been disclosed to the auditors. So far as I am aware, all relevant information has been provided to the auditors.

*Dominic Fry*

---

Mr Dominic Fry  
Chairman of the Board of Trustees

02 December 2020

*Simon Milne*

---

Mr Simon Milne MBE  
Regius Keeper and Accountable Officer

02 December 2020

## Statement of Board's And Regius Keeper's Responsibilities

Under paragraph 20 of Schedule 1 of the National Heritage (Scotland) Act 1985, the Board of Trustees of the Royal Botanic Garden Edinburgh is required to prepare, in accordance with best commercial practice, a consolidated statement of accounts dealing with the RBGE and its subsidiary companies (together referred to as the "group") for each financial year in the form and on the basis determined by Scottish Ministers. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the group and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts the Board is required to:

- Observe the accounts direction issued by Scottish Ministers, 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 have been followed, and disclose and explain material departures in the financial statements;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group will continue in operation;
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

The Accountable Officer for the Scottish Government Rural and Environment, Science and Analytical Services Division (RESAS) has designated the Regius Keeper as the Accountable Officer for the Royal Botanic Garden Edinburgh. 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 the Royal Botanic Garden Edinburgh assets, are set out in the Financial Memorandum of the Royal Botanic Garden Edinburgh issued by Scottish Ministers.

As the Accountable Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Royal Botanic Garden Edinburgh auditors are aware of that information. So far as I am aware, all relevant information has been provided to the auditors.

## Governance Statement

### Structure, Governance and Management

#### Board of Trustees

Scottish Ministers appoint the Trustees of the Royal Botanic Garden Edinburgh. The following were members of the Board during the period covered by the Accounts:

#### Chairman

Sir Muir Russell KCB FRSE to 16 December 2019

Mr Dominic Fry appointed 1 December 2019

#### Trustees

Mr Raoul Curtis-Machin appointed 1 April 2019

Professor Beverley Glover

Professor Thomas Meagher

Diana Murray MA, FRSE, FSA, FSAScot, MIFA

Professor Ian Wall FRSE, FRICS, Hon FRIAS, FSA Scot

Dr Ian Jardine appointed 1 April 2019

Chris Wallace resigned 1 February 2020

Dr David Hamilton

The Board of Trustees is responsible for developing and approving policy and strategy for RBGE. In practice, both are developed jointly by Trustees and management, and adopted formally by the Board. Management has a responsibility for ensuring effective processes and deployment of resources for optimum performance. Implementation and operation are solely the responsibility of the Regius Keeper and Senior Management Team. The Corporate and Operational Delivery Plans along with the Framework Document are in place to enable RBGE and the Scottish Government to develop a shared understanding of the joint priorities over the medium term which contribute towards delivery of the Scottish Government's National Outcomes, and to ensure that RBGE's corporate communications and engagement strategies fully reflect these.

The Corporate Plan runs for a period of five years and following approval by the Board of Trustees is submitted for final approval to the Cabinet Secretary for Rural Affairs, Food and Environment. The previous Plan was valid from 2015-2020 however the Scottish Government requested that 2019/20 be used as a transition year as RBGE moves to a more stream-lined planning, delivery and performance management model.

Thus RBGE developed a Transition Plan for 2019/20, underpinned by the Operational Delivery Plan, which reflects the strategic goals contained in the Corporate Plan and provides the necessary guidance and performance measures for our staff to achieve our aims. There are clear links between staff objectives and those contained in the Operational Delivery Plan, thereby ensuring full alignment.

None of the Board members have any financial interests in the Royal Botanic Garden Edinburgh. Details of relationships between RBGE and related parties are provided in Note 24 to the accounts.

When a requirement arises to appoint a new Trustee the RBGE works with the Scottish Government's sponsor team and Public Appointment Centre of Excellence (PACE) to ensure appointment rounds and other appointment activity is conducted in line with the Codes of Practice for Ministerial Appointments to Public Bodies in Scotland. On appointment Trustees sign a code of conduct and complete a Register of Interests. The latter is renewed annually. They are given a Trustee Handbook that includes the

National Heritage (Scotland) Act 1985 that sets out the remit of RBGE, Scottish Government's 'On Board: A Guide for Board Members of Public Bodies in Scotland', the Framework Document, Risk Register, Staff Handbook and Statement of Roles and Responsibilities of RBGE Trustees. New Trustees meet with the Regius Keeper, Chairman of Trustees and Board Secretary and are invited to an induction tour of the Garden. According to their skills and experience they take responsibility for activity areas by appointment to a committee. Training needs are assessed and met and Trustees participate in an annual strategy day, usually held in October, where all major risks are reviewed.

The Board met four times during the period covered by the accounts. The Board operates in accordance with the 'Principles of Corporate Governance' as set out in 'On Board: A Guide for Board Members of Public Bodies in Scotland' published by the Scottish Government.

The Royal Botanic Garden Edinburgh also has a **Science Advisory Committee**. The aim of the group is to advise the RBGE Board of Trustees, the Regius Keeper, and the Director of Science, on:

- RBGE's science and biodiversity strategy
- The wider scientific, environmental and policy context in which RBGE's science sits, to inform its remit and collaborative opportunities
- Opportunities for increasing research grant income
- Opportunities for increasing the international profile and impacts of the scientific and biodiversity activities of RBGE

The members of this committee are:

Professor Thomas Meagher (Chair)  
Professor Beverley Glover  
Professor Janet Sprent FRSE (Emeritus)  
Professor Simon Hiscock  
Professor Susanne Renner  
Dr Ian Bainbridge  
Professor John Grace (Emeritus) FRSE  
Professor Janis Antonovics, PhD, FRS, FLS

#### The Regius Keeper and Accountable Officer

The Regius Keeper and Accountable Officer is Mr Simon Milne MBE.

#### Audit Committee

The RBGE Board has set up an Audit Committee, chaired by a non-executive member. The Audit Committee meets four times per year to provide independent advice and assurance on the effectiveness of the internal control and risk management systems. In 2019/20 the Audit Committee completed a review of the effectiveness of its activities. As part of this review the effectiveness of the internal and external audit functions were reviewed. The following were members of the Audit Committee during the period covered by the accounts:

Chris Wallace (Chair, resigned 1 February 2020)  
Dr Ian Jardine (Chair from 1 February 2020)  
Professor Ian Wall FRSE, FRICS, Hon FRIAS, FSA Scot

Trustees Dr David Hamilton, Professor Thomas Meagher and Diana Murray all participated in Audit Committee meetings held during the period covered by the accounts. The Committee met four times during this period.



## Investment Committee

The following were members of the Investment Committee during the period covered by the accounts:  
Professor Ian Wall FRSE, FRICS, Hon FRIAS, FSA Scot (Chair)  
Dr David Hamilton

The Committee met twice during the period covered by the accounts.

## Scope of Responsibility

The Regius Keeper, as Accountable Officer, and the Board of Trustees, have joint responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, set by Scottish Ministers, whilst safeguarding the public funds and assets for which the Regius Keeper is responsible in accordance with the responsibilities assigned to him in the Scottish Public Finance Manual (SPFM).

The SPFM is issued by the Scottish Ministers to provide guidance to the Scottish Government and other public bodies on the proper handling of public funds. It is mainly designed to ensure compliance with statutory and Parliamentary requirements, promote value for money and high standards of propriety, and secure effective accountability and good systems of internal control.

In addition, the Regius Keeper is accountable to the Accountable Officer, the Director General Economy within Scottish Government, to enable him to discharge his overall responsibility for ensuring that RBGE, as a Scottish Government Non-Departmental Public Body, has adequate financial systems and procedures in place.

## Purpose of the System of Internal Control

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve the organisation's policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify the principal risks to the achievement of the organisation's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

The process within the organisation accords with the SPFM and has been in place for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts and accords with guidance from the Scottish Ministers. The Regius Keeper has received assurances from all Directors about operations and internal controls under their remit and no issues have been identified.

## Organisational Risk Management

### Risk Strategy and Risk Management

With the wide range of activities at RBGE and the diverse groups of stakeholders it serves it is essential that RBGE's approach to, and appetite for, risk is carefully assessed.

Strategic leadership on risk management comes from the Leaders Group with oversight by the Board of Trustees. The RBGE Risk Register is updated by the Senior Management Team on a quarterly basis. Annually the Board of Trustees completes a review of the Key Strategic Risks; this review coincides with the Trustees' annual strategic review.

High risks are reported quarterly, medium risks six monthly, and low risks annually in RBGE's performance reports to ensure that the risk management process is embedded in the operational management of RBGE.

At the detailed level, individual Directors are responsible for the implementation of risk management and mitigation within their Division. The Senior Management Team monitors and reports on the progress of actions taken to manage risks and on the emergence of new risks which are then updated in the quarterly performance report.

### Major Risks to RBGE Strategy

The major risks faced by RBGE were reviewed on a quarterly basis and their findings reported to the Board of Trustees. The Board carries out their own independent assessment once per year and the most serious risks that face the RBGE have been determined by the Board as follows:

- Risks arising from the Covid-19 pandemic were identified in March 2020.  
A comprehensive range of mitigating actions, including those to address H&S risks to the public, students and staff, financial risk, risks to collections, were set and in place and closely monitored going forward.
- Inability to innovate in science due to lack of resources / working practices and/or low impact of science in comparison with other organisations  
Mitigating action: RBGE Biodiversity Strategy to be communicated & implementation to commence. Develop method of monitoring impact of science benchmarked against comparators.
- Catastrophic failure of glass  
Mitigating action: Ongoing maintenance programme pending delivery of Edinburgh Biomes Masterplan
- Risk of fire or other significant damage to herbarium / archive, failure to protect irreplaceable National Botanical Collections  
Mitigating action: Continue security & fire protection systems training (staff & volunteers) & procedures upgrades. Major Incident Response Plan test carried out.
- Inability to mitigate pathogen threats  
Mitigating action: Review Biosecurity policy & procedures. Deliver Biosecurity plan communications & training that was delayed due to the furloughing of staff
- Reduced access to EU science and education funding  
Mitigating action: Factor into planning post 2020 and consider alternative sources of funding
- Reduced talent pools and loss of EU (non UK) national staff  
Mitigating action: Seek to widen recruitment approaches
- Inability to generate funded income  
Mitigating action: Multi-strand Fundraising plan
- Inability to sustain / grow commercial income  
Mitigating action: RBGE & BTC income generation plan in development for 2021/22
- Poor cybersecurity, GDPR non-compliance  
Mitigating action: Further improvements made to homeworking arrangements. Electronic monitoring of systems in place. GDPR compliance workplan constantly reviewed
- Poor ICT capability, inefficient systems  
Mitigating action: Undertake comprehensive assessment of ICT resourcing and infra-structure, and use to refine ICT investment and delivery plan.

Detailed mitigation plans are in place to address the above as appropriate.

## Financial Management and Control

RBGE maintains systems of internal financial control which are managed by the Finance Department. Guidance on all financial systems is available to staff on the Intranet. Financial management is supported through monthly management accounts to the Senior Management Team, and quarterly reporting to the Board of Trustees. Financial information is frequently reviewed during monthly meetings of the Senior Management Team and is available to all budget holders so that they can monitor their performance against budgets at any time.

## Fraud Risk Management

RBGE's policies relating to fraud are set out in the Staff Handbook and available on the intranet. These detail the steps taken to manage the risk of fraud and how to respond to fraudulent activity if it is suspected or discovered. Processes are in place to ensure that policies for counter-fraud are consistent with Scottish Government guidance, including a review of current counter-fraud activity.

There is a Whistleblowers Procedure set out in the Staff Handbook and a member of the Board of Trustees is appointed so as to be directly available to whistleblowers.

The National Fraud Initiative in Scotland (NFI) is a national detection exercise carried out by Audit Scotland on behalf of the Cabinet Office. RBGE has continued to participate in this time in 2019-20. The results provide good assurance for the Board and the Senior Management Team on our internal control systems.

## Project Management

For major capital projects (valued at in excess of £2M) a Project Board, involving the Board of Trustees (and representatives of Scottish Government, as required), is established and a separate risk register is maintained for each such project. Smaller projects are managed directly by RBGE Directors and the Estates Management Department. Major capital projects have Scottish Government sponsored gateway reviews and post project appraisals carried out. Non-capital projects, including externally funded research projects and consultancy work are managed through line managers within the Divisions and progress is monitored and significant financial variances are reported within the monthly management accounts.

## Best Value

In accordance with the principles of Best Value, RBGE aims to foster a culture of continuous improvement. As part of this regime, Directors and managers are encouraged to review, identify and improve the efficient and effective use of resources. Arrangements have been made to secure Best Value, as set out in the Scottish Public Finance Manual. Business cases for major capital investment are produced where spending limits require it.

A member of the Scottish Government Shared Procurement Service was embedded at RBGE to assist with all procurement activities to ensure compliance with regulations, directives and guidelines until 31 March 2020. This was taken in-house from April 2020.

## Other Government Policies

RBGE subscribes to diversity initiatives and has successfully put in place processes to increase opportunities for equalities within the workplace. We pay, as a minimum, the Scottish Living Wage and have required all new bids for contracts to provide evidence that a similar intention exists by the bidding contractor. The RBGE engages with Scotland's Digital Future as much as resources can permit and reports separately under the Climate Change (Scotland) Act.

## Information Management

As one of Scotland's National Collections, RBGE holds unique information resources relating to its living and preserved collections of plants, its library and archives. Increasingly these information resources are being captured in digital form, which provides for the wider dissemination of information via the internet and also for digital archives to be securely backed up and managed within a Business Continuity Plan.

RBGE undertakes to ensure correct management of any personal data. There were two minor data related incidents in 2019/20. RBGE has implemented the new General Data Protection Regulations (GDPR) by updating and strengthening policies and procedures, delivering training for Information Asset Owners and Administrators, understanding data flows in and out of the organisation and updating the Information Asset Register and Privacy Statements. To test the robustness of the systems put in place, RBGE's approach to GDPR was audited in 2018/19. Further improvements have been implemented in 2019/20 with more planned for 2020/21.

## Review of Effectiveness

The Regius Keeper (as Accountable Officer) and the Board of Trustees have responsibility for reviewing the effectiveness of the system of internal control. RBGE's review of the effectiveness of the system of internal control is informed by the work of the Senior Management Team, supported by the findings of the programme of internal audit and comments made by the external auditors in their management letter and other reports. The Regius Keeper has received assurances from all Directors about operations and internal controls under their remit and no issues have been identified.

At each quarterly Board of Trustees meeting, the Trustees receive an update on key operational matters including risks from the Regius Keeper, and a copy of the quarterly Performance Report.

The Internal Auditors reviewed these areas during the year:

- Repairs contract management
- Soft facilities management contract management
- Debtors - income

In addition there was a follow up report on the status of previous recommendations.

The Internal Auditor's Reports made recommendations in a number of areas, none of which were classified as fundamental issues which required review by the Board. The Asset Management report highlighted contingency arrangements for safeguarding the living collections. Senior management continue to address this by reviewing, developing and testing disaster recovery procedures.

## Assessment of Corporate Governance

The RBGE's arrangements for corporate governance comply with generally accepted best practice principles and relevant guidance as set out in the Scottish Public Finance Manual and therefore meet the governance requirements of the Board of Trustees and Scottish Government. There are no significant issues of governance / internal control to be reported.

*Dominic Fry*

---

Mr Dominic Fry  
Chairman of the Board of Trustees  
02 December 2020

*Simon Milne*

---

Mr Simon Milne MBE  
Regius Keeper and Accountable Officer  
02 December 2020

## **Independent auditor's report to the members of [insert name of audited body], the Auditor General for Scotland and the Scottish Parliament**

### **Report on the audit of the financial statements**

#### **Opinion on financial statements**

I have audited the financial statements in the annual report and accounts of Royal Botanic Garden Edinburgh for the year ended 31 March 2020 under the National Heritage (Scotland) Act 1985 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the RBGE Statement of Financial Activities, Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with the National Heritage (Scotland) Act 1985 and directions made thereunder by the Scottish Ministers of the state of Royal Botanic Garden Edinburgh's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the National Heritage (Scotland) Act 1985 and directions made thereunder by the Scottish Ministers, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of The Charities Accounts (Scotland) Regulations 2006.

#### **Basis for opinion**

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 25 June 2020. The period of total uninterrupted appointment is 1 year. I am independent of Royal Botanic Garden Edinburgh in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to Royal Botanic Garden Edinburgh. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Emphasis of matter: Valuation of land and buildings**

I draw attention to Note 1C in the financial statements, which describes material uncertainties, caused by Covid-19, declared in the valuation report for land and buildings. My opinion is not modified in respect of this matter.

### Conclusions relating to going concern basis of accounting

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

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- Royal Botanic Garden Edinburgh has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about its ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Risks of material misstatement

I have reported in a separate Annual Audit Report, which is available from the Audit Scotland website, the most significant assessed risks of material misstatement that I identified and my conclusions thereon.

### Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of the Accountable Officer Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Accountable Officer is responsible for assessing Royal Botanic Garden Edinburgh'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 deemed inappropriate.

### Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved. I therefore design and perform audit procedures which respond to the assessed risks of material misstatement due to fraud.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

## Other information in the annual report and accounts

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the information other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on matters prescribed by the Auditor General for Scotland to the extent explicitly stated later in this report.

In connection with my audit of the financial statements, my responsibility is to read all the other information in the annual report and accounts 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## Report on regularity of expenditure and income

### Opinion on regularity

In my opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

### Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

## Report on other requirements

### Opinions on matters prescribed by the Auditor General for Scotland

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

- the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the National Heritage (Scotland) Act 1985 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the National Heritage (Scotland) Act 1985 and directions made thereunder by the Scottish Ministers.

### Matters on which I am required to report by exception

I am required by The Charities Accounts (Scotland) Regulations 2006 to report to you if, in my opinion:

- adequate accounting records have not been kept; or

- the financial statements are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

### Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

### Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

*Mark Ferris*

Mark Ferris  
Senior Audit Manager  
Audit Scotland  
4th Floor  
8 Nelson Mandela Place  
Glasgow  
G2 1BT

03 December 2020



**RBGE Statement of Financial Activities for the year ended 31 March 2020**

				2019/20	Restated 2018/19
	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000
<b>Income and Endowments from:</b>					
Scottish Government	3	8,879	3,000	-	11,879
Donations and Legacies	4	1,891	1,671	-	3,562
Charitable activities	5	2,320	35	-	2,355
Other trading activities	6	386	161	-	547
Investments	7	5	-	31	36
<b>Total income and Endowments</b>		<b>13,481</b>	<b>4,867</b>	<b>31</b>	<b>18,379</b>
<b>Expenditure on:</b>					
Raising funds		313	-	-	313
Charitable activities					
Collections		5,774	791	-	6,565
Visitor offer		1,880	258	-	2,138
Education		1,545	212	8	1,765
Scientific research		4,153	2,985	-	7,138
<b>Total Expenditure</b>		<b>13,665</b>	<b>4,246</b>	<b>8</b>	<b>17,919</b>
Net gains/(losses) on investments	19	-	-	(39)	(39)
<b>Net income/(expenditure)</b>		<b>(184)</b>	<b>621</b>	<b>(16)</b>	<b>421</b>
<b>Other recognised gains/(losses):</b>					
Gains/(losses) on revaluation of fixed assets	19	-	1,320	-	1,320
<b>Net movement in funds</b>		<b>(184)</b>	<b>1,941</b>	<b>(16)</b>	<b>1,741</b>
<b>RESERVES AS AT 1 APRIL 2019</b>		<b>79</b>	<b>55,857</b>	<b>1,326</b>	<b>57,262</b>
<b>RESERVES AS AT 31 MARCH 2020</b>		<b>(105)</b>	<b>57,798</b>	<b>1,310</b>	<b>59,003</b>

All recognised gains and losses have been included within the Statement of Financial Activities.  
All activities are classed as continuing.

- The restated figures and prior year adjustment are explained further at note 2a on page 41 and 2b on page 42.

The notes on pages 37 to 59 form part of these accounts.

**Consolidated Statement of Financial Activities for the year ended 31 March 2020**

					2019/20	Restated 2018/19
	Note	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000	Total Funds £000
<b>Income and Endowments from:</b>						
Scottish Government	3	8,879	3,000	-	11,879	11,095
Donations and Legacies	4	967	1,671	-	2,638	2,517
Charitable activities	5	2,280	35	-	2,315	2,419
Other trading activities	6	2,413	161	-	2,574	3,269
Investments	7	4	-	31	35	38
<b>Total Income and Endowments</b>		<b>14,543</b>	<b>4,867</b>	<b>31</b>	<b>19,441</b>	<b>19,338</b>
<b>Expenditure on:</b>						
Raising Funds	29	1,462	-	-	1,462	1,356
Charitable activities						
Collections		5,774	791	-	6,565	6,141
Visitor offer		1,880	258	-	2,138	1,655
Education		1,545	212	8	1,765	1,587
Scientific research		4,153	2,985	-	7,138	7,757
<b>Total Expenditure</b>	8	<b>14,814</b>	<b>4,246</b>	<b>8</b>	<b>19,068</b>	<b>18,496</b>
Net gains/(losses) on investments	19	-	-	(39)	(39)	44
<b>Net income/(expenditure)</b>		<b>(271)</b>	<b>621</b>	<b>(16)</b>	<b>334</b>	<b>886</b>
<b>Other recognised gains/(losses):</b>						
Gains/(losses) on revaluation of fixed assets	19	-	1,320	-	1,320	1,151
<b>Net movement in funds</b>		<b>(271)</b>	<b>1,941</b>	<b>(16)</b>	<b>1,654</b>	<b>2,037</b>
<b>RESERVES AS AT 1 APRIL 2019</b>		<b>445</b>	<b>55,857</b>	<b>1,326</b>	<b>57,628</b>	<b>55,591</b>
<b>RESERVES AS AT 31 MARCH 2020</b>		<b>174</b>	<b>57,798</b>	<b>1,310</b>	<b>59,282</b>	<b>57,628</b>

All recognised gains and losses have been included within the Statement of Financial Activities.  
All activities are classed as continuing.

- The restated figures and prior year adjustment are explained further at note 2a on page 41 and 2c on page 43.

The notes on pages 37 to 59 form part of these accounts.

**Consolidated Balance Sheet as at 31 March 2020**

		RBGE		Consolidated	
	Notes	2020	Restated	2020	Restated
		£000	£000	£000	£000
<b>Fixed Assets</b>					
Other tangible assets	11	56,785	54,641	56,807	54,670
Intangible assets	12	161	-	161	-
Investments	13a	1,028	1,048	979	995
		57,974	55,689	57,947	55,665
<b>Current Assets</b>					
Stock	14	160	96	311	249
Debtors	15	1,505	1,851	1,659	1,939
Current asset investments	13b	106	106	106	106
Cash at bank and in hand	23	1,718	1,306	1,730	1,654
		3,489	3,359	3,806	3,948
<b>Current Liabilities</b>					
Creditors: Amounts falling due within one year	16	(2,295)	(1,591)	(2,302)	(1,785)
<b>Net Current Assets</b>		1,194	1,768	1,504	2,163
<b>Total Assets less Current Liabilities</b>		59,168	57,457	59,451	57,828
Creditors: Amounts falling due after more than one year	16	(165)	(195)	(165)	(195)
Provisions		-	-	(4)	(5)
<b>Total Assets less Liabilities</b>		<b>59,003</b>	<b>57,262</b>	<b>59,282</b>	<b>57,628</b>
<b>CAPITAL AND RESERVES</b>					
<b>Unrestricted Funds</b>					
Accumulated surplus on the general fund	17	-	-	-	-
Board reserve fund: trustee funds	17	(105)	79	174	445
<b>Total Unrestricted Funds</b>		(105)	79	174	445
<b>Restricted Funds</b>					
Capital revaluation reserve	17	26,675	25,355	26,675	25,355
Capital grants fund	17	30,875	29,869	30,875	29,869
Project fund	17	248	633	248	633
<b>Total Restricted Funds</b>		57,798	55,857	57,798	55,857
<b>Endowment Funds</b>					
Ferguson Bequest	17	1,114	1,091	1,114	1,091
Education Endowment	17	35	35	35	35
QMMG Endowment	17	30	30	30	30
Investments Revaluation Reserve	17	131	170	131	170
<b>Total Endowment Funds</b>		1,310	1,326	1,310	1,326
		<b>59,003</b>	<b>57,262</b>	<b>59,282</b>	<b>57,628</b>

The Accountable Officer authorised these statements for issue on 2 December 2020

*Dominic Fry*

Mr Dominic Fry  
Chairman of the Board of Trustees  
02 December 2020

*Simon Milne*

Mr Simon Milne  
Regius Keeper and Accountable Officer  
02 December 2020

The notes on pages 37 to 59 form part of these accounts.

## Consolidated Statement of Cash Flows for the year ended 31 March 2020

		2019/20	2018/19
	Notes	£000	£000
<b>Net cash (used in) / provided by operating activities</b>	23	51	(158)
<b>Cash flows from investing activities</b>			
Interest received		4	4
Payments to acquire fixed assets	11 & 12	(3,108)	(2,901)
Receipts from sale of fixed assets		16	13
<b>Net cash provided by (used in) investing activities</b>		<b>(3,092)</b>	<b>(2,888)</b>
<b>Cash flows from financing activities</b>			
Capital funding from Scottish Government	3	3,000	2,600
Other capital grants	4	113	146
<b>Cash provided by (used in) financing activities</b>		<b>3,113</b>	<b>2,746</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>76</b>	<b>(296)</b>
		2019/20	2018/19
		£000	£000
Change in cash and cash equivalents in the reporting period		76	(296)
Cash and cash equivalents at the beginning of the reporting period		1,654	1,950
Cash and cash equivalents at the end of the reporting period		1,730	1,654

The notes on pages 37 to 59 form part of these accounts.

## Notes to the Accounts for the year ended 31 March 2020

### 1. ACCOUNTING POLICIES

#### a) Basis of accounting

The accounts have been prepared under the historical cost convention modified by the revaluation of tangible fixed assets and investments at their market value. The accounts have been prepared in accordance with an Accounts Direction given by Scottish Ministers in accordance with paragraph 20(3) of Schedule 1 of the National Heritage (Scotland) Act 1985. The Accounts Direction can be found at the end of these accounts.

The Accounts Direction requires RBGE to prepare the accounts in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared. As a non-departmental public body which is also a registered charity, the FReM requires that the accounts comply with the Charities and Trustee Investment (Scotland) Act (2005), the Charities Accounts (Scotland) Regulation (2006) and the Statement of Recommended Practice Accounting and Reporting by Charities (SORP FRS102) (effective January 2015) and provide any additional disclosures as required by the Manual. In addition to the requirements of the SORP, our sponsoring department has also directed us to prepare an Income and Expenditure Summary which can be seen at note 27.

The accounts are prepared on the going concern basis which provides that the entity will continue in operational existence for the foreseeable future.

The accounts are prepared in sterling which is the functional currency of the charity. Monetary amounts are to the nearest £1,000.

The charity's legal form and address of main office are shown at pages 3 and 19 of the Trustees' Report.

In preparing the accounts we have complied with FRS102 and SORP FRS102.

#### b) Basis of consolidation

The consolidated accounts, ("the Group") include the accounts of the Royal Botanic Garden Edinburgh ("RBGE") and its subsidiary company, The Botanics Trading Company Limited ("BTC"), for the year ended 31 March 2020. The accounts were consolidated on a line by line basis for assets and liabilities.

#### c) Asset Policy

- i) The title to the land and buildings administered by the Board is held in the name of the Scottish Ministers. The Board holds a 99 year lease covering the use of these assets. Nevertheless, on the direction of the Scottish Ministers, these fixed assets have been valued and are included in the Balance Sheet. The method of valuation for specialised properties, that is land and buildings for which there is effectively no market, is depreciated replacement cost. Other properties are valued at open market value for existing use.
- ii) Land and Buildings were last valued on 31 March 2018. Circumstances between that valuation date and the end of the financial year on 31 March 2020 changed enormously with the declaration of a Global Pandemic due to Covid 19 on 11 March 2020. It is not yet possible to determine the impact of Covid 19 on the property markets and, in turn, the valuations. The asset valuations are therefore reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, in respect of these valuations less certainty – and a higher degree of caution – should be attached to the valuation than would normally be the case.

For the avoidance of doubt this declaration does not mean that the valuation(s) cannot be relied upon. Rather, this explanatory note has been included to ensure transparency and to provide further insight as to the current market context. We will keep this under review throughout the year with a view to carrying out a revaluation again in March 2021 if we believe there has been any impairment.

- iii) All items of capital expenditure greater than £5,000 are treated as additions to tangible fixed assets. Land and buildings are subject to 5 yearly full revaluation by a valuer with indexation applied annually in the intervening years. Depreciation is charged on the basis of the revalued amounts for land and buildings and on historic cost for other tangible fixed assets. Historic costs are not disclosed as required by the SORP as, in accordance with the Government Financial Reporting Manual, this adds no information of value to the accounts.
- iv) From 2017/18, Infrastructure has been separated from land and buildings and is held at depreciated replacement cost.
- v) Land is not depreciated. Depreciation is provided on all other fixed assets at rates calculated to write off their valuation, less estimated residual value, evenly over the remainder of their expected lives. The principal rates used are based on estimated lives as follows:

Buildings & Infrastructure	10-50	Years
Garden Machinery	5-10	Years
Scientific Equipment	4-5	Years
Office Equipment	3-10	Years
Motor Vehicles	4	Years
Intangible Assets	3-5	Years

#### d) Heritage Assets

A heritage asset is defined as a tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

The collections of specimens, reference books and other material related to work at the Royal Botanic Garden Edinburgh as at 31 March 2001 have not been capitalised in these accounts in line with HM Treasury Guidance for non-operational heritage assets. Individual items acquired after 1 April 2001 with a value at the date of acquisition in excess of £5,000 are capitalised. Under HM Treasury guidance, capitalised collection items are not depreciated or revalued.

The collections are truly “priceless” in that they cannot be valued meaningfully due to the number of items, lack of comparative market values and the diverse nature of the collections. It is not possible to obtain reliable cost or valuation information.

#### e) Income Policy

In the Statement of Financial Activities (SOFA), Grant in Aid including Capital Grant is credited to income in the year for which it is received. Income from donations and other grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Government grants are recognised based on the performance model.

Income from activities is accounted for on a receivable basis, net of VAT, with the exception of income from the Membership Scheme that is accounted for on a cash basis net of VAT. Gifts in Kind and Donated Services and Facilities have been included in the SOFA when they can be quantified with reasonable certainty.

f) **Expenditure Policy**

Within the Statement of Financial Activities the costs of the development and membership departments are shown as expenditure on raising funds. Staff and operating costs incurred in relation to governance are included within expenditure on charitable activities. These include internal and external audit, Trustees expenses and meeting costs. Charitable activities are those in furtherance of the RBGE's objectives. Indirect costs have been allocated on the basis of activity recording analysis. Liabilities and provisions are recognised as expenditure as soon as there is a legal or constructive obligation committing RBGE to the expenditure.

g) **Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of RBGE. Designated funds are unrestricted funds which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are to be used for the purpose specified by the donor.

h) **Reserves**

Reserves are analysed under the headings Restricted, Unrestricted and Endowment Funds. Restricted funds are those given to RBGE for specific purposes. Unrestricted funds are divided into the Board Reserve Fund and the General Fund. Each fund is described below.

i) **Board Reserve Fund**

The Board of Trustees, with the approval of Scottish Ministers, may undertake certain activities, the profits from which, together with donations and funds from other sources, including the results of the Botanics Trading Company, are taken to the Board Reserve. These funds may be used at the Board's discretion under the terms of the National Heritage (Scotland) Act 1985.

ii) **General Fund**

The General Fund represents the surplus or deficit on the Income and Expenditure Account after taking into account the movement attributed to other specific funds (including the Board Reserve).

iii) **Endowment Fund**

These are donations to RBGE that have been made by way of endowment. The Trustees either have no power to convert the capital to income (permanent endowment funds) or they do have the power to convert the capital into expendable income (expendable endowments). All of the RBGE endowment funds are expendable.

i) **Stocks**

Stocks are stated at the lower of cost or net realisable value or, if this is different by a material amount, their value to the business by reference to current costs.

j) **Debtors**

Trade and other debtors represent balances due from customers at the year end, less any specific doubtful debts.

k) **Liabilities and Provisions**

Liabilities and provisions, including trade creditors, are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

l) **Cash and cash equivalents**

Cash is made up by balances held with the charity's bankers which are available on demand. It also includes petty cash and float balances.

m) Investments

Investments are carried in the balance sheet at market value in accordance with the SORP. The unrealised surplus or deficit relative to cost is dealt with in the revaluation reserve. Investment in subsidiary companies represents share capital and long term loans.

n) Taxation

RBGE is a charity within the meaning of the Charities and Trustee Investment (Scotland) Act 2005 and as such is a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010 and is recorded on the index of charities maintained by the Office of the Scottish Charity Regulator (Charity Number SC007983). Accordingly, RBGE is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 (CTA 2010) (formerly enacted in Section 505 of the Income and Corporation Taxes Act 1988 (ICTA)) or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. RBGE is registered, as a group, for Value Added Tax and claims partial recovery of input VAT.

o) Pensions

RBGE participates in the Principal Civil Service Pension Scheme (PCSPS). This scheme is an unfunded multi-employer defined benefit scheme and participating organisations are unable to identify their share of the underlying assets and liabilities on a consistent and reliable basis. The cost recognised within the Statement of Financial Activities will be equal to the contribution payable to the schemes for the year. Further details about the pension scheme is available at note 9f. In the past RBGE has also provided enhanced pensions to former employees who accepted early retirement and provision is made on an actuarial basis for the liability to those former employees at the time of their retirement.

p) Financial Instruments

Financial assets (represented by lending and receivables) are carried in the balance sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining period of the instrument, using the following assumptions:

- No early repayment or impairment is recognised
- Where an instrument will mature in the next 12 months, the carrying amount is assumed to approximate to fair value.
- The fair value of trade and other receivables is taken to be the invoiced or billed amount.

q) Foreign Currency Policy

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the date of the transactions.

r) Intra Group Transactions

Gains or losses on any intra-group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated.

s) Gift Aid Payments from Subsidiary

To ensure that there is clarity and consistency in how gift aid payments by subsidiaries are reported, Financial Reporting Standard 102, which was updated in December 2017. Under the revised treatment, gift aid payments can only be recognised in the accounts when paid, unless there is a deed of covenant in place, although no tax charge needs to be shown.



## 2. PRIOR YEAR COMPARATIVES RESTATEMENT

### 2a. PRIOR YEAR ADJUSTMENT

The prior year comparatives restatement relates to the impact of the incorrect postings within income in the original accounts. Two invoices relating to Education, totalling £135k were raised twice. The adjustment reverses the double count. As well as this, an accrual of Education income of £77k was not included in the original accounts, understating income. The overall impact from this in 2018/19 is a decrease of £58k in income and net movement in funds; and to reduce the debtors and reserves balance brought forward at 1 April 2019 by £58k.

An explanation of how those adjustments have affected the group financial position and the financial performance reported previously is set out in the table below.

#### RBGE

	Net Assets Debtors £000	Unrestricted Reserve £000
<b>Financial position – 31 March 2019</b>		
Balance in previously published accounts	1,909	137
Correct Education income	(58)	(58)
Corrected balances as at 31 March 2019	1,851	79

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000
<b>Financial performance – Year to 31 March 2019</b>				
Previously reported net movement in funds	660	1,616	73	2,349
Reversal of duplicate Education invoices	(135)	-	-	(135)
Accrual of Education income	77	-	-	77
<b>Restated net movement in funds</b>	<b>602</b>	<b>1,616</b>	<b>73</b>	<b>2,291</b>

#### Consolidated

	Net Assets Debtors £000	Unrestricted Reserve £000
<b>Financial position – 31 March 2019</b>		
Balance in previously published accounts	1,997	503
Correct Education income	(58)	(58)
Corrected balances as at 31 March 2019	1,939	445

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000
<b>Financial performance – Year to 31 March 2019</b>				
Previously reported net movement in funds	406	1,616	73	2,095
Reversal of duplicate Education invoices	(135)	-	-	(135)
Accrual of Education income	77	-	-	77
<b>Restated net movement in funds</b>	<b>348</b>	<b>1,616</b>	<b>73</b>	<b>2,037</b>

Education income is included in Charitable activities income in the Statement of Financial Activities. The prior year decrease of £58k is reflected in the restated figure for Charitable activities for the year ended 31 March 2019 at note 2b and 2c.

## 2b. RBGE Statement of Financial Activities for the year ended 31 March 2019

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Restated 2018/19 Total Funds £000
<b>Income and Endowments from:</b>				
Scottish Government	8,495	2,600	-	11,095
Donations and Legacies	2,181	1,686	-	3,867
Charitable activities	2,287	172	-	2,459
Other trading activities	201	783	-	984
Investments	4	-	35	39
<b>Total income and Endowments</b>	<b>13,168</b>	<b>5,241</b>	<b>35</b>	<b>18,444</b>
<b>Expenditure on:</b>				
Raising funds	208	-	-	208
Charitable activities				
Collections	5,387	754	-	6,141
Visitor offer	1,452	203	-	1,655
Education	1,387	194	6	1,587
Scientific research	4,132	3,625	-	7,757
Impairment of Fixed Assets	-	-	-	-
<b>Total Expenditure</b>	<b>12,566</b>	<b>4,776</b>	<b>6</b>	<b>17,348</b>
Net gains/(losses) on investments	-	-	44	44
<b>Net income/(expenditure)</b>	<b>602</b>	<b>465</b>	<b>73</b>	<b>1,140</b>
<b>Other recognised gains/(losses):</b>				
Gains/(losses) on revaluation of fixed assets	-	1,151	-	1,151
<b>Net movement in funds</b>	<b>602</b>	<b>1,616</b>	<b>73</b>	<b>2,291</b>
<b>RESERVES AS AT 1 APRIL 2018</b>	<b>(523)</b>	<b>54,241</b>	<b>1,253</b>	<b>54,971</b>
<b>RESERVES AS AT 31 MARCH 2019</b>	<b>79</b>	<b>55,857</b>	<b>1,326</b>	<b>57,262</b>

\* The prior year comparatives restatement relates to the impact of incorrect postings of Education income. More detail is given at note 2a.

## 2c. Consolidated Statement of Financial Activities for the year ended 31 March 2019

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Restated 2018/19 Total Funds £000
<b>Income and Endowments from:</b>				
Scottish Government	8,495	2,600	-	11,095
Donations and Legacies	831	1,686	-	2,517
Charitable activities	2,247	172	-	2,419
Other trading activities	2,486	783	-	3,269
Investments	3	-	35	38
<b>Total Income and Endowments</b>	<b>14,062</b>	<b>5,241</b>	<b>35</b>	<b>19,338</b>
<b>Expenditure on:</b>				
Raising Funds	1,356	-	-	1,356
Charitable activities				
Collections	5,387	754	-	6,141
Visitor offer	1,452	203	-	1,655
Education	1,387	194	6	1,587
Scientific research	4,132	3,625	-	7,757
Impairment of Fixed Assets	-	-	-	-
<b>Total Expenditure</b>	<b>13,714</b>	<b>4,776</b>	<b>6</b>	<b>18,496</b>
Net gains/(losses) on investments	-	-	44	44
<b>Net income/(expenditure)</b>	<b>348</b>	<b>465</b>	<b>73</b>	<b>886</b>
<b>Other recognised gains/(losses):</b>				
Gains/(losses) on revaluation of fixed assets	-	1,151	-	1,151
<b>Net movement in funds</b>	<b>348</b>	<b>1,616</b>	<b>73</b>	<b>2,037</b>
<b>RESERVES AS AT 1 APRIL 2018</b>	<b>97</b>	<b>54,241</b>	<b>1,253</b>	<b>55,591</b>
<b>RESERVES AS AT 31 MARCH 2019</b>	<b>445</b>	<b>55,857</b>	<b>1,326</b>	<b>57,628</b>

\* The prior year comparatives restatement relates to the impact of incorrect postings of Education income. More detail is given at note 2a.

### 3. GRANT-IN-AID

	RBGE		Group	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
Revenue Grant in Aid	8,879	8,495	8,879	8,495
Capital Grant	3,000	2,600	3,000	2,600
Total Grant from RESAS	11,879	11,095	11,879	11,095

### 4. DONATIONS AND LEGACIES

	RBGE		Group	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
Income from Botanics Foundation	724	201	724	201
Gift Aid from BTC	924	1350	-	-
Grants from UK Government entities	797	828	797	828
Grants from EU	232	124	232	124
Other grants	683	972	683	972
Donations and Legacies	89	246	89	246
Capital grants – non-Grant-in-Aid	113	146	113	146
	3,562	3,867	2,638	2,517

### 5. INCOME FROM CHARITABLE ACTIVITIES

	RBGE		Group	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
Admissions	791	683	791	683
Education charges	998	1,169	998	1,169
Rents receivable	43	45	13	15
Membership income	194	209	194	209
Other income from third parties	329	353	319	343
	2,355	2,459	2,315	2,419

### 6. OTHER TRADING ACTIVITIES

	RBGE		Group	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
Trading company income	-	-	2,077	2,325
Commercial development	206	228	156	188
Commemorative programme	341	756	341	756
	547	984	2,574	3,269

Commercial development consists of theatrical events, venue hire, licensing and commercial publishing.

### 7. INVESTMENT INCOME

	RBGE		Group	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
Dividends	25	35	25	35
Interest receivable	11	4	10	3
	36	39	35	38

## 8. EXPENDITURE

	Staff costs £000	Dep'n £000	Other Direct Costs £000	Allocated Costs £000	2019/20 Total £000	2018/19 Total £000
Raising Funds	616	7	839	-	1,462	1,356
Charitable activities						
Collections	3,632	791	536	1,606	6,565	6,141
Visitor offer	1,110	258	247	523	2,138	1,655
Education	856	212	268	429	1,765	1,587
Scientific research	3,074	862	1,454	1,748	7,138	7,757
Total	9,288	2,130	3,344	4,306	19,068	18,496

Support costs have been allocated as per note 1f. The cost of charitable activities includes the cost of support services (facilities management, finance, human resources, ICT, corporate services management, press and marketing) of £4,306k (2018/19 £4,136).

## 9. TRUSTEES' REMUNERATION AND STAFF COSTS

### a. Trustees' remuneration

Trustees do not receive any remuneration for their services. Travelling and subsistence expenses of £3,206 (2018/19 £4,624) in relation to eight trustees have been charged as part of other direct costs – Note 10.

### b. Regius Keeper's remuneration

	2019/20 £000	2018/19 £000
Remuneration excluding pension contributions	105	102
Pension contributions	32	25
	137	127

The total amount paid to key personnel, who are considered to be the leadership team, amounted to: £486,228 (2018/19: £434,504)

### c. Employees with earnings above £60,000

Numbers of employees at	2019/20	2018/19
£60,000 - £69,999	-	2
£70,000 - £79,999	4	1
£80,000 - £89,999	1	1
£90,000 - £99,999	-	-
£100,000-£109,999	1	1

All of the above are members of the Principal Civil Service Pension Scheme.

d. Staff salaries and social security

	2019/20	2018/19
	£000	£000
Salaries	7,691	7,121
Social security costs	767	674
Staff pensions	1,979	1,379
Redundancy costs	47	6
Total RBGE staff costs	10,484	9,180
BTC staff costs	404	367
<b>Total Group staff costs</b>	<b>10,888</b>	<b>9,547</b>

e. The average number of full-time equivalent employees during the year analysed by function

	2019/20	2018/19
Horticulture and Estates	107.8	107.4
Science and IT	54.5	51.9
Resources & Planning/Corporate Services	18.4	14.2
Directorate	2.0	2.0
Enterprise & Development	40.2	34.7
Botanics Trading Company	17.3	14.6
Externally funded	17.9	15.6
<b>Total FTE</b>	<b>258.1</b>	<b>240.4</b>

f. The average headcount during the year analysed by function

	2019/20	2018/19
Horticulture and Estates	116.6	117.3
Science and IT	63.9	62.5
Resources & Planning/Corporate Services	20.3	16.5
Directorate	2.0	2.0
Enterprise & Development	46.1	43.5
Botanics Trading Company	24.5	22.0
Externally funded	20.1	16.5
<b>Total Headcount</b>	<b>293.5</b>	<b>280.3</b>

g. Pensions

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: 3 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 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into **alpha** sometime between 1 June 2015 and 1 February 2022. All members who switch 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 at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

‘The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “alpha” – are unfunded multi-employer defined benefit schemes but (insert employer’s name) is unable to identify its share of the underlying assets and liabilities.

The scheme actuary valued the PCSPS as at 31 March 2012. You can find details in the [resource accounts of the Cabinet Office: Civil Superannuation](#).

For 2019-20, employers’ contributions of £1,969,092.42 were payable to the PCSPS and CSOPS (2018-19 £1,362,820) 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 2019-20 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 £26,311.66 (2018-19: £26,804) were paid to one or more 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. In addition, employer contributions of £1,220.45 (2018-19: £1,078), 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the **partnership** pension providers at the balance sheet date were £0. Contributions prepaid at that date were £0.

#### h. Compensation for Loss of Office

There were no voluntary exit and no voluntary/compulsory redundancy departures at RBGE in the 2019/20 financial year. 2 members of staff left RBGE and received ex gratia payments and compensation in lieu of notice payments. 5 members of staff left due to the ending of a fixed term contract that lasted more than 2 years.

Reporting of Civil Service and other compensation schemes – exit packages

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
£0,000 - £25,000	0 (0)	7 (1)	7 (1)
£25,000 - £50,000	0 (0)	0 (0)	0 (0)
Total number of exit packages	0 (0)	7 (1)	7 (1)
Total cost /£	£0 (£0)	£73,760 (£5,603)	£73,760 (£5,603)

Figures in brackets represent 2018/19 comparison.

## 10. OTHER DIRECT COSTS

	2019/20 £000	2018/19 £000
Botanics Trading Company	739	770
Depreciation	2,130	2,108
Impairment of fixed assets	-	-
Materials	572	613
Direct Project Costs	958	1,086
Repairs and Maintenance	889	1,092
Rates and Utilities	941	907
Trustees travel and subsistence	3	2
Staff travel and subsistence	205	214
General services	1,073	1,439
External Audit fees	17	17
Internal Audit fees	8	6
Legal, consultancy and other professional fees	645	583
	<b>8,180</b>	<b>8,837</b>

## 11. TANGIBLE FIXED ASSETS

	Land & Buildings	General Infrastructure	Assets under Construction	Garden Machinery	Scientific Equipment	Office Equipment	Motor Vehicles	RBGE Total	BTC	Group Total
<b>Cost or Valuation</b>										
At 1 Apr 2019	51,714	1,299	3,168	1,268	1,480	2,887	184	62,000	41	62,041
Additions	274	87	1,939	195	196	269	28	2,988	-	2,988
Disposals	-	-	-	(51)	(13)	(117)	(27)	(208)	-	(208)
Impairment	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	(41)	-	-	-	-	(41)	-	(41)
Revaluation	1,413	-	-	-	-	-	-	1,413	-	1,413
At 31 Mar 2020	53,401	1,386	5,066	1,412	1,663	3,039	185	66,152	41	66,193
<b>Depreciation</b>										
At 1 Apr 2019	1,649	546	-	1,042	1,306	2,652	164	7,359	12	7,371
Charge for the period	1,754	130	-	49	60	117	13	2,123	7	2,130
Disposals	-	-	-	(51)	(13)	(117)	(27)	(208)	-	(208)
Backlog	93	-	-	-	-	-	-	93	-	93
At 31 Mar 2020	3,496	676	-	1,040	1,353	2,652	150	9,367	19	9,386
<b>Net book value</b>										
At 31 Mar 2020	49,905	710	5,066	372	310	387	35	56,785	22	56,807
At 31 Mar 2019	50,065	753	3,168	226	174	235	20	54,641	29	54,670

Land and buildings were revalued on 31 March 2018 by The City of Edinburgh Council on the basis of fair value or market value for existing use, except for those properties and land which have such specialised use that they have no market value. Such properties and land are valued at depreciated replacement cost representing their value in use to the Group. Replacement costs were derived by the valuers on the basis of land values and estimated current construction costs, including professional fees and finance costs, for each individual property. The amount by which replacement cost for each property was discounted to arrive at depreciated replacement cost was assessed by the valuers on the basis of the current condition and state of repair of the property concerned (rather than by time apportioning over the total estimated life of the property).

Infrastructure assets have been separated from land and buildings and are held at depreciated replacement costs.

Tangible Fixed Assets - Prior year comparatives

	Land & Buildings	General Infrastructure	Assets under Construction	Garden Machinery	Scientific Equipment	Office Equipment	Motor Vehicles	RBGE Total	BTC	Group Total
<b>Cost or Valuation</b>										
At 1 Apr 2018	49,485	1,299	1,680	1,212	1,389	2,825	184	58,074	5	58,079
Additions	1,040	-	1,488	156	94	85	-	2,863	36	2,899
Disposals	-	-	-	(100)	(3)	(23)	-	(126)	-	(126)
Impairment	-	-	-	-	-	-	-	-	-	-
Revaluation	1,189	-	-	-	-	-	-	1,189	-	1,189
At 31 Mar 2019	51,714	1,299	3,168	1,268	1,480	2,887	184	62,000	41	62,041
<b>Depreciation</b>										
At 1 Apr 2018	-	416	-	1,092	1,265	2,410	163	5,346	5	5,351
Charge for the period	1,611	130	-	50	44	265	1	2,101	7	2,108
Disposals	-	-	-	(100)	(3)	(23)	-	(126)	-	(126)
Backlog	38	-	-	-	-	-	-	38	-	38
At 31 Mar 2019	1,649	546	-	1,042	1,306	2,652	164	7,359	12	7,371
<b>Net book value</b>										
At 31 Mar 2019	50,065	753	3,168	226	174	235	20	54,641	29	54,670
At 31 Mar 2018	49,485	883	1,680	120	124	415	21	52,728	-	52,728

## 12. INTANGIBLE ASSETS

	RBGE and Group 2020 £000	RBGE and Group 2019 £000
At 1 April	248	248
Software acquired during the year	120	-
Transfer from Assets under construction	41	-
Disposals	(20)	-
As at 31 March	389	248
Amortisation:		
As at 1 April	248	246
Charge for the year	0	2
Disposals	(20)	-
As at 31 March	228	248
Net Book Value		
<b>As at 31 March 2020</b>	<b>161</b>	<b>-</b>
As at 31 March 2019	-	2

## 13. INVESTMENTS

## a. Fixed asset investments

	Group Total £000	Listed £000	Subsidiary Undertakings £000	RBGE Total £000
Investments at cost as at 1 Apr 2019	796	796	53	849
Revaluation reserve as at 1 Apr 2019	199	199	-	199
Investments at valuation as at 1 April 2019	<b>995</b>	<b>995</b>	<b>53</b>	<b>1,048</b>
Less: Repayment of loan/conversion to grant	-	-	(4)	(4)
Add: Dividends received into fund	31	31	-	31
Less: Fund management fee	(8)	(8)	-	(8)
Less: Unrealised loss on revaluation at 31 March 2020	(39)	(39)	-	(39)
<b>Investments at valuation as at 31 March 2020</b>	<b>979</b>	<b>979</b>	<b>49</b>	<b>1,028</b>
Cost as at 31 March 2020	819	819	53	872
Less: Repayment of loan/conversion to grant	-	-	(4)	(4)
Revaluation reserve as at 31 Mar 2020	160	160	-	160
<b>Investments at valuation as at 31 March 2020</b>	<b>979</b>	<b>979</b>	<b>49</b>	<b>1,028</b>

## Subsidiary companies

The investment in the Botanics Trading Company Ltd represents a long term loan of £48,000 and £1,000 of share capital of the Botanics Trading Company Ltd which is a wholly owned subsidiary of the Trustees of the Royal Botanic Garden Edinburgh. The loan to the Botanics Trading Company Ltd is being repaid over twenty five years. It is secured by a floating charge over the assets of the company. Interest was applied at the Bank of England base rate plus 3%.

## Listed investments

Listed company investments form part of the Ferguson Bequest and the Education Endowment. The investment portfolio is invested in a range of securities. As at 31 March 2020 the portfolio was made up of 17% fixed interest, 70% equities, 12% alternative and 1% cash. The corresponding figures for 2018/19 were 16% fixed interest, 67% equities, 9% alternative and 8% cash.

No investment holdings were over 5% of the Portfolio Value.

### b. Current asset investments

As at 31 March 2020 £106,471 of cash was held in term deposit accounts (2020 £106,256):

	RBGE		Group	
	2020	2019	2020	2019
	£000	£000	£000	£000
Term deposits	106	106	106	106

Current asset investments represent term deposits held with commercial banks in line with the credit risk policy. The deposit relates to deferred VAT on the John Hope Gateway retained under the Lennartz Mechanism.

### c. Financial instruments disclosures

#### i. Credit Risk

Credit risk arises from the short-term lending of surplus funds to banks, building societies and other third parties as well as credit exposures to RBGE's customers. RBGE restricts deposits to the following banks (HSBC, Royal Bank of Scotland, Barclays, Lloyds TSB, Bank of Scotland, Co-Operative and Clydesdale) to a maximum counterparty limit of £300k. The treasury management policy is reviewed annually.

RBGE reviews the credit risk associated with financial institutions on a monthly basis and more regularly if market conditions are volatile or other information is made available on the financial security of UK banks and building societies.

#### ii. Liquidity Risk

RBGE does not have any external borrowings.

### iii. Market Risk

Changes in market interest rates influence the interest payable on borrowings and on interest receivable on surplus funds invested. RBGE is not considered dependent on interest receivable.

## 14. STOCKS

	RBGE		Group	
	2020	2019	2020	2019
	£000	£000	£000	£000
Heating oil	39	25	39	25
RBGE Shops (retail goods for resale)	-	-	151	153
Publications	121	71	121	71
	160	96	311	249

The current cost value of stocks is not materially different from historic cost and accordingly no adjustment has been made to reflect current costs.

The stock of heating oil is held for precautionary purposes to ensure the protection of the living collections in the event of power loss, gas supply interruption or a national emergency.

## 15. DEBTORS

	RBGE		Group	
	2020	Restated 2019	2020	Restated 2019
	£000	£000	£000	£000
Prepaid expenditure and accrued income	881	619	881	623
Sundry debtors	340	644	778	1,316
Due by other group entities	284	588	-	-
	1,505	1,851	1,659	1,939

	RBGE		Group	
	2020	Restated 2019	2020	Restated 2019
	£000	£000	£000	£000
Balances with central government	138	144	139	214
Balances with local authorities	-	119	-	119
Subtotal of intra government balances	138	263	139	333
Balances with bodies external to government	1,367	1,588	1,520	1,606
	1,505	1,851	1,659	1,939

## 16. CREDITORS

	RBGE		Group	
	2020	2019	2020	2019
Amounts falling due within one year	£000	£000	£000	£000
Accrued charges	863	451	869	461
Holiday pay	165	114	165	114
Creditors – social security	185	-	191	5
Creditors - other	265	421	265	421
Creditors - VAT	103	115	108	290
Trade creditors – revenue	359	362	349	366
Trade creditors - capital	355	128	355	128
	2,295	1,591	2,302	1,785

	RBGE		Group	
	2020	2019	2020	2019
Amounts falling due within one year	£000	£000	£000	£000
Balances with central government	347	64	358	69
Balances with local authorities	-	-	-	-
Subtotal of intra government balances	347	64	358	69
Balances with bodies external to government	1,948	1,527	1,944	1,716
	2,295	1,591	2,302	1,785

	RBGE		Group	
	2020	2019	2020	2019
Amounts falling due after more than one year	£000	£000	£000	£000
VAT	165	195	165	195
	165	195	165	195

	RBGE		Group	
	2020	2019	2020	2019
Amounts falling due after more than one year	£000	£000	£000	£000
Balances with central government	165	195	165	195
	165	195	165	195



## 17. STATEMENT OF RESERVES

	As at 31 March 2019 Restated £000	Income £000	Expend- iture £000	Transfers £000	Impair- ment	Reval- uation £000	Group As at 31 March 2020 £000
<b>Unrestricted</b>							
General fund	-	12,464	12,648	184	-	-	-
Board reserve	445	2,079	2,166	(184)	-	-	174
<b>Total unrestricted funds</b>	<b>445</b>	<b>14,543</b>	<b>14,814</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>174</b>
<b>Restricted</b>							
Capital revaluation reserve	25,355	-	-	-	-	1,320	26,675
Capital grants fund	29,869	3,129	2,123	-	-	-	30,875
Projects fund	633	1,738	2,123	-	-	-	248
<b>Total restricted funds</b>	<b>55,857</b>	<b>4,867</b>	<b>4,246</b>	<b>-</b>	<b>-</b>	<b>1,320</b>	<b>57,798</b>
<b>Endowments</b>							
Ferguson bequest	1,091	31	8	-	-	-	1,114
Education endowment	35	-	-	-	-	-	35
QMMG endowment	30	-	-	-	-	-	30
Investments revaluation	170	-	-	-	-	(39)	131
<b>Total endowments</b>	<b>1,326</b>	<b>31</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>(39)</b>	<b>1,310</b>
<b>Total</b>	<b>57,628</b>	<b>19,441</b>	<b>19,068</b>	<b>-</b>	<b>-</b>	<b>1,281</b>	<b>59,282</b>

The Reserves of the organisation are explained in Note 1 of the accounts. The Capital Grants Fund represents funding for expenditure which has been capitalised as Tangible Assets in the balance sheet where either the funds received were subject to restrictions or the funds were Government Capital Grant in Aid. This reserve will fund the future depreciation costs arising from those assets.

Projects are where the Royal Botanic Garden Edinburgh receives money from third parties to fund various activities such as specific areas of research and developments in the Garden. The Ferguson Bequest is an endowment fund for botanical projects. The Education Endowment was established to support the educational activities of the RBGE. The QMMG Endowment is the Queen Mothers Memorial Garden endowment and was established to support the maintenance of the Queen Mothers Memorial Garden.

## 18. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted £000	Restricted £000	Endowments £000	Total £000
<b>Fixed Assets</b>	-	56,968	979	57,947
<b>Current Assets</b>	2,645	830	331	3,806
<b>Current Liabilities</b>	(2,302)	-	-	(2,302)
<b>Creditors &gt; 1 year</b>	(165)	-	-	(165)
<b>Provisions</b>	(4)			(4)
<b>Total</b>	<b>174</b>	<b>57,798</b>	<b>1,310</b>	<b>59,282</b>

## 19. REVALUATION RESERVE

	Tangible Fixed Assets 2020 £000	Investments 2020 £000	Total 2020 £000	Total 2019 £000
At 1 April	25,355	170	25,525	24,330
Surplus/(deficit) arising on revaluation in year	1,413	(39)	1,374	1,233
Difference between depreciation based on revalued amounts and historic cost	(93)	-	(93)	(38)
<b>At 31 March</b>	<b>26,675</b>	<b>131</b>	<b>26,806</b>	<b>25,525</b>

The revaluation reserve relating to investments is attributable to the Ferguson Bequest and the Education Endowment.

## 20. CAPITAL GRANTS FUND

	RBGE		Group	
	2020 £000	2019 £000	2020 £000	2019 £000
At 1 April	29,869	29,216	29,869	29,216
RESAS capital grant	3,000	2,600	3,000	2,600
Other capital grants	113	146	113	146
Gain/(loss) on sale of fixed assets	16	13	16	13
Less depreciation	(2,123)	(2,106)	(2,123)	(2,106)
Impairment of fixed assets	-	-	-	-
<b>At 31 March</b>	<b>30,875</b>	<b>29,869</b>	<b>30,875</b>	<b>29,869</b>
Scottish Government capital grant	14,791	13,685	14,791	13,685
Gateway capital grants	14,036	14,149	14,036	14,149
Other capital grants	2,048	2,035	2,048	2,035
	<b>30,875</b>	<b>29,869</b>	<b>30,875</b>	<b>29,869</b>

## 21. TRADING SUBSIDIARY

A summary of the results of the wholly owned subsidiary the Botanics Trading Company Ltd. is shown below. All values are historic costs.

<b>Profit and Loss Account</b>			<b>Balance Sheet</b>		
	<b>2019/20</b>	<b>2018/19</b>		<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>
Turnover	2,077	2,325	Fixed assets	22	29
Cost of sales	(529)	(541)	Current assets	626	1,211
<b>Gross Profit</b>	<b>1,548</b>	<b>1,784</b>	Current liabilities	(320)	(819)
Other expenses	(712)	(681)	Loan from RBGE	(44)	(48)
Interest receivable	1	1	Provisions	(4)	(5)
Interest payable	(2)	(2)		<b>280</b>	<b>368</b>
<b>Net profit</b>	<b>835</b>	<b>1,102</b>			
Gift aid to RBGE	(924)	(1,350)	Share capital	1	1
Tax on profit	1	(5)	Accumulated (loss)/profit	279	367
Retained (loss) / profit for the year	<b>(88)</b>	<b>(253)</b>		<b>280</b>	<b>368</b>

The company donates its taxable profits, allowable for distribution from reserves, to RBGE under the gift aid scheme on an annual basis.

## 22. CONSULTANCY SUBSIDIARY

The wholly owned subsidiary the Centre for Middle Eastern Plants Ltd. is now a dormant company.

## 23. CASH FLOW STATEMENT

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	<b>2019/20</b>	<b>2018/19</b>
	<b>£000</b>	<b>£000</b>
Net income/(expenditure) as per SOFA	334	944
Depreciation charge	2,130	2,111
Capital GIA	(3,000)	(2,600)
Other capital grants	(113)	(146)
Gain on sale of fixed assets	(16)	(13)
Unrealised loss/(gain) on investment	39	(44)
Dividends, interest and rents from investments inc fees	(27)	(32)
Increase in stocks	(62)	(17)
Decrease in debtors	279	60
Increase/(decrease) in creditors & provisions	487	(421)
<b>Net cash provided by (used in) operating activities</b>	<b>51</b>	<b>(158)</b>

## Analysis of cash and cash equivalents

	RBGE		Group	
	2020 £000	2019 £000	2020 £000	2019 £000
Cash in hand	1,718	1,306	1,730	1,654
Total cash and equivalents	1,718	1,306	1,730	1,654

## 24. RELATED PARTY TRANSACTIONS

The Royal Botanic Garden Edinburgh is a non-departmental public body of the Scottish Government Rural and Environment Science and Analytical Services Division (RESAS) which is regarded as a related party. During the year, RBGE has had a number of material transactions with RESAS.

The Regius Keeper is, ex officio, a Trustee of the Sibbald Trust and the Botanics Foundation and a Director of the Botanics Trading Company Ltd (BTC) and the Centre for Middle Eastern Plants Limited (CMEP). The Director of Science and IT was a Director of CMEP for the whole year. The Director of Enterprise and Head of Resources & Planning were Directors of BTC for the whole year. Two RBGE Trustees were appointed to the Botanics Foundation Board in accordance with the Trust Deed of the Foundation. Diana Murray held this position for the full year, whilst Sir Muir Russell held the position until 1<sup>st</sup> November 2019. At an RBGE Board meeting of 28 February 2018, the Trustees agreed that any unapplied self-generated income should be donated to the Botanics Foundation, in addition to legacies received, to support the objectives of RBGE, as the Foundation Board see fit. As a result a legacies to the value of £128,544 that were received in 2019/20 will be transferred directly into the Foundation's name.

During the year, none of the Trustees, members of key management staff or other related parties has undertaken any material transactions with RBGE. Donations and other income from the Trustees to RBGE amounted to £2,758 in 2019/20 (2018/19: £3,298).

## 25. CAPITAL COMMITMENTS

As at 31 March 2020 there were capital commitments contracted for but not provided for in the accounts of £32,286 (2019: £23,865k).

## 26. CONTINGENT LIABILITY

In 2013/14 RBGE reached agreement with HMRC regarding the operation of the Lennartz VAT mechanism with regard to the John Hope Gateway and as a result a refund of £265k was received from HMRC. Over the remainder of the 10 year life span (2013 – 2023) of the Lennartz mechanism it is likely that future payments to HMRC will be significantly reduced. The reduction will depend upon the purposes for which the Gateway building is used in the future together with the rate of VAT prevailing at the time of any payment to HMRC. There is a contingent liability that we would need to repay a proportion of the £265k, should the building use change significantly.

## 27. INCOME AND EXPENDITURE SUMMARY

	Notes	RBGE		Group	
		2019/20 £000	2018/19 £000	2019/20 £000	2018/19 £000
<b>Income</b>					
Scottish Government - Revenue grant in aid	3	8,879	8,495	8,879	8,495
Donations and Legacies excl capital grants	4	3,449	3,721	2,525	2,371
Charitable activities	5	2,339	2,459	2,299	2,419
Other trading activities	6	547	971	2,574	3,256
Investments	7	36	39	35	38
		<b>15,250</b>	<b>15,685</b>	<b>16,312</b>	<b>16,579</b>
<b>Expenditure</b>					
Staff costs	9d	10,484	9,180	10,888	9,547
Other operating costs		5,183	5,345	5,929	6,123
		<b>15,667</b>	<b>14,525</b>	<b>16,817</b>	<b>15,670</b>
Donation to Botanics Foundation		(129)	(719)	(129)	(719)
<b>Surplus/(Deficit) for the year</b>		<b>(546)</b>	<b>441</b>	<b>(635)</b>	<b>190</b>

The group deficit of £635k comprises a deficit of £184k of unrestricted RBGE funds, a deficit on BTC of £88k, including gift aid transferred to RBGE, a surplus of £23k on endowments and a £385k deficit from restricted project funds. In addition to this, the Restricted Capital Grants fund relating to depreciation was underspent compared to new grants received by £1,008k; and the endowment had a £39k revaluation loss. Once this is taken into account the surplus for the year – as recorded in the Consolidated SOFA at page 34 – is £334k.

## 28. EVENTS AFTER THE REPORTING PERIOD

In September 2020, the Scottish Government announced that up to £50 million will be provided to invest in significant energy efficiency improvements at RBGE. No other significant events have occurred since 1 April 2020 that will have an impact on these accounts.

## 29. RAISING FUNDS EXPENDITURE

Reconciliation of RBGE total to consolidated expenditure within the statement of financial activities.

	2019/20 £000	2018/19 £000
RBGE total expenditure per SOFA	313	208
BTC Cost of Sales	529	541
BTC Expenses	712	686
BTC Interest payable	2	2
<b>Less inter group transactions</b>		
Rental	(31)	(30)
Accountancy Fees	(10)	(10)
Salary Allowance	(43)	(33)
Support Services	(8)	(7)
Interest Payable	(2)	(1)
<b>Total consolidated amount per SOFA</b>	<b>1,462</b>	<b>1,356</b>

## Accounts Direction

### ROYAL BOTANIC GARDEN, EDINBURGH DIRECTION BY THE SCOTTISH MINISTERS

The Scottish Ministers, in pursuance of paragraph 20(3) of Schedule 1 of the National Heritage (Scotland) Act 1985, hereby give the following direction.

The statement of accounts for the financial year ended 31 March 2006, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.

The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.

This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 17 October 2002 is hereby revoked.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

Signed by the authority of the Scottish Ministers

Dated: 9 December 2005