

National Association of Flower Arrangement Societies 2003

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2020

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEE)
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STATUS	The organisation is a charitable company limited by guarantee incorporated on 16 October 2003 and registered as a charity on 5 January 2004.
GOVERNING DOCUMENT	The company was established under Memorandum and Articles which established the objects and powers of the charitable company. The Articles were amended by General Meeting on 20 January 2015.
COMPANY NUMBER	4934904
CHARITY NUMBER	1101348
REGISTERED OFFICE	Osborne House 12 Devonshire Square London EC2M 4TE
OPERATING OFFICE	Osborne House 12 Devonshire Square London EC2M 4TE
TRUSTEES:	Dr Christina Curtis (Chairman) Mr Craig Bullock (Vice Chairman, appointed 09/10/2019) Mrs Katharine Lee Mr Peter Mathers Mrs Ellen Meaking Mrs Ann Harding (appointed 09/10/2019) Mrs Pam Ferguson (appointed 09/10/2019) Mrs Janet Law (Retired 09/10/2019) Mrs Susan Davies (Retired 09/10/2019) Mrs Sandra Bailey (Retired 09/10/2019)
CHIEF EXECUTIVE OFFICER:	Mr Steven Lane
FINANCE OFFICER:	Mr Richard van der Graaf
AUDITORS:	TC Group The Courtyard Shoreham Road Upper Beeding West Sussex BN44 3TN
BANKERS:	National Westminster Bank PO Box 282 216 Bishopsgate London EC2M 4QB
FOUNDER PRESIDENT:	The late Mrs Mary Pope OBE VMH
NATIONAL PRESIDENT:	Mrs Susan Brinton
LIFE VICE-PRESIDENT:	Mr Robin Herbert CBE VMH

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The Trustees present their report together with the audited financial statements for the year ended 31 March 2020. The financial statements have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS 102), applicable law and the Charity's governing document.

The Charity prefers to be known by the acronym "NAFAS" and is a UK registered trademark no. 2109171.

Structure, Governance and Management

The Trustees are also the Directors of the Company for the purpose of company law. The Charity is a charitable company limited by guarantee and without share capital. In the event of the Company being wound up the liability of each member is limited to £10. It was incorporated on 16th October 2003. The purpose of its formation was to acquire the assets and undertaking of National Association of Flower Arrangement Societies, an unincorporated charitable association first formed in 1959. It is governed by Articles of Association and its objectives are to advance public education in the art of flower arranging and related subjects. The membership of the Company is comprised of 21 unincorporated Area Associations providing geographical representation throughout the United Kingdom and represented at meetings through a single elected representative for each area. A network of more than 950 flower clubs are affiliated to the area associations and their members form the affiliated membership of the Charity.

The National Officers form the Executive and comprise the Chair of Trustees, who serves a term of two years, together with the Vice-Chairman. The Vice-Chairman normally serves for two years before becoming the National Chairman. The President is a non-executive appointment selected by a panel. Life Vice-Presidents are appointed in recognition of outstanding service.

The day to day management, marketing and promotion of the Charity is the responsibility of the Chief Executive Officer (CEO). Salaries of all staff are reviewed annually by the Board of Trustees.

The Trustees, as stated on page 1, are appointed by the Members and are eligible to serve for a maximum of 6 years. The Board currently meets at least four times a year and receives reports from the Charity's Standing Committees, who administer the operation of each facet of the Charity's work. One of the Trustees attends each meeting of the Standing Committees to ensure continuity within the reporting process. The Board of Trustees takes direct responsibility for the management of the assets and liabilities, management of the investment portfolio and the control and monitoring of budgets.

The National Advisory Council meets for a minimum of 2 and maximum 4 times a year and comprises a single representative from each of the 21 Area Associations. They represent the affiliated members and act as an advisory body and as a forum for the exchange of views and information between the Board of Trustees and the affiliated members. The National Officers and Trustees attend the meetings but have no voting rights.

Trustees Induction and Training

New Trustees are invited and encouraged to attend training courses and seminars in order to brief them on their legal obligations. The CEO provides guidance in the interpretation of financial accounts and reporting. They are also introduced to the Charity Commission's own booklets and information bulletins. Funds are available to facilitate Trustees in undertaking their role.

Subsidiary Company

The Charity's wholly owned subsidiary, NAFAS Enterprises Limited (company No. 1829011), undertakes fundraising through the publishing and sale of books, leaflets and booklets relating to flower arranging and the publication of *The Flower Arranger* magazine. Profits are transferred to the Charity through Gift Aid. The Board of Directors comprises the National Chairman, the Vice-Chairman and two other non-salaried volunteers who are actively involved in the day to day running of the company.

Objectives and Activities

The Charity is established to:

- advance public education in the art of flower arranging and related subjects
- further any other charitable purpose or purposes

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Aims

The Charity aims to stimulate and encourage interest in the art of flower arranging

Charitable Objectives for the year

The main objectives for the year were:

- Teaching and education, the primary purpose being to advance education in flower arranging.
- Encourage the love of plants and flowers and to demonstrate their decorative value to the general public.
- Instruct, train and qualify Judges, Demonstrators, and Speakers and train Teachers in order to raise the standard of work throughout the country and worldwide.
- Assist worthy causes and charities by organising exhibitions and competitions.
- Encourage the conservation of rare and endangered species of plants.

Strategy

- Support and develop the Charity's Educational qualification in flower arranging, the NAFAS Certificates in Floral Art and Design, through teaching at affiliated colleges throughout the UK and through the formation of groups taught by Independent Tutors.
- Exhibit at floral shows and exhibitions. Also, to hold a National Show for the benefit of both affiliated members and the general public.
- Holding Tests and Assessments for applicants to acquire accreditation under each discipline, including Refresher Courses to assist with the CPD of qualified Judges, Demonstrators and Speakers to ensure the continuance of high standards.
- Publish lists of plants suitable for Floral design, encouraging safe use and conservation.
- Supporting the training of Teachers who require the approval of the NAFAS Education Committee with the need to hold a nationally recognised Certificate in Floral Art at an advanced level and a nationally recognised qualification in the teaching of adults. The NAFAS Teachers' Course is also available.
- Provide administrative support to the affiliated Area Associations and Clubs in order to encourage the development of floral art at grassroots level including the provision of grants to assist with the costs of creating floral exhibits at major shows and events.
- Develop and promote the activities of the Charity's subsidiary, NAFAS Enterprises Limited, in order to raise funds and to expand the circulation of its flagship magazine, *The Flower Arranger*, as the Charity's main publicity medium.

Significant Activities

- Provision of material for the NAFAS Certificates in Floral Art and Design to affiliated colleges and recruitment, where possible, of other colleges wishing to participate. Encouragement to NAFAS qualified and approved teachers to form their own smaller groups taught by independent tutors with the benefit of grants being provided by the Charity to help with setting up costs. The provision of these grants is currently under review.
- Publicity through attendance at the major County, Agricultural, Horticultural and RHS shows where the Charity competes as an exhibitor and also operates trading stands for the purpose of generating sales of merchandise, promotion of its activities and introduction of its magazine, *The Flower Arranger*, to the general public.
- The holding of a National Show where affiliated members may enter competitions and where both NAFAS members and the general public may enjoy the floral arrangements exhibited.
- Tests and assessments of judges, demonstrators and speakers (see under Strategy).
- Encouragement to affiliated clubs to maintain and develop their memberships for which communication is channelled through the National Advisory Council. This year, the Chairman has continued the practice of writing an information letter in January and sending it directly to its affiliated clubs.
- Improvements in the association's presence in social media and other electronic forms of publicity.

Fundraising

The Charity does not actively undertake any fundraising directly from the general public.

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Public Benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public guidance published by the Charity Commission in determining the activities undertaken by the charities.

The objects set out clearly that the Charity is established to advance public education in the art of flower arranging and to further any other charitable purpose. It operates throughout the whole of the United Kingdom and strives to attract members from all age groups and ethnic backgrounds. The Association's exhibits at major floral and horticultural shows, including its own National Show, are seen and enjoyed by large numbers of the general public.

The Trustees are conscious that many of its affiliated members are elderly with some on low or fixed incomes. Although each club is autonomous with the ability to set its own membership fees, the affiliation fee to the Charity (which forms part of this) was raised to £6.10 for 2019 for each individual Member through their club. It is the Board's intention to continue small incremental increases into the future when appropriate. The Association also provides direct membership at a cost of £45 per annum which includes a subscription to its quarterly magazine, *The Flower Arranger*. The Charity takes its commitment to public benefit extremely seriously, exemplified by the fact that the affiliation fee remains very low not wishing to exclude any member on economic grounds.

The Trustees believe that entry fees to shows and events and affiliation fees to members are set at such a low level as to ensure that all members of the public can afford them and therefore benefit from full enjoyment of the Charity's services.

The affiliated Flower Clubs play an important role in raising money for other charities.

The Charity's Members and the Area Associations, provide services to the general public too numerous to mention fully but include workshops where the public are invited to try their own skills at flower arranging, similar workshops for school parties and children with special needs, assistance to local churches to hold flower festivals to encourage the public to support their local communities and floral demonstrations at flower shows and events throughout the year.

Achievements and Performance

The Association is privileged to assist with the floral decorations in Westminster Abbey's regular and special memorial services. Our floral designers were responsible for the arrangements in over thirty services throughout the year, including Remembrance Sunday and the Commonwealth Observance Service. Worldwide media coverage provided the Association with international recognition for the beautiful displays and many compliments were received from the general public through the Charity's social media platforms.

The Annual General Meeting of the Association was held at the H G Wells Conference Centre, Woking in October 2019. The AGM was followed in the afternoon by an exhibition of contemporary floral design by members of the Surrey Area of NAFAS, with teaching sessions by National & Area Teachers from the Area, which was thoroughly enjoyed by an appreciative audience.

RHS

The Royal Horticultural Society's events are particularly prestigious occasions in the NAFAS calendar as they attract large attendances, providing the Charity's members with excellent opportunities to demonstrate their creative skills to the public. The Cheshire Area Association was invited to represent NAFAS at the 2019 Chelsea Flower Show. The exhibit received much praise from judges and the general public alike and it was awarded a Silver Gilt Medal.

As in previous years, the Charity provided the Royal Horticultural Society with assistance in staffing the Floral Design Marquee where floral competitions and mini floral demonstrations are held to entertain visitors to the show. The Charity also attended the Spring Launch and Orchid Show in April, presenting an opportunity to sell NAFAS merchandise to the public and promote *The Flower Arranger* magazine. The Three Counties and South Wales Area of NAFAS staged a superb contemporary exhibit entitled "Connectivity" which won a well-deserved Gold Medal.

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Diamond Anniversary

In August 2019, the National Association of Flower Arrangement Societies held two events in London to mark its 60th Anniversary. The Floral Art and Design Show was held over 3 days at The Business Design Centre and a Gala Dinner at The Grosvenor House Hotel.

The financial results recorded a loss of (£131,713) for the Show and (£5,613) for the Dinner. A combined loss of (£137,326). This was financed from the Charity's Current Assets of £526,407 (as shown in the 2018/19 audited accounts). The Board, aware of their legal responsibilities, submitted a "Report of a Significant Loss" to the Charity Commission.

In the weeks following the 60th Anniversary Events, a series of meetings were called by the National Chairman with the Trustees, Event Organisers and the CEO, to investigate and identify the reasons behind the loss. The following points are the main contributing factors to the deficit:

1. Insufficient reporting of the Events' budget to the Board.
2. The absence of essential financial controls and authorisation procedures.
3. A number of verbal agreements took place between certain Trustees and Event Organisers that were not formally agreed or minuted.
4. Unrealistic target of visitor numbers to the Show leaving a £32K income deficit.
5. Expenditure costs not allowed for in original budget totalled £49,920.
6. Overspend on various budgeted items totalled £59,344.

Having identified the issues contributing to the loss, the Board of Trustees and CEO have taken the following steps to protect the Charity from future risk:

The formation of a Governance Sub-Committee responsible for:

- a. A review the Charity's Articles of Association and Standing Orders.
- b. A review of internal procedures to ensure agreements and authorisations are minuted in the correct manner.
- c. Amending the Charity's constitution to allow new trustees to be appointed externally or from within the wider membership to ensure the correct skill set is in place on the Board. (currently trustees are nominated from the 21 Area Chairmen and those who have served on Standing Committees within the last five years).
- d. Arranging for all Trustees to attend a course on Trustee Responsibilities.
- e. Assisting with the Trustees Report.

The Charity has already acted in the following areas:

1. The appointment of new Auditors.
2. Transferring the Charity's banking from NatWest to CAF Bank. This will allow for a two-stage secure authorisation process for online banking payments.
3. Transferred the Charity's accounting package from SAGE to XERO.

The loss incurred by the Charity's Anniversary events has had a significant impact on the organisation. The Charity's new Auditors were informed and have advised the Directors accordingly. The Trustees and CEO invited the 21 Area Chairmen (Members) to the London office in January to explain to them in detail, the findings of the Anniversary Events investigations.

NAFAS Standing Committees

The NAFAS accredited courses in Floral Art & Design and the NAFAS OCN/Credit4Learning Teacher Training Course continue to be taught around the country by our Independent Tutors. The OCN External Moderation took place in August with 40 students achieving their accreditation.

The training and testing of Demonstrators, Judges and Speakers took place throughout the Areas. Training days for Adjudicators and Instructors plus Area Representatives for all three Disciplines continue to be organised and run at Headquarters by our Standing Committees.

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Education Committee: Julie Woods, Chairman

- The Tutor and Moderators Day held in July involved discussion on courses and exchanging ideas.
- 130 students have achieved this year, seeing 40 succeeding in both Level 2, 3 and the Teaching Training course. Commendations were awarded for each learner from the External Moderators sent from OCN.
- The Diamond Anniversary Show gave us a huge opportunity to meet all members and found many interested in our Education Area, with ever-popular Taster Sessions and Workshops (which ran to full capacity) and a presentation giving an insight of tutors in action. Sponsorship was successfully obtained for most of the floral sundries and flowers at the Workshops enabling them to run at minimal cost to the Association.
- The Church Flowers Book has been typed and put onto a memory stick to enable any changes and passed onto the new publications team who will liaise with us on other books that need updating.
- The Guide to period Flower Arranging (Period Guide 1) is being revised to include sections on Indian (100BC to Modern Day) and Ancient Japanese (AD594-1860) flower arranging.
- On a request from an Area Chairman we have written a simple teaching manual giving guidance in the organising of lessons given within clubs and community groups. This would be delivered by a National Teacher from their area. The National Teachers will be given an instruction day/s at Headquarters. The Pandemic has put a stop to this moving forward for the time being.
- In 2019, 44 students/learners completed their course.

Judges Committee : Margaret Rumens, Chairman

- Use of NAFAS Judges both National and Area at shows small and large from the Chelsea Flower Show where 4/5 NAFAS judges are used on panels, to County Shows, Area Competitions, and club shows.
- Setting up and increasing use of Judges' Facebook page.
- Two full and busy training days for potential National Judges held at Osborne House with 10 candidates.
- National Test for Judges held at Osborne House making full use of the building with 4 successful candidates.
- Several Areas ran training and testing for Area Judges with good results using the modular training system.
- Judges' Training and tests ongoing in some Areas which gave opportunities for training Adjudicators.
- Well organised judging at the Diamond Show with challenging and creative exhibits staged by NAFAS members.
- The Designer of the Year Competition was a great success with much interest shown by the visitors. Judging was very hard work and again interest shown by visitors in how the judging is applied to this form of competition.
- As always, the Area Representatives Day in September was interactive and of interest to all with information flowing from the National Committee through the Representatives to all the Judges in each Area.
- Three National Judges judged at 'A Grand Floral Affair' WAFA India, with another National judge stepping in to fill a cancellation. Congratulations were sent to the Arbitrators who were NAFAS National Judges for the enormous amount of work that was involved.

Demonstrators Committee : Elizabeth Graham, Chairman

- A training day was held for Pre-National Assessment and the National Demonstrators Test at Osborne House on 11th June 2019.
- Followed by two training days on Saturday 19th October and Sunday 20th October 2019 at the home of Pam Lewis in Marston, Devizes. The days had a mock test format and were considered very beneficial to those attending.
- Eight National Demonstrators - Emily Broomhead, Lorena Dyer, Jacqui Arnold, Nigel Whyles, David Thomson, Mellissa Sheldrake, Lucy Ellis and Katherine Kear gave superb performances at the Floral Art and Designs Show in August 2019, creating designs that were outstanding, thrilling the audiences.
- In January 2020, an Instructors and Adjudicator's Day was held at Osborne House. The highlight of this informative day was Michael Bowyer's inspirational session on the Elements and Principles of Design applied to contemporary work.

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- The inevitable decision to cancel the Pre-National Assessment and National Demonstrators Test was taken in March - after 2 very successful training days during this financial year we look forward to the re-scheduling of these Test in April 2021.

Speakers Committee : Philida Irving, Chairman

- In late March 2019 the Speakers' held their Symposium at Nottingham University sharing the venue with the Teachers' Conference. Arranged at short notice the Symposium was well supported. The Committee worked hard and produced a programme which was intense.
- The summer of 2019 saw the Speakers take a full and active part in the Diamond Show. Tucked away on the ground floor of the venue, the Committee was pleased with the number of the visitors that came to the presentations. Our Speakers presented a variety of topics which attracted many full audiences; a good rapport was established between the audiences and presenters. Our presenters' in-depth knowledge of their subjects was remarked upon by many from their audiences.
- We welcomed our Speakers Representatives to their meeting in September of 2019, unfortunately not all could attend. Our discussion was lively and worthwhile.
- At the National AGM held in Woking last year Susan Horne retired from the Committee and we welcomed new members Brenda Evers and Christine McKenna. Both had served previously and return with experience and knowledge.
- Our Director "umbrella" Peter Mathers has been an invaluable support to this Committee for which we thank him.
- We congratulate all the Area Speakers that were successful in 2019 and early 2020 in passing their Test.
- In March we cancelled our Adjudicators' and Instructors' meeting, it was to have been held on the second day of lockdown, disappointing for all concerned.

Photography Committee : Chrissie Harten, Chairman

- The Photography Committee attended the Floral Art and Design Show at the Business Design Centre in London in August 2019 and took many photos of the superb floral art competition entries. These were made into a YouTube video which can be seen on the NAFAS YouTube channel and were also widely shared on social media.
- The 2019 NAFAS National Photography Competition closed on 31st August 2019, and was, as usual, very successful, attracting 419 entries from 65 entrants across the majority of NAFAS Areas. Our judge had a hard time selecting the winners from so many outstanding entries, and those winning entries were displayed at the Floral Art and Design Show in London for everyone to admire.
- The 2020 Photography Competition was launched in January 2020, and we look forward to seeing many wonderful photos taken by NAFAS members.

NAFAS Area Chairmen Reports

East of England : Lesley Fairman, Area Chairman

- Brenda Evers, Anne Bell and Linda Knights were awarded Silver at the Harrogate Spring Show.
- In July 2019 we held the East of England Area Show celebrating our Blue Sapphire Anniversary which we titled "Now We Are 65".
- We held a Teacher Training Course where 10 new Teachers successfully qualified.
- The Educational Initiative continued with the Area supplying, free of charge, tutors for workshops for the clubs. 65 of the Area clubs signed up to this, it is a 3-year plan, in which the club is expected to advertise the course to the general public in the hopes of gaining new members.
- We started an Area Certificated Course in Flower Arranging with the aim of more people undertaking demonstrator training.

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South West : Pat Cooke, Area Chairman

- Held a Judges training course which resulted in 13 people taking the Judges Test.
- The Test produced 9 new qualified Area judges.
- Initiated an Area Demonstrators Training Programme.

Scotland : Margaret Strachan, Area Chairman

- SAFAS were invited to attend the Creative Crafts Show, Glasgow in March 2020 and carried out daily floral art demonstrations in the theatre and workshops to members of the public.
- Speakers - SAFAS funded the training and testing of two candidates. We are pleased to say that the Test took place on 11 March 2020, just before lockdown, and that both candidates passed and are now Area Speakers. Additionally, an Area Judges Test took place in the Area in June 2019 where all 7 candidates passed.
- Sutherland Floral Art Club appeared on BBC Alba (the Scottish Gaelic TV channel) celebrating their 50th Anniversary.
- In early June 2019 members of Inverness Floral Art Club arranged flowers for the Highland Hospice Sunflower Ball. This is the main fundraising event for the Hospice. Additionally, the same Flower Club in conjunction with Historic Scotland, put on an exhibition to depict the 250 years of Fort George. It was a great success and attracted large numbers of visitors to the Fortress.

North East : Janet Ratcliffe, Area Chairman

- Held Demonstrators training and Test which resulted in 7 new qualified Area Demonstrators.
- We organised an Area Lunch and a Members Day with over 100 members attending each event.
- The North East Area had a presence at the Harrogate Spring Show promoting the Area, selling *The Flower Arranger* magazine and floral mechanics followed by attendance at the Great Yorkshire Show and the Harrogate Autumn Show.
- We organised a coach to take 54 members to the Floral Art & Design Show and Dazzling Diamond Dinner.
- Some members from the Area attended the WAFA India 2020 Show and successfully competed, with 4 members receiving Commended for their work.

Three Counties & South Wales : Katherine Kear, Area Chairman

- The RHS Spring Launch & Orchid Show in April 2019 was a huge success for mother and daughter team Elizabeth Gordon and Emily Broomhead achieving a Gold medal.
- An excellent and well supported Area Day 'Inspired by Nature' took place last autumn at the Theatre Brycheiniog, Brecon. A well organised event by the Area Day Chairman Delyth Price and her team.
- To celebrate our Area's 60th Diamond Anniversary we held 6 tea parties throughout the Area – a touch of afternoon tea, music and friendship.
- During our 60th year we also arranged to hold dedicated choral Evensongs in all the Cathedrals, Abbeys and Pories that we had held flower festivals in over the past 60 years.

London & Overseas : Ken Law, Area Chairman

- Two Open Flower Demonstrations were held, raising funds towards the Floral Art and Design Show. Our members were fully involved in the Show by entering in the competitions, some volunteering for stewarding duties and others decorating local shops.
- We held an Area Demonstrators Course and Test resulting in 7 new qualified Area Demonstrators.
- The Area had an impressive presence at the Creative Craft Show in the ExCel Centre, April 2019 promoting Floral Art, the Area and the Floral Art and Design Show.
- During the year our members were involved in the RHS Chelsea Flower Show and with several articles in *The Flower Arranger* magazine.

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- A new club was formed during the year, the Vietnam Floral Art Society affiliated to London & Overseas at the Floral Art and Design Show. It is mainly an online group who were holding two meetings a year in Vietnam.

Surrey : Chris Brown, Area Chairman

- The Area Show was held at Woking Leisure Centre on 27th April 2019 with over 70 entries.
- For the first time Surrey Area were invited to take part in the Surrey County Show in May 2019 at Stoke Park, Guildford where an exhibition of some of the Area Show entries was held, together with children's workshop and a demonstration.
- The Surrey Area held a Demonstrator's Taster Session on 16th September 2019 which resulted in 3 more trainee demonstrators in the Area.
- At the NAFAS AGM in October 2019, Dr Christina Curtis a member and past Chairman of the Surrey Area became the National Chairman. A number of Surrey Area members took part in an exhibition 'Twists and Turns' at the HG Wells Conference Centre, Woking. National and Area Teachers also ran Technique Sessions.
- A photoshoot for *The Flower Arranger* magazine was held at the home of Alison Gillott, past Area Chairman in January 2020 where 7 members were asked to design and create seasonal and Christmas arrangements.
- Surrey Area competitors were successful in the World Show in Jaipur in March 2020. Amongst others, Area designers won a First in Class 15 'Let's Spin', a Third in Class 28 'Beyond the Far Horizon', a Third in Class 11 'In Peaceful Contemplation', a Highly Commended in Class 26 'Monsoon Memories' and a Commended in Class 23a 'Uprooted, Tossed & Turned'.

Wessex & Jersey : Joan Gittings, Area Chairman

- We had 2 clubs affiliate to the Area during the year. Porton Flower Club, a well-established club of approximately 20 years never having affiliated, and Four Marks Flower Club.
- The Area had great success at the Malvern Spring Show 2019 achieving a Gold medal in the Area Class for the second consecutive year.
- The Area organized a successful Members Day at Thornden School, Chandlers Ford in April 2019 with 400 members attending.
- Two successful Club Officers Days were held in the Area when we explored different ways of tackling issues affecting us all both very positive meetings with a good exchange of best practices.
- National Flower Arranging Day 2019 was observed in front of the Guildhall, Market Square, Salisbury a combined effort between the Area and Salisbury Council coordinated by Pip Bensley which also included involvement from the Deputy Mayor. We were successful in getting media coverage including radio, a slot on BBC South television, local newspapers as well as social media looking at the Areas efforts to help Salisbury overcome the problems following the Skirpal Novichok poisoning.

Home Counties : Audrey Balderstone, Area Chairman

- Yolanda Campbell and I represented our Area at the Harrogate Spring Show and were delighted to receive a Gold medal.
- Rekha Naidoo received a Commended for her entry in Class 13, 'Matrix' at the Floral Art and Design Show. Linda O'Toole achieved a Third and Very Highly Commended for entries in Class 5, 'Celebration', Novice Class, The East of England Trophy of the National Photography Competition. Rekha Naidoo also achieved a Third for her entry in Class 29b 'Peek-a-Boo' and Terri Potter a Commended for her entry in Class 15 'Let's Spin' at WAFA India 2020, Grand Floral Affair Show.
- Tracy Beaumont exhibited at the National Flower Show held at Hylands House, Chelmsford and Home Counties collaborated with the RHS Hyde Hall, Rettendon, Chelmsford to provide competitions.
- The Area hosted successful workshops and an Area Refresher Day.

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Berks, Bucks & Oxon : Jane Haas, Area Chairman

- Jane Belcher was the talented recipient this year of The Diane Gill Award for the most innovative exhibit in any competition.
- Catherine Lee was awarded The Penny Everette Award which is given to the member in our Area who goes above and beyond for their club and/or the Area.

Berks, Bucks & Oxon (cont)

- Sandie Draper is an up and coming member of our Area and during the year she passed her Area Demonstrators Test. In August she was awarded a First at the Floral Art and Design Show and this was the first time she had entered a National Show.
- Angela Edmonds and Barbara Bowman are members of Oxford Flower Club and they both regularly enter all sorts of competitions. During the year, Angela achieved a Second and Barbara a Very Highly Commended at the Malvern Spring Show. Angela was also awarded a Silver Gilt at the Chelsea Flower Show.
- Colin Watson was a keen photographer and for many years served on the National Photography Committee, he was also the Area Photography Representative for many years setting up the BB&O Flickr pages. He achieved a Second in the Photography Competition at Blenheim Palace Flower Show. Sadly, Colin died suddenly last November but he has left a lasting legacy in the way our Area store and collate photographs.

Mercia & North Wales : Jackie Charnock, Area Chairman

- The Area continued in its training of potential Judges and Demonstrators which led to an Area Demonstrators' Test producing 4 new Area Demonstrators. Plans for an Area Judges Test are ongoing, now with distance learning methods in place.
- The Area ran a successful "Flowers for All" Course attracting new members/people to the Area, together with a successful joint Speakers/Demonstrators Refresher Day.
- Club members were invited to a "How To" Coffee Morning in April 2019 to build skills to run a successful club. This was so popular that another similar session was held in early March 2020.
- We held a popular social 1940s event in October 2019 in the presence of our new National Chairman Dr Christina Curtis.
- The AGM and Area Competitions had a Christmas theme which encouraged seasoned and novice competitors to use their flower arranging skills.

Flowers North West : Ros Harrison, Area Chairman

- Council Meetings in the Flowers North West are now called Members' Meet and attendance has increased at each meeting. The morning session is for the business meeting, we follow this with lunch then an afternoon of flower-based activities such as a demonstration by students from the local floristry college, plant stalls and talks. There is a 50/50 Sales Table at every meeting and the takings from this now cover the cost of hall hire for the meeting.
- The North West covers a large geographic area (120 miles north to south and 110 miles west to east) so we now hold workshops at three locations across the Area so that no one has to travel more than an hour to attend.
- We hold an annual Club Officers Day – a workshop focused on club committee members. Sharing information and updates about regulatory requirements. This has led to closer working between clubs which has benefited all parties.

Kent : Jean Schofield, Area Chairman

- The Area was delighted and very proud of Robin White who won The Designer of the Year Competition 'Timeless Beauty' at the Floral Art and Design Show in August 2019.
- Leeds Castle, which has been called the 'loveliest castle in the world', celebrated its 900th anniversary in 2019 and photographs of the event were published in *The Flower Arranger* magazine.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEE)

TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

- Jacqui Arnold, National Demonstrators Committee hosted a Christmas photoshoot at her home for *The Flower Arranger* magazine.
- Marilyn Marsh and Liz Hall were appointed as NAFAS Special Appointments at the AGM in October 2018. They continue, very successfully, with their role as Westminster Abbey Co-Ordinators.
- Two of Kent's members had great success at the WAFA India 2020, Grand Floral Affair Show with Jacqui Arnold being awarded a Second in Class 27 'Layer By Layer' and Nima Patel achieving a Commended in Class 15 'Let's Spin'.

Sussex : Jilly Griffin, Area Chairman

- Sussex member, Linda Porrett won the WAFA Elimination Competition and arranged the UK's Honorary Exhibit at the WAFA India 2020. She also competed and was awarded a Second place.
- Area Judges' Training was held, resulting in 7 newly qualified Area Judges in the Sussex Area.
- We have twice-yearly Club Chairmen's Forum - an informal get-together to discuss relevant topics.
- Two beginners' classes, one improvers and for the first time in 15 years a NAFAS Certificated course has started.
- Weekly Newsletter to all members of the Sussex Area during the Covid-19 crisis.

North Midlands : June Borrowdale, Area Chairman

- North Midlands area were proud to host *The Flower Arranger* Diamond Anniversary photoshoot in April.
- The Area were able to demonstrate their talents to the public at the 2019 Harrogate Spring Show when a team from the Grimsby Flower Lovers' Club exhibited and won a Silver medal. This was particularly well deserved as most of the team were novices and had not done anything before on such a large scale.
- The Area were enthusiastic participants in the 2019 National Flower Arranging Day – a broadcast was made on BBC Radio Nottingham explaining the event, and a local club decorated the Scunthorpe branch of the British Heart Foundation shop.
- The Area was proud that we provided arrangers twice in the year to help decorate Westminster Abbey and attended several large County shows.
- We have a strong social media presence in the Area and find it a useful source of new members enquiring about flower classes.

South Midlands : Simone Squire, Area Chairman

- An Area team entered the RHS Malvern Spring Show 2019 and received a very well-deserved Silver-Gilt medal for their entry.
- A Gold Award was achieved at the Gardeners World Live for an exhibit titled "Diamonds are a Girl's Best Friend".
- John Chennell, National Associate of Honour and National Demonstrator achieved success at the Floral Art and Design Show; he received a Commended for his entry in to Class 6 'Time to Shine' which earned him The Fresh Garden Plant Material Trophy and The Robert Gibbs Trophy (Best Use of Foliage).
- The Area was present at the Festive Gift Fair held in the NEC Birmingham promoting our Association and encouraging members of the public to participate in creating a small arrangement to take home. Over the 4 days, 100 visitors went away happy with their floral arrangements.
- Shipston Flower Club (22 members) organised a special event, to celebrate the WAFA Show - "Jaipur comes to Shipston-on-Stour". The 100 members and visitors were entertained by Indian dancers followed by a floral demonstration depicting aspects of India, and finally provided with a succulent feast of curries and all their accompaniments.

Devon & Cornwall : Pat Penno, Area Chairman

- Devon and Cornwall Area were able to demonstrate their flower arranging talents to members of the National Trust at two local properties in 2019/20: at Christmas at Buckland Abbey and a Daffodil event (just prior to lockdown) at Cotehele.

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FOR THE YEAR ENDED 31 MARCH 2020

- Despite the geographic remoteness of the Area three members exhibited at the 2019 London show, one gained a First, Runner Up to Best in Show and Best Use of Colour. Another won a First and the other Commended in the Imposed Class.
- Two Clubs from the Area celebrated their Blue Sapphire (65th) anniversaries: Torbay, and Camborne and Redruth Flower Clubs.
- Devon and Cornwall Area celebrated its Emerald Anniversary in 2019.
- The Area held their Area Show at Tiverton in November in the presence of the new National Chairman Dr Christina Curtis. The show made a profit of £1000 helping the Area funds.

Northumberland & Durham : Pamella Alexander, Area Chairman

- A very successful day was held in May with a Speaker by the Head Gardener from Alnwick Gardens and his relationship with the Duchess in the morning and a demonstration in the afternoon by Emily Broomhead with a delicious lunch attended by over 200 persons.
- A whole day of fun with participants circulating various activities associated with speaking, demonstrating, flower arranging, judging, plant identification quizzes. The Area Committee and Sub-Committee members led the various activities.
- Our AGM in November was attended by almost 200 people, we enjoyed a wonderful lunch followed by a fantastic demonstration in the afternoon given by Arnaud Metairie who although not a National Demonstrator was great.

Dorset & Guernsey : Sandra Taylor, Area Chairman

- Only a year after the Club started, Dorchester Flower Club received a Gold medal at the RHS Malvern Spring Show in May 2019 and then a member, Philippa Loudon, received a Gold medal and Best in Show in the first section at RHS Chelsea Flower Show.
- At the 2019 Designer of the Year competition we had a Demonstrator, Elizabeth Witcomb in the finals. Also in the same Show two members from Bere Regis Floral Group exhibited in the Club Class along with our President Irene Hickson who also gained a Commended in an Imposed Class. Even though Dorset and Guernsey is only a small Area we are immensely proud of our talented members.

Cheshire Area : Nicky Wylie Area Chairman

- Cheshire Area represented NAFAS at Chelsea and won a silver gilt medal, and also kept within budget, thanks to the amazing fundraising efforts of the Area.
- Our own Area Competition held at the Royal Cheshire Agricultural Show, which is growing and getting better and better each year.
- We were going to celebrate our 50th anniversary on 16th March but this was cancelled. We had loads planned for this year including a flower fashion show.
- Successful social day was held.
- We reduced the AGM down to under 75 minutes, always a winner in my mind, leaving more time to socialise and enjoy a demonstration in the afternoon.

NIGFAS : Liz Manning, Area Chairman

- The JDS&E Committee organised two excellent workshops to develop skills on the show bench. These proved to be very popular and have resulted in excellent entries in Area competitions.
- There was excellent representation from our Area at the WAFA India 2020, Grand Floral Affair Show:
 - Margaret Abernethy : Chairman of the Board of Directors, WAFA
 - Joan Magee : Judge at the Show
 - Sandra Abbott and
 - Mindy Carruthers : First in 'Broken Lines' and Best Imposed Exhibit

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- The success of our Designer of the Year Competition, our NIGFAS AGM and our NIGFAS Day events due to excellent teamwork, brilliant speakers and demonstrators and such talented competitors.

Volunteer involvement

The Charity relies on the support of its members who give many thousands of hours voluntarily to assist in the provision of services and activities. It is impossible to put a value on this support for which the Charity is very grateful and without which much of the work undertaken could not be achieved. The Trustees appoint functional and advisory committees, composed of experienced volunteers to assist in carrying out the work of the Charity.

Membership

Numbers of affiliated club members declined during the year, reducing the total to 44,829, a fall of 1,732 with 3 clubs closing. This is a continuing trend and there are many factors that contribute to the losses. However, there is a determination of the Board, CEO and the Area Chairmen to tackle the decline and reverse the trend. Ageing membership, changing lifestyles and rising costs are common problems facing a number of charitable organisations, yet NAFAS, remains one of the best supported membership organisations in the UK. There is work to do to attract new members and we have to move forward with open minds, but there is a great deal of confidence within the organisation that the trend can be reversed.

The reduction in affiliated membership is having an impact on income levels, not merely on affiliation fees where revenue obviously falls, but also on receipts from the Charity's trading subsidiary where there is a lower number of members to purchase publications and to take subscriptions of its magazine, *The Flower Arranger*. The magazine has been an outstanding contributor to Charity funds and probably its greatest success in recent years.

Risk Management

Historically the risks identified by the Charity have been restricted to contractual obligations related to the National Show and other events. Covid-19, which began to have significant effects in the UK from late February, has enhanced problems that the Trustees were previously aware of and created new risks to the Charity. These are:

- Club closures, some clubs will not reopen for various reasons including:
 - Members unwilling to attend club meetings again
 - Difficulty attracting members to sit on the committee
 - Ageing membership
 - Difficult to attract new younger members
 - Increasing costs of premises and flowers
 - Closure of village and community halls where our clubs meet
- A decline in membership due to club closures
- A decline in the number of Club and Area events due to Covid-19.
- The uncertainty of when our members will be prepared to resume normal club activities.
- A reluctance by members to travel. This will affect attendance at Area and National events.
- Judges, Teachers, Demonstrators and Speakers facing hardship due to a decline in the number of Area and National events being held. This may result in some looking at alternative careers.
- Judges, Teachers, Demonstrators and Speakers may be reluctant to travel and/or join large gatherings.
- Venues reluctant to provide Flower Clubs with reopening plans which makes it impossible for the Club to plan ahead.
- Venues imposing stringent cleaning and sanitation rules, which will increase costs for the Clubs.
- A drop in sales of trading goods and educational handbooks due to Areas and Clubs not meeting.
- Staff have been furloughed which has raised concerns over wellbeing and has had an impact on the running of the Charity.

Evaluation of risk is constantly under review. Financial risks are managed by:

- Maintenance of reserves to be financially resilient.
- Insurance, where appropriate and cost effective.
- Regular consultation with the Charity's financial, legal and other professional advisers.

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Internal risk controls are in place based upon dual authorisation of financial transactions. Employee and Third-Party Fraud insurance cover is also in force. The Trustees consider that a suitable balance is maintained between the level of risk and the effectiveness of controls.

Future Planning

The Charity is working to an ongoing cash flow forecast & budget for 2020/21, taking into consideration the uncertainty caused by the Covid-19 pandemic. The 21 Areas of NAFAS have offered early payment of the Annual Affiliation fees and/or loans to the Charity. An additional loan of £150K has been secured from NatWest through its Government backed Business Interruption Loan scheme. Together these measures secure the financial future of the Charity to the end of 2021.

Until the threat of Covid-19 has completely gone, we will not know the full extent of club closures and membership numbers. The Trustees are aware that the Charity will need to realign itself financially and has already started work on a Feasibility Study. This study will look at the requirements of the Association at Board and Committee level and the needs of the staff and trading operations. It will also examine the options of Osborne House, our Head Office property in the heart of London, and valued recently at £4.5M. The sale of Osborne House is being considered as one option to ensure the future of NAFAS.

It is expected that the sale of the Charity's main asset, Osborne House, will enable the Association to re-invest the proceeds into a smaller property to accommodate the new way of working for the Trustees, committees, and staff. It will also provide much needed investment into the Charity's infrastructure and enable a national promotion to attract new members to the Association and assist new clubs to open.

The Board and CEO will continue to examine all areas of the Charity. This will include internal processes, Governance structure, the Articles of Association and the Rules or Bylaws.

The main immediate objectives are:

- To ensure the Charity meets its financial obligations throughout the ongoing Covid-19 crisis.
- Carry out a Feasibility Study on the Charity's requirements post Covid.
- Obtain quotes for the evaluation of Osborne House.
- Seek external, independent financial advice, should the sale of Osborne House happen.
- Plan for greater financial stability.
- Monitor internal financial systems and processes.
- Continue with the review of the Governance structure, Articles of Association and Rules or Bylaws.
- Review of Committees' structure and performance.
- Review of expenses associated with the Charity's meetings and events.
- Launch new website and improved social media presence.
- Review of the Charity's Educational Handbooks.
- Increase the circulation of *The Flower Arranger* magazine and increase advertising revenue.
- Increase recruitment of new members.

Powers of investments

The Articles of Association authorise the investment of the Company's funds or any part thereof in the purchase of such stocks, shares, securities or other investment or property of whatsoever nature as the Trustees, may in their absolute discretion decide. All investments are held in accordance with these powers. The Trustees do not have

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specific target returns on investment income although generally, they expect investment performance to reflect movement in the London Stock Exchange indices.

Financial Review

At the end of the financial year, the Association recorded a deficit of (£208,039) compared to a deficit of (£10,474) in the previous year. The loss of (£137K) incurred by the Associations 60th Diamond Anniversary events being the main contributing factor.

Group Income

Consolidated income increased by 26% to £914,539. This is mainly due to income generated by the Diamond events.

Group Expenditure

Consolidated expenditure increased by 53% to £1,124,314. This is due to an overspend on the Diamond events and adjustments agreed with the auditors.

Enterprises (Trading Subsidiary)

Turnover decreased by 10% to £329,639

Cost of sales and administrative expenses increased by 6% to £337,901.

The subsidiary recorded a Deficit of (£8,198)

The results for the year ended 31 March 2020 are shown in this summary of income and expenditure: -

	2020	2019
	£	£
Net movement in funds		
Unrestricted fund	(198,224)	(9,968)
Designated funds	(9,815)	(506)
	<u>(208,039)</u>	<u>(10,474)</u>
	=====	=====

Reserves

An analysis of funds is given under note 18. The maintenance of adequate reserves underpins the Trustees Risk Management policy as a counter against risks identified in the regular Risk Review.

Historically, there has been a reliability of income and the Trustees have considered the Charity's general reserve, excluding fixed assets to be sufficient to cover 6 months total expenditure. The deficit recorded in the 2019/20 accounts has left the Charity with negative free reserves of (£29K).

A short-term recovery plan is in place which includes early payment of affiliation fees from the Associations' 21 Areas and a loan has been secured from the Government Business Interruption Loan Scheme (CBILS). The impact of Covid-19 will have longer term implications for the Charity. The Trustees will be working with the Auditors to review the Reserves Policy to ensure it relates to the Charity's position going forward.

Subsidiary Undertaking

NAFAS Enterprises Limited is a wholly owned subsidiary. It undertakes all trading activities and transfers the whole of its profit to the Charity by gift aid. Due to a change in accounting rules, the gift aid payable is not recorded as a liability in these accounts.

Accounting Policies

Accounting policies are disclosed on pages 25 to 27 of the financial statements.

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
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TRUSTEES' REPORT (INCORPORATING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

In so far as we are aware:

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

Auditors

A resolution proposing the appointment of Auditors to the Charity will be put to the Annual General Meeting.

The Trustees' Report was approved by the Trustees on *2nd October* 2020

BY ORDER OF THE BOARD

C. D. Curtis

Dr Christina Curtis
National Chairman

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 (LIMITED BY GUARANTEE) INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

We have audited the financial statements of National Association of Flower Arrangement Societies 2003 for the period ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and 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 our opinion the financial statements:

- give a true and fair view of the state of the charitable company'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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are 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 we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

(LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES
2003
(LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT**

**TO THE TRUSTEES OF NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT
SOCIETIES 2003**

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

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

TC Group

Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of TC Group
Statutory Auditor
Office: Steyning, West Sussex

Date: 12th October 2020

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2020

		General funds £	Designated funds £	Total 2020 £	Total 2019 £
Income from:	Notes				
Donations and legacies	3	3,124	1,000	4,124	6,550
Charitable activities:					
Affiliation & direct membership fees	4	236,071	-	236,071	229,639
Shows and assemblies	4	263,432	-	263,432	61,678
Other trading activities:					
Trading subsidiary	9	329,703	-	329,703	368,063
Investment income – interest and dividends		1,900	-	1,900	2,732
Other		71,920	7,389	79,309	53,682
Total income		906,150	8,389	914,539	722,344
Expenditure on:					
Raising funds:					
Costs of trading subsidiary	9	337,901	-	337,901	319,326
Charitable activities:					
Operations	5	367,113	18,204	385,317	356,902
Shows and Assemblies	5	401,096	-	401,096	55,561
Total expenditure		1,106,110	18,204	1,124,314	731,789
Gains/(losses) on investments	12	1,736	-	1,736	(1,029)
Net expenditure		(198,224)	(9,815)	(208,039)	(10,474)
Gross transfers between funds		-	-	-	-
Net movement in funds		(198,224)	(9,815)	(208,039)	(10,474)
Fund balances at 1 April 2019		1,606,809	41,557	1,648,366	1,658,840
Fund balances at 31 March 2020		1,408,585	31,742	1,440,327	1,648,366

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
CONSOLIDATED BALANCE SHEET**

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11	1,437,388		1,444,736	
Investments	12	-		47,846	
		1,437,388		1,492,582	
Current assets					
Stocks	13	7,832		23,000	
Debtors	14	52,705		199,400	
Cash at bank and in hand		211,048		304,007	
		271,585		526,407	
Creditors: amounts falling due within one year	15	(268,646)		(370,623)	
Net current assets			2,939		155,784
Total assets less current liabilities			1,440,327		1,648,366
Income funds					
Unrestricted funds:					
General funds	18	1,408,585		1,606,809	
Designated funds	18	31,742		41,557	
		1,440,327		1,648,366	

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on ...*2nd October 2020*...

C.D. Curtis

Dr Christina Curtis (Chairman)

Company Registration No. 4934904

**NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
CHARITY BALANCE SHEET**

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11	1,437,388		1,444,736	
Investments	12	<u>4</u>		<u>47,850</u>	
		1,437,392		1,492,586	
Current assets					
Debtors	14	57,706		171,546	
Cash at bank and in hand		<u>175,957</u>		<u>267,005</u>	
		233,663		438,551	
Creditors: amounts falling due within one year	15	<u>(242,530)</u>		<u>(351,509)</u>	
Net current (liabilities)/assets			<u>(8,867)</u>		<u>87,042</u>
Total assets less current liabilities		<u>1,428,525</u>		<u>1,579,628</u>	
Income funds					
Unrestricted funds:					
General funds	18	1,396,783		1,538,071	
Designated funds	18	<u>31,742</u>		<u>41,557</u>	
		<u>1,428,525</u>		<u>1,579,628</u>	

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The accounts were approved by the Board on 2nd October 2020

C. D. Curtis

Dr Christina Curtis (Chairman)

Company Registration No. 4934904

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

		2020		2019
	Notes	£	£	£
Cash flows from operating activities:				
Net income/expenditure for the year		(208,039)		(10,474)
Depreciation of tangible fixed assets	11	7,763		7,604
Interest from investments		(1,900)		(2,732)
(Increase)/decrease in stock	13	15,168		(3,382)
Increase/(decrease) in creditors	15	(101,977)		108,663
(Increase)/decrease in debtors	14	146,695		(83,996)
(Gains)/losses on investments		(1,736)		1,029
Net cash provided by/(used in) operating activities		(144,026)		16,712
Cash flows from investing activities:				
Interest from investments		1,900		2,732
Proceeds from sale of investments		49,582		-
Purchase of tangible fixed assets	11	(415)		-
Net cash provided by/(used in) investing activities		51,067		2,732
Increase/(decrease) in cash		(92,959)		19,444
Cash and cash equivalents at the beginning of the year		304,007		284,563
Cash and cash equivalents at the end of the year		211,048		304,007

	1 April 2019	Cashflow	31 March
	£	£	2020
			£
Cash at bank and in hand	304,007	(92,959)	211,048

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Statutory information

National Association of Flower Arrangement Societies 2003 is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found on the Legal and Administrative Information page.

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – Charities SORP (FRS102) and the Companies Act 2006.

NAFAS meets the definition of a public benefit entity under FRS102. Assets and Liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. This includes taking into account any potential impact of the COVID-19 pandemic. There are no material uncertainties about the group's ability to continue as a going concern.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

2.2 Group financial statements

The financial statements consolidate the results of the charity, its wholly owned subsidiary, NAFAS Enterprises Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented as the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

2.3 Income

All income is recognised in the Statement of Financial Activities once the group has gained entitlement to them and the amounts can be quantified with sufficient reliability.

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Investment income is recognised in the financial statements when receivable.

2.4 Expenditure

Expenditure is recognised on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is included within the item of expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in pursuit of its charitable objectives. It includes both direct costs and support costs relating to such activities. Support costs, including salaries, are apportioned on the basis of the time involved on the activity.

Governance costs include those costs associated with meeting the statutory requirements of the group and include the audit fees and costs linked to strategic management of the group.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

2 Accounting policies (continued)

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	Straight line – over four years
Furniture and fittings	Straight line – over four years

2.6 Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Gains and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2.7 Stock

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

2.8 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The Trustees seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.10 Creditors and provisions

Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2.11 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

2.12 Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

The charity contributes to employees' personal pension schemes. The pension costs charged in the financial statements represent the contributions payable during the year.

2.13 Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

2 Accounting policies (continued)

2.14 Critical accounting estimates and judgements

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

3 Donations and legacies

	General funds £	Designated funds £	Total 2020 £	Total 2019 £
Donation to WAFA Special Fund	-	1,000	1,000	-
Donations to Heritage Fund	-	-	-	1,000
Donations to Education Fund	-	-	-	250
Other	3,124	-	3,124	5,300
	<u>3,124</u>	<u>1,000</u>	<u>4,124</u>	<u>6,550</u>

4 Income from charitable activities

	General funds £	Designated funds £	Total 2020 £	Total 2019 £
Affiliation and direct membership fees	236,071	-	236,071	229,639
Shows and Assemblies	<u>263,432</u>	<u>-</u>	<u>263,432</u>	<u>61,678</u>
	<u>499,503</u>	<u>-</u>	<u>499,503</u>	<u>291,317</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

5 Analysis of group charitable activities

	Operations	Assemblies	Total 2020	Total 2019
	£	£	£	£
Direct Membership expenses	-	-	-	155
WAFA	12,266	-	12,266	1,051
NAFAS Gardens	-	-	-	200
Westminster Abbey Flowers	21,814	-	21,814	25,854
Chelsea Flower Show	20,876	-	20,876	18,406
Appointments' expenses	1,576	-	1,576	3,688
Sundry exhibition expenses	1,141	-	1,141	1,100
NAFAS courses and diploma	-	-	-	5,922
Insight magazine	3,970	-	3,970	5,138
Subscriptions	407	-	407	1,419
Committees:-				
Photography Committee	824	-	824	2,089
Judging Committee	4,541	-	4,541	4,587
Demonstrators Committee	4,823	-	4,823	9,430
Speakers Committee	4,792	-	4,792	6,250
Education Committee	7,077	-	7,077	15,975
National Advisory Council and AGM costs	13,734	-	13,734	9,456
Bad Debts	19,344	-	19,344	-
Support and governance costs	267,878	-	267,878	246,121
Shows and assemblies	-	401,096	401,096	55,561
Other activities	254	-	254	60
	<u>385,317</u>	<u>401,096</u>	<u>786,413</u>	<u>412,463</u>

6 Analysis of costs – 2020

	Direct costs £	Support costs £	Governance costs £	Total 2020 £	Total 2019 £
Charitable activities:-					
Operations	117,439	246,949	20,929	385,317	356,902
Show costs	401,096	-	-	401,096	55,561
	<u>518,535</u>	<u>246,949</u>	<u>20,929</u>	<u>786,413</u>	<u>412,463</u>
Raising funds:-					
Costs of trading subsidiary	337,901	-	-	337,901	319,326
	<u>856,436</u>	<u>246,949</u>	<u>20,929</u>	<u>1,124,314</u>	<u>731,789</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Cont'd... Analysis of costs - 2019

	Direct costs £	Support costs £	Governance costs £	Total 2019 £
Charitable activities:-				
Operations	110,780	270,661	22,092	356,902
Show costs	55,561	-	-	55,561
	<u>166,341</u>	<u>270,661</u>	<u>22,092</u>	<u>412,463</u>
Raising funds:-				
Costs of trading subsidiary	272,695	-	-	319,326
Total	<u>439,036</u>	<u>270,661</u>	<u>22,092</u>	<u>731,789</u>

7 Governance costs

	Total 2020 £	Total 2019 £
Auditors' remuneration		
Audit	11,300	11,600
Other services	400	1,350
Trustee's expenses	9,229	9,142
Total	<u>20,929</u>	<u>22,092</u>

8 Net income for the year

	2020 £	2019 £
This is stated after charging:		
Auditors remuneration (excluding VAT):		
Audit	11,300	11,600
Other services	400	1,350
Expenses reimbursed to Trustees	9,229	9,142
Depreciation	7,763	7,604

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

9 Subsidiaries

The wholly owned subsidiary NAFAS Enterprises Limited is incorporated in England and Wales (company number: 1829011). The subsidiary donates all of its profits to NAFAS under the Gift Aid scheme.

The summary financial performance of the subsidiary alone is:

	2020	2019
	£	£
Turnover	329,639	368,031
Cost of sales and administration costs	(337,901)	(319,326)
Interest receivable	64	32
Net profit/(Loss)	(8,198)	48,737
Amount gift aided to the charity	(48,737)	-
Retained in subsidiary	(56,935)	48,737

The current assets and liabilities of the subsidiary were:

Current assets	71,716	123,379
Current liabilities	(59,909)	(54,636)
Total net assets	11,807	68,743
Aggregate share capital and reserves	11,807	68,743

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
Charitable activities	4	4
Employment costs	2020	2019
	£	£
Wages and salaries	141,406	114,416
Social security costs	13,914	10,930
Other pension costs	654	6,869
	155,974	132,215

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2020	2019
	Number	Number
£60,001 - £70,000	-	-

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT SOCIETIES 2003
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

The key management personnel of the charity comprise the Chief Executive Officer. The total employee benefits of key management personnel of the charity were £60,450 (2019: £44,457).

None of the Trustees received any remuneration during the year.

There are no employees in the subsidiary company.

11 Tangible fixed assets

	Freehold property £	Website design £	Furniture and equipment £	Total £
Cost				
At 1 April 2019	1,531,063	9,075	13,797	1,553,935
Additions	-	-	415	415
At 31 March 2020	1,531,063	9,075	14,212	1,554,350
Depreciation				
At 1 April 2019	88,140	7,982	13,077	109,199
Charge for the year	5,950	1,093	720	7,763
At 31 March 2020	94,090	9,075	13,797	116,962
Net book value				
At 31 March 2020	1,436,973	-	415	1,437,388
At 31 March 2019	1,442,923	1,093	720	1,444,736

12 Investments

	2020 £	2019 £
Group:		
Market value at 1 April	47,846	48,875
Additions	-	-
Disposals	(47,846)	-
Net unrealised gains/(losses)	-	(1,029)
Market value at 31 March	-	47,846
Charity:		
Add: Investment in subsidiary	4	4
	4	47,850

During the year the charity sold its listed investments and realised a gain of £1,736.

13 Stocks

	2020 Group £	Charity £	2019 Group £	Charity £
Finished goods	7,832	-	23,000	-

The amount of stocks recognised as an expense in the period is £15,168 (2019: £3,382).

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

14 Debtors	2020		2019	
	Group £	Charity £	Group £	Charity £
Trade debtors	24,549	549	65,642	6,703
Prepayments	19,055	17,336	124,142	122,422
Intercompany	-	33,794	-	35,521
Other debtors	9,101	6,027	9,616	6,900
	<u>52,705</u>	<u>57,706</u>	<u>199,400</u>	<u>171,546</u>

15 Creditors: amounts falling due within one year	2020		2019	
	Group £	Charity £	Group £	Charity £
Trade creditors	23,602	6,482	59,379	53,831
Taxes and social security costs	14,938	14,938	16,102	16,102
Accruals and deferred income	217,645	208,649	295,142	281,576
Other creditors	12,461	12,461	-	-
	<u>268,646</u>	<u>242,530</u>	<u>370,623</u>	<u>351,509</u>

Deferred income analysis:

	2020		2019	
	Group £	Charity £	Group £	Charity £
Deferred income at 1 April	271,469	271,469	173,016	173,016
Released during year	(271,469)	(271,469)	(173,016)	(173,016)
Deferred in year	170,324	170,324	271,469	271,469
Deferred income at 31 March	<u>170,324</u>	<u>170,324</u>	<u>271,469</u>	<u>271,469</u>

Deferred income is in relation to affiliation fees received in advance.

16 Operating lease commitments

At the year end, the following commitments were in place in respect of operating leases:

	2020		2019	
	Group £	Charity £	Group £	Charity £
Within one year	5,041	5,041	575	575
Within two to five years	<u>16,385</u>	<u>16,385</u>	<u>4,024</u>	<u>4,024</u>

Lease payments recognised as an expense in the year totalled £4,960.

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

17 Analysis of net assets - 2020

	General funds £	Designated funds £	Total Funds £
Fixed assets	1,437,388	-	1,437,388
Current assets	239,843	31,742	271,585
Current liabilities	(268,646)	-	(268,646)
	<u>1,408,585</u>	<u>31,742</u>	<u>1,440,327</u>

Analysis of net assets - 2019

	General funds £	Designated funds £	Total Funds £
Fixed assets	1,492,582	-	1,492,582
Current assets	484,850	41,557	526,407
Current liabilities	(370,623)	-	(370,623)
	<u>1,606,809</u>	<u>41,557</u>	<u>1,648,366</u>

18 Analysis of funds - 2020

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Gains on investments £	Balance at 31 March 2020 £
Unrestricted funds:					
General funds	1,606,809	906,150	(1,106,110)	1,736	1,408,585
Designated funds:					
WAFA Special Fund	18,285	1,000	(4,544)	-	14,741
Overseas Travel Reserve	17,451	4,483	(11,483)	-	10,451
Education Fund	5,821	-	-	-	5,821
Headquarters Heritage Fund	-	2,906	(2,177)	-	729
	<u>1,648,366</u>	<u>914,539</u>	<u>(1,124,314)</u>	<u>1,736</u>	<u>1,440,327</u>

Analysis of funds - 2019

	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2019 £
Unrestricted funds:					
General funds	1,616,777	721,094	(726,106)	(4,956)	1,606,809
Designated funds:					
WAFA Special Fund	18,285	-	-	-	18,285
Overseas Travel Reserve	13,546	-	(1,051)	4,956	17,451
Headquarters Heritage Fund	4,661	1,000	(5,661)	-	-
Education Fund	5,571	250	-	-	5,821
	<u>1,658,840</u>	<u>722,344</u>	<u>(723,818)</u>	<u>-</u>	<u>1,648,366</u>

NATIONAL ASSOCIATION OF FLOWER ARRANGEMENT 2003 NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18 Analysis of funds (continued)

Designated funds

The **WAFA Special Fund** was opened to enable "Best in Show" prize winners at future NAFAS National Shows to represent the charity at forthcoming WAFA World Shows.

The **Overseas Travel Reserve** provides for officials' travel costs to the World Association of Flower Arrangers (WAFA) World Show, held every three years and for the charity's annual subscription to WAFA. It is funded by an annual transfer from the General Reserve at the rate of 10p for each affiliated member.

The **Education Fund** was established in 2014/15 to enable NAFAS to provide financial assistance to educational projects.

The **Headquarters Heritage Fund** was opened to provide for the periodic refurbishment of the charity's freehold premises, which is a Grade II listed building.

19 Taxation

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 1 of the Corporation Tax Act 2010.

20 Related party transactions

The charity has taken advantage of Paragraph 33.1A of FRS 102 not to disclose transactions with wholly owned subsidiaries. There were no other related party transactions in the year.