

# Kew

Royal Botanic Gardens

## Annual Report and Accounts

for the year ended 31 March 2023

HC 1552





# **Royal Botanic Gardens, Kew**

## Annual Report and Accounts for the year ended 31 March 2023

Presented to Parliament  
pursuant to Paragraphs 39(7) and 40(4)  
of Schedule 1 of the National Heritage Act 1983

Ordered by the House of Commons to be printed on 18 July 2023

HC 1552





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This publication is available at  
<https://www.gov.uk/official-documents>  
and <https://www.kew.org>

ISBN 978-1-5286-4316-0

E02941048 07/23

Printed on paper containing 40% recycled  
fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf  
of the Controller of His Majesty's Stationery Office

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## Foreword

During the year we made significant progress laying the foundations for delivering on our commitments in 'Our manifesto for change 2021–2030', focused on tackling the twin crises of climate change and biodiversity loss.

We began work on digitising our 8.25 million Herbarium and Fungarium specimens, a landmark project to make our collections freely accessible for global scientific research, thereby unlocking the potential of plants and fungi to help solve global challenges. In March, we reached a major milestone on the path towards protecting global biodiversity, with 2.45 billion seeds from 40,000 plant species across the world banked at our Millennium Seed Bank. Our collections represent the largest and most genetically diverse collection of plants in the world.

We played an important role at the United Nations Biodiversity Conference COP15, highlighting the role of plants in supporting the Global Biodiversity Framework. We were pleased to be confirmed as the strategic science lead for Defra's Global Centre on Biodiversity for Climate, an important initiative to establish a global network of research institutions and experts to tackle critical research gaps in how the conservation and sustainable use of biodiversity can deliver climate adaptation and mitigation and improve livelihoods.

'Educating the next generation' continued as an important theme. We welcomed over 90,000 school children to Kew Gardens and Wakehurst over the year and launched two new MSc courses in partnership with Queen Mary University of London and Royal Holloway, University of London. These exciting new courses sit alongside our renowned science and horticulture courses.

In July, a second series of *Kew Gardens: A Year in Bloom* aired on Channel 5 and featured six episodes filmed at Kew Gardens and Wakehurst. It shone a light on the expertise of Kew's staff caring for the world's largest collection of rare and endangered plants and revealed the work of Kew scientists to understand the potential of plants to help humanity.

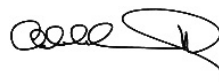
We continued to offer our successful £1 ticket for visitors on low incomes, welcoming over 23,000 such visitors during the year. Feedback has been overwhelmingly positive, and we are delighted the initiative has since been replicated by other organisations across the UK.

It was a complex and unpredictable year for our finances with the cost-of-living crisis, significant rises in energy costs, extreme weather and slower recovery of visitor numbers than anticipated following the COVID-19 pandemic. This was mitigated by cost savings and income generation initiatives, including successful fundraising and commercial activity. We were pleased to secure several significant government grants to further our science and decarbonise our estate. We are particularly grateful for Defra's support in many areas, including their strong financial support.

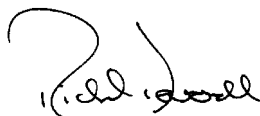
We progressed plans for important projects, including the refurbishment of our iconic Grade I listed Palm House, a new Herbarium to safeguard our collections for future generations, a conservation and research nursery at Wakehurst to further our science and a new learning centre and carbon garden at Kew Gardens. Fundraising for these important projects to realise our ambitions has been, and will continue to be, a key area of focus.

We are privileged to have an excellent Board of Trustees who provide expert guidance, constructive challenge and support. In April 2022 we were delighted to welcome Steve Almond, Kate Priestman and John Scanlon as new Trustees. They, together with the rest of the Board, bring a wealth of experience and have made a huge contribution.

On behalf of the Executive Board and the Board of Trustees we would like to thank our talented and committed staff, students and volunteers for their hard work, passion and commitment. We would also like to thank our members, visitors, donors and partners for their valuable ongoing support. Put simply, we could not achieve our mission without you.



**Dame Amelia Fawcett**  
Chair of the Board of Trustees  
Royal Botanic Gardens, Kew  
12 July 2023



**Richard Deverell**  
Director  
Royal Botanic Gardens, Kew  
12 July 2023

# Performance report

## Statutory functions

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

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

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

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

## Highlights and challenges

This was the second year of activity under our strategy, 'Our manifesto for change 2021–2030'. We have grouped the year's highlights and challenges below under the manifesto's strategic priorities.

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

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

In August we embarked on **digitising our collection of 8.25 million plant and fungal specimens**, digitising 738,000 specimens during the year. We are on track to digitise the full collection by 2026. This four-year project will unlock a vast record of plant life on Earth, making this globally unique resource freely accessible to scientists in the UK and internationally.

We launched our **Madagascar sustainable landscape management programme** in November. The programme involves working with a consortium of partners to develop a sustainable landscape management model for community-

led forest conservation, carbon storage, and livelihoods enhancement in Madagascar. The £10 million project runs for six years and is funded from the Defra Biodiverse Landscapes Fund.

Our landscape ecology programme '**Nature Unlocked**' at Wakehurst, our wild botanical garden in West Sussex, entered its third year. We gathered above- and below-ground data on carbon storage in different habitats, continued research on pollinators and undertook Nature-Connectedness research with Royal Holloway, University of London. Data will be used to inform policy and practice on land use and conservation and nature-based solutions.

We exceeded our targets relating to the number of new plant, fungal and seed accessions (23,000 compared to a target of 13,500); the number of visits to our digital collections Science database resources (5,488,000 compared to a target of 4,500,000); and the number of citations of publications by RBG Kew scientific staff (67,000 compared to a target of 57,500). We performed below our target for the number of International Union for Conservation of Nature threatened taxa in Living Collections (1,267 compared to a target of 1,400). Further information is provided in the Measuring success section below.

### Priority 2 – Inspire people to protect the natural world

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

Visitor numbers totalled **2.3 million** in 2022–23 at Kew Gardens and Wakehurst (2.4 million 2021–22). Recovery of visitor numbers following the impacts of the pandemic has been slower than anticipated, with international visitor numbers still down and domestic visitor numbers impacted by the cost-of-living crisis. By comparison, visitor numbers pre-Covid were 2.6 million in 2019–20.

The new '**Edible Science: Kew's Kitchen Garden**' opened in June and has attracted considerable visitor and media interest. The garden highlights Kew Science stories through interpretation and planting such as alternative crops, different growing methods and plants for pollinators.

Our summer programme at Kew Gardens '**Food Forever**' saw large-scale art installations exploring the future of food and how what we eat can help us transform our planet for good. Featuring four new installations, visitors were taken on a journey around the Gardens to explore themes of food waste, sustainability, foods of the future and agriculture. At Wakehurst, '**Nourish**' consisted of five striking art installations highlighting our work on food sustainability.

The award-winning artist **Pip & Pop** presented the exhibition *When Flowers Dream* in the Shirley Sherwood Gallery from May to March. The exhibition included a brand-new installation, created in collaboration with scientists at Kew. Exploring the idea of a food utopia for the future, this colourful installation was filled with foods identified as neglected and underutilised species.

One of Kew's highlights was the discovery of a **new species of giant waterlily** – *Victoria boliviana*. This stunning plant,

with lily pads more than 3m across, was displayed alongside the two other giant South American waterlily species in the Princess of Wales Conservatory.

In February we opened our annual **orchid festival**, this year themed around Cameroon. Focusing on Africa for the first time, the striking horticultural displays featured some of the country's wildlife, including giraffes, hippos and a larger-than-life lion, recreated in floral form by our Horticulture team, and shined a light on our collaborative science and research partnerships across this remarkable country.

At Wakehurst **Our Nature Heroes** family programme launched in February. Young adventurers put on their capes and joined our mission to collect badges and become planet-saving Nature Heroes.

We progressed plans for a **Carbon Garden** at Kew Gardens. The garden will explore ways in which plants provide valuable carbon-related services, from capturing carbon, through photosynthesis, to providing sources of biofuels and underpinning nature-based solutions for mitigating climate change.

### Priority 3 – Train the next generation of experts

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

In September we launched two new **MSc courses** in partnership with Queen Mary University of London and Royal Holloway, University of London. We now offer three MSc courses in Biodiversity and Conservation, Global Health: Food Security, Sustainability and Biodiversity and Plant and Fungal Taxonomy, Diversity and Conservation. In total, 57 students enrolled for this academic year.

This year saw the 57th cohort of **Kew Diploma in Horticulture** students graduate. The Diploma was run alongside our specialist certificates and Introduction to Horticulture course. All four of our Introduction to Horticulture students proceeded onto our Apprenticeship programme. In May, one of our Kew Diploma in Horticulture students won the Chartered Institute of Horticulture's **Young Horticulturist of the Year** award.

The total number of **students graduating** from our MSc courses, Diploma in Horticulture and Apprenticeship programme during the year was 37, against a target of 38.

**Schools' bookings** have continued to return towards pre-pandemic levels with 91,000 school children visiting Kew Gardens and Wakehurst during the year (53,000 in 2021–22). Almost 7,000 primary and secondary school teachers are now signed up to Endeavour (6,000 in 2021–22), our free digital learning platform, with a potential reach of over 210,000 pupils.

We progressed plans for a new **Learning Centre** at Kew Gardens to enable the delivery of our schools' learning strategy and new outreach strategy. Once in place, the Learning Centre will offer an expansion of Kew's learning programme including growing the numbers of secondary pupils visiting Kew Gardens as well as community participants.

A new summer programme, **Earthwise**, was organised for 40 young people enabling them to design and conduct their

own scientific research into biodiversity in the natural areas of the gardens. Earthwise exposes young people to practical, careers-based biodiversity and conservation fieldwork that develops their scientific knowledge while strengthening their connection to the natural world.

The **Kew Young Environmental Leader Award** was successfully trialled through our Youth Programme and Grow Wild and will be rolled out more widely next year.

### Priority 4 – Extend our reach

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

In Autumn, we launched our new **Outreach Strategy**, which aims to increase engagement with Kew locally, nationally and internationally and is part of our drive to increase the number of visitors to the gardens from underrepresented communities ten-fold by 2030.

We continue to offer our **£1 ticket** for visitors on low incomes receiving Universal Credit, welcoming over 23,000 visitors over the year. In June, we extended the age of entitlement on our Young Persons ticket to 29 (from 25), resulting in an increase in visitors in the 25–29 age range.

Over 370 groups joined our **Community Access Scheme**, which provides services to people who would otherwise face barriers to visiting Kew Gardens independently. During the year over 9,000 people visited as part of the scheme.

We increased provision for families with children who have **special educational needs and disabilities (SEND)**, initiating quiet sessions in the Children's Garden, launching family sensory tours and creating resources. Volunteer guides are trained to ensure the needs of audiences are kept in mind, using sign language, props, pictures and storytelling.

Working in partnership with youth organisations and service providers, we engaged with **young people who face significant barriers to accessing Kew**, including those with mental health illness, additional needs and learning disabilities, living in care, in pupil referral units and from low-income backgrounds.

This year we initiated **British Sign Language tours** led by deaf or hard of hearing volunteer guides with all training provided in British Sign Language.

**Kew's Access Forum** continued to meet and advised on accessibility in the proposed Learning Centre and other buildings at Kew, evaluation of our learning programmes and establishing an inter-faith prayer and reflection room due to open in summer 2023.

Summer saw the third **Community Open Week at Kew**, a five-day programme of free events and workshops aimed at breaking down the barriers that some individuals may face visiting the Gardens. This year, with a theme of food and food sustainability, we welcomed over 1,500 people who might ordinarily be unable to visit.

Reaching new and underrepresented audiences has been a key focus for our **visitor programmes**. Over Easter we ran a successful family programme with an interactive **Very Hungry Caterpillar trail** for younger visitors at Kew Gardens



and Wakehurst. Our autumn **Mexico Festival** was a colourful and stimulating celebration of Mexican plants, food and culture in the Temperate House at Kew Gardens, engaging new audiences. The **Pip & Pop exhibition** (May 2022–March 2023) saw 105,000 visitors with more than half being first-time visitors to the gallery, and our **Cameroonian orchid festival** and after-hours events in February attracted a greater diversity in age and ethnicity of our visitors.

In 2022, **Grow Wild** grants facilitated the transformation of seven community spaces, five located in the most deprived areas of England and Wales. Over 5,000 people were engaged in the projects and almost 300 trees were planted. Grants also supported 20 young people to deliver projects inspired by UK native plants and fungi.

We launched our new **Digital Strategy**, setting out the roadmap to make Kew digitally available to everyone by 2027.

In October we published our **History, Equity and Inclusion Plan** and are working towards delivering recommendations and actions.

Our **Equality, Diversity and Inclusion Committee** continued to meet to support our important work in extending our reach.

## Priority 5 – Influence national and international opinion and policy

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

We attended the **United Nations Biodiversity Conference COP15** in Montreal in December, hosting a stand with Plantlife International to highlight the role of plants and of Tropically Important Plant Areas in supporting the Global Biodiversity Framework. In January we convened a thought leadership event, focusing on what COP15 means for the biodiversity crisis and how we work collectively to monitor and evaluate the Global Biodiversity Framework agreed at COP15. The event was attended by non-governmental organisations, Defra and other government departments.

Throughout the year we welcomed many VIPs and political stakeholders, including a state visit by the **President of South Africa, The Earl of Wessex, and Secretary of State for Environment, Food and Rural Affairs**, where we discussed the importance of partnerships, science-based solutions to the biodiversity crisis, skills and training.

Professor Suzanne Simard was awarded the 2023 **Kew International Medal** in March for her longstanding dedication to exploring and sharing the complexity and wonder of trees and forests. Professor Simard's work on how trees interact through below-ground fungal networks has led to the recognition that forests have 'Mother Trees' – large, highly connected trees that play an important role in the flow of information and resources in a forest. This work complements Kew's vision to build a world where plants and fungi are understood, valued and conserved because our lives depend on them.

We continued **Our Future is Botanic** campaign, which aims to widen public perceptions of RBG Kew – from being known mainly for our beautiful gardens, to also being known as a world-leading plant science institute.

We continued work on embedding our **Sustainability Strategy**, which sets out our ambition to become 'climate positive' by 2030, including putting in place an action plan. Despite our efforts, carbon emissions from our activities increased by 12% during the year to 8,728 tonnes CO<sub>2</sub>e (7,802 tonnes in 2021–22) due to a rise in international travel as our overseas research and conservation work re-commenced and a summer drought which increased our water consumption. Further details can be found in our Sustainability report on pages 20–25.

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

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

We are committed to **attracting and retaining great people** on our workforce and have been working to ensure that RBG Kew remains an excellent employer. We were pleased that our 2022 annual staff survey results showed that staff engagement remained high at 73% (74% 2021) and that 92% of our staff are proud to tell others that they are part of Kew (92% 2021). The results and comments provided valuable feedback on the areas where we are doing well and those where there is work to do. Results from our survey have informed our refreshed **People and Culture Strategy**, which launched in June 2023.

With the challenges of high inflation, dramatically increased energy costs and the cost-of-living crisis affecting our finances, we have been focused on protecting our financial health. We have been working on our **fundraising campaign** to align with the delivery of our ambitious strategy and exploring ways to maximise our **self-generated income**, including through a partnership with Greensphere Capital LLP, announced in July, to commercialise and scale up Kew's scientific research. We raised £67 million (£56 million 2021–22) through fundraising, research grants, admissions, memberships, events, retail and licensing, representing a 20% increase from the previous year and exceeding our target of £62 million.

As well as providing memorable and enjoyable experiences for our visitors, our events provide critical income for Kew's work. **Christmas at Kew** celebrated its 10th anniversary with the most sustainable trail yet. Over 48 nights we welcomed a record 342,000 visitors. Over the summer we held a series of successful events, including Kew the Music, Kew the Movies and Kew Theatre.

Phase I of Enhancing the Visitor Experience (EVE), our **customer experience transformation programme**, launched in April 2022 and work continues on Phase II, due to launch in January 2024. Through EVE we are introducing new technology and automation, processes and ways of working for our visitor operations, retail and marketing teams. Significant progress has been made although the programme is complex and challenging.

In June we installed **high-capacity computers** with 3.2 million gigabytes storage capacity for our digitisation project. We have made good progress on a number of capital projects during the year to maintain, upgrade and enhance our **estates**. Projects include the Herbarium roof replacement and Orangery refurbishment at Kew Gardens, Wakehurst Mansion roof replacement and renovation of 55 Kew Green.

## Measuring success

The table below shows performance during 2022–23 for each of our corporate success measures; an explanation is provided on page 9. In 2022, we streamlined our success measures to align with Our manifesto for change and Science Strategy.

Performance has been strong in many areas, including the number of new plant fungal and seed accessions, number of citations of publications by RBG Kew scientific staff (where we outperformed all previous years), and the number of visitors from presently underrepresented communities.

Priority	Success measure	Outturn 2022–23*	Target 2022–23	Outturn 2021–22*	% Outturn vs Target
Deliver science-based solutions to help us protect biodiversity and use natural resources sustainably	1. Number of IUCN threatened taxa in Living Collections <sup>1</sup>	1,267	1,400	1,271	91%
	2. Number of new plant, fungal and seed accessions	23,000	13,500	10,000	170%
	3. Number of visits (sessions) to RBG Kew digital collections Science database resources	5,488,000	4,500,000	4,630,000	122%
	4. Number of citations of publications by RBG Kew scientific staff	67,000	57,500	60,000	117%
	5. Percentage of Herbarium and Fungarium collections digitised	11% (738,000 specimens)	11% (728,000 specimens)	N/A	101%
Inspire people to protect the natural world	6. Visits to Kew Gardens and Wakehurst	2,317,000	2,498,000	2,382,000	93%
Train the next generation	7. Number of students graduating (MSc graduates, horticulture diploma and apprentices)	37	38	N/A	97%
	8. Number of school pupils on day visits to Kew Gardens and Wakehurst	91,000	112,000	53,000	81%
Extend our reach	9. Number of visitors from presently underrepresented communities <sup>2</sup>	92,000	29,000	N/A	317%
	10. Total web sessions on customer-facing kew.org and subdomains	7,300,000	10,000,000	101%	N/A
Influencing national and international policy and opinion	11. Measure of core carbon footprint: Scopes 1, 2 and Core Scope 3 (tonnes CO <sub>2</sub> e)	8,728	7,188	7,802 <sup>3</sup>	(21)%
Ensure we have the people, financial health and infrastructure to succeed	12. Staff engagement score (%)	73%	75%	74%	97%
	13. Self-generated income (£m)	£67 million	£62 million	£56 million	108%
	14. Number of household memberships for Kew Gardens and Wakehurst	104,000	108,000	105,000	96%

\*Outturns have been rounded as appropriate for the success measure.

<sup>1</sup>International Union for Conservation of Nature.

<sup>2</sup>As explained overleaf, this is a new target to measure progress against our strategic commitment to increase 'ten-fold' the number of visitors from underrepresented communities. We have significantly overachieved against our target this year, although it is likely the target was underestimated.

<sup>3</sup>This data has been re-stated to improve historic data accuracy based on new information or methodology improvements. Previously reported figure was 7,674.

## Notes on performance

- 1. Number of IUCN threatened taxa in Living Collections**

This measure records the total number of threatened species we are actively conserving in our living collections. We are slightly under our target for 2022–23; this is largely out of our control as the IUCN undertake re-classifications throughout the year. This year, we have undertaken an audit of our Living Collections that has identified duplicate records and enabled us to cleanse our database to ensure accuracy.
- 2. Number of new plant, fungal and seed accessions**

This measure records the total accessions for the major scientific collections that enter RBG Kew from Kew's own fieldwork as well as specimens from other institutions around the world. This measure indicates how we are growing our collections that document the world's plant and fungal diversity. There has been a significant increase in collections added by the World Forest ID project, which has meant we have surpassed our target for the year. This target excludes accessions to our Living Collections.
- 3. Number of visits (sessions) to RBG Kew digital collections Science database resources**

This measure records the number of sessions to the 12 major Science databases. We have significantly surpassed our target for this year, indicating the high level of access and use of our online collections databases. This also demonstrates the importance of continuing with our project to digitise all of Kew's Herbarium and Fungarium collections.
- 4. Number of citations of publications by RBG Kew scientific staff**

This measure records the number of instances where publications by current RBG Kew scientific staff are cited. In 2022–23, we recorded the highest ever number of citations received for Kew Science publications, demonstrating the influential global impact Kew's scientists have with their publications, particularly in academic and policymaking communities.
- 5. Percentage of Herbarium and Fungarium collections digitised**

This measure tracks the number of Herbarium and Fungarium specimens that have been digitised (imaged and transcribed) as part of our digitisation project. This four-year project is one of our corporate priorities; and achieving this target ensures the ambitious project remains on track to have 8.25m specimens digitised by 2026.
- 6. Visits to Kew Gardens and Wakehurst**

This measure records the overall number of visitors to Kew Gardens and Wakehurst. We did not hit our target for visitors to both sites in 2022–23. This is primarily due to the impact of COVID-19 on international travel, adverse weather and the ongoing impact from the economic downturn.
- 7. Number of students graduating (MSc graduates, horticulture diploma and apprentices)**

This measure records the number of students that graduated from our scientific postgraduate programmes and horticulture training. This is a new measure to reflect our focus on training the next generation and expanding our learning offer.
- 8. Number of school pupils on day visits to Kew Gardens and Wakehurst**

This measure records the number of school pupils booked onto day visits to Kew Gardens and Wakehurst.

We offer visits from Key Stage 1 to 5. We were only able to achieve 81% of our target for school visits this year; this is largely due to the impact of COVID-19 on the schools programme, although we have been slowly rebuilding visits throughout the year. School visits to Wakehurst were also affected temporarily by the restoration work to the Wakehurst Mansion.

- 9. Number of visitors from presently underrepresented communities**

This is a new measure for this year, monitoring the ongoing progress towards achieving the commitment in Our manifesto for change to increase 'ten-fold' the number of visitors from underrepresented communities. We have significantly over-achieved the target for this measure, demonstrating the impact of new approaches and initiatives, including our £1 ticket for those on low incomes, which attracted 23,500 visitors over the year. However, it is likely the target was underestimated; as this was the first year of recording this data, we did not have sufficient data on which to base the target. We have reviewed this and will be creating a 10-year trajectory for this target to 2030 using data collected as a baseline.
- 10. Total web sessions on customer-facing kew.org and subdomains**

This is a new measure for this year, to record the number of visits to customer-facing websites. We included this measure to focus on extending our reach digitally and improving access to digital resources for all. We were not able to achieve our target for this year; this was due to changes in cookie policy, which resulted in a drop in the number of visitors to our websites.
- 11. Measure of core carbon footprint: Scope 1, 2 and core Scope 3 (tonnes CO<sub>2</sub>e)**

This measure records Scope 1, 2 and core Scope 3 emissions, which totalled 8,728 tonnes CO<sub>2</sub>e. The increase in emissions is explained by a rise in international travel as our overseas research and conservation work re-commenced and a summer drought, which increased our water consumption, despite continuing efforts to reduce leaks and improve irrigation efficiency. Detail is provided on pages 20–25.
- 12. Staff engagement score (%)**

The staff engagement score is calculated using a set of questions taken from our annual staff survey. Our 2022 score was 73%, slightly lower than our ambitious target of 75%, but still demonstrating an engaged workforce and in line with last year's result.
- 13. Self-generated income**

We measure our income generated including fundraising, research grants, admissions, memberships, events, retail and licensing. The total self-generated income for the year was £67 million. Per the Consolidated Statement of Financial Activities for the year, page 36, this includes income from grants and donations (with the exception of grants from Kew Foundation – see Note 4), charitable activities and other trading activities.
- 14. Number of household memberships for Kew Gardens and Wakehurst**

This measure records the number of household memberships for Kew Gardens and Wakehurst. We achieved 96% of our target. We have seen a reduction in membership figures, primarily due to the continuing impact of the cost-of-living crisis.

## Plans for future periods

We have developed a corporate operational plan setting out the key activities that we will deliver during 2023–24. This plan sets out 26 corporate priorities grouped under the six strategic manifesto priorities outlined above and includes continuation of the digitisation project, completion of the design phase for our new Conservation and Research Nursery, and delivering our digital strategy. To monitor our progress in achieving our objectives, we will review our organisational performance on a quarterly basis using success measures and delivery milestones as indicators of success.

## Customer care

RBG Kew continues to explore new ways of enhancing the customer experience and broadening engagement with our physical sites and wider work, while prioritising accessibility. We are proud, as public servants, to provide two leading visitor attractions at Kew Gardens and Wakehurst. We track customer visitor feedback through:

- A visitor survey for both Kew Gardens and Wakehurst, run by an external market research company. This survey tracks key aspects of our visitor experience year-round, as well as providing benchmarking data.
- A mystery shopper scheme, run by an external market research agency.
- Our information email addresses, [info@kew.org](mailto:info@kew.org) and [wakehurst@kew.org](mailto:wakehurst@kew.org)
- Event-specific visitor surveys.
- Our social media channels.

The summer 2022 results from the visitor survey show that 88% of paying visitors rated value for money as either good or excellent.

## Health and safety

To continue to ensure RBG Kew is a safe place to work and visit, the management of health and safety is at the root of how we operate. The Health and Safety Committee meets quarterly to review current health and safety arrangements and set direction for the organisation. The Committee is chaired by the Director of RBG Kew and includes representatives from the three recognised trades unions, the Departmental Health and Safety Coordinators, and the Health and Safety department.

The annual staff survey reflects positive employee engagement with health and safety, with 94% of staff saying they have a good understanding of health and safety responsibilities. Additionally, 88% of staff think that health and safety was managed well or very well at RBG Kew.

In the reporting year April 2022 to March 2023, there were seven RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013) reportable incidents at RBG Kew with no common themes between them. All health and safety incidents continue to be investigated, and remedial action taken as appropriate.

## Equality, diversity and inclusion: Embedding inclusion

Equality, diversity and inclusion (EDI) remains a core priority for RBG Kew, and a renewed commitment to our EDI strategy and delivery plan is made in our refreshed People and Culture Strategy 2023–28. In year 2 of our EDI delivery plan, our initiatives have sought to raise awareness and embed inclusion into organisational practice. This year we have:

- Reviewed our recruitment and induction processes and made changes to our practices. Through the Disability Confident scheme, we continue to guarantee an interview to all disabled applicants who meet the essential criteria for the post.
- Delivered inclusive recruitment training for hiring managers across the organisation.
- Strengthened community and wellbeing and celebrated workforce diversity via internal communications, events and other activities and continued to support and embed our staff networks.
- Developed a multi-faith prayer and reflection room for staff and visitors.
- Integrated EDI-themed questions in our annual staff survey.
- Achieved Athena Swan Bronze Award accreditation for Kew Science and are working to advance gender equality through our action plan.
- Written new policies to advance inclusion of underrepresented groups in our workforce and started work on our workplace adjustment approach to support staff with disabilities and neurodivergent conditions.
- Delivered inclusive leadership training for our Kew Leaders.

## Volunteering

Through all the challenges of recent years, our volunteers have been a constant source of talent, skills, support, energy and enthusiasm. As part of our commitment to supporting and promoting active citizenship, we recognise the important contribution of volunteers to our work and our community. We have a record of involving volunteers since 1992 and during the year awarded some of our original cohort with a 30-year long-service award.

Last year an average of 800 volunteers supported Kew's work in a wide variety of settings. Volunteers are a vital and integral part of the organisation and donate diverse talents and skills including horticultural support, guiding, youth volunteering, remote/virtual volunteering and support to our schools, families, galleries, community learning and science teams. During the year our volunteers donated in excess of 100,000 hours to our mission, equating to an approximate value of £1.8 million (this figure is not considered reliable enough to be included as income in the accounts). The Volunteer Investment and Value Audit (VIVA Ratio) demonstrates that for every £1 the organisation invests in our volunteering programme, we receive over £8 in return. Kew retains more than four-fifths of our volunteer task force year on year, with a retention rate of 85%. Kew also promotes environmental volunteering by hosting 'Employee Volunteering Days' for the corporate sector. Last financial year, 892 volunteers took part in corporate volunteering activities.

Kew has a devolved structure for the management of volunteers across the organisation with a Volunteer Manager and Volunteer Officer post responsible for the development of volunteer strategy, policy and procedures supported by a Volunteer Steering Group consisting of key stakeholders in the volunteer programme such as volunteers, their co-ordinators and the trades unions. The group helps ensure that our volunteer strategy supports the objectives of our organisation and steers the continued development of our volunteering programmes in a transparent, consistent and equitable way.

We encourage our volunteers to give us regular feedback. In our 2023 Volunteer Survey, 96% of respondents rated their experience in the main role/department where they are placed as excellent or good.

### Third-party engagement

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

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

### Safeguarding

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

Safeguarding is managed through the Safeguarding Oversight Committee, which meets biannually and includes senior staff from across the organisation. Nominated Safeguarding Champions from each directorate meet every three months to identify any gaps that need addressing and support the implementation of the policy through the cascading of information and following up actions. A quarterly dashboard is circulated to promote and profile safeguarding, and regular blog posts are posted on our staff intranet site.

The safeguarding risk register is reviewed regularly, and overall risk scores have decreased over the last year, reflecting progress in both RBG Kew's UK and international safeguarding work. The Safeguarding Department's newly designed training programme was launched in April 2022 and offers a spectrum of bespoke training sessions. During the year, 424 staff and volunteers undertook Kew's introduction to safeguarding webinar.

### Fundraising approach and list of donors

In 2022–23, most fundraising activity was undertaken as a service provided by RBG Kew's subsidiary, RBG Kew Enterprises Limited, and recharged to RBG Kew. Fundraising performance was strong, with £15.9 million of fundraising income (an increase of £6.8 million compared to 2021–22), and ahead of target of £9.7 million, primarily due to securing new restricted grants from trusts and foundations for Kew Science research. The costs of raising funds during the year was £4.5 million (£4.2 million in 2021–22); there is no material expenditure incurred to raise income in the future.

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

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

The A.G. Leventis Foundation  
Robert and Jennifer Akester  
The Aldama Foundation  
Steve Almond  
The Amar-Franzes and Foster-Jenkins Trust  
Arcadia  
Arup  
Barbara Aspinal  
The Auriga Academy Trust  
Bain and Company  
Bank of America  
Bloomberg LP  
Botanic Enviro Sustainable Innovations Ltd (B.E.S.I Ltd)  
Boundless  
Brown Advisory  
Buffini Chao Foundation  
The Calleva Foundation  
Eduardo, Alex and Adrian Catalano  
Cazenove Capital  
CSSC Sports and Leisure  
The Davis Foundation  
EcoWorld London  
The Ellis Goodman Family Foundation  
John and Catherine Emberson  
Esmée Fairbairn Foundation  
Evolution Education Trust  
Findlay Charitable Trust  
Franklinia Foundation  
Sarah Fransen

Garfield Weston Foundation  
Goldman Sachs Gives – Jason Silvers  
Ground Control Ltd  
GSK  
IKEA of Sweden AB  
Imperial College London – International Students Team  
The Ingram Trust  
JATO Dynamics  
The John Eccles Charitable Trust  
John Lewis Partnership  
John Lyon's Charity  
JRS Biodiversity Foundation  
Dave and Vikki Lawrence  
Maestro DOBEL®  
The Mallinckrodt Foundation  
The Marris-Webbe Charitable Trust  
Alexander McQueen  
Microsoft  
Mount Anvil and Partners  
The Negaunee Foundation  
Old Dart Foundation  
PerkinElmer  
Jan and Linda Pethick  
Players of People's Postcode Lottery  
PuraPharm  
Quorn  
Richmond Parish Lands Charity  
The Roger and Ingrid Pilkington Charitable Trust  
The Schroder Foundation  
Jake and Hélène Marie Shafran  
James Sherwood and Shirley Sherwood OBE  
Sky  
Ten Lifestyle Group  
The 3 Ts Charitable Trust  
Toshiba International Foundation  
Troy Asset Management  
World Monuments Fund  
Worley

And all other supporters, including our Patrons and those who have chosen to remain anonymous.

# Governance statement

## Overview

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

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

Our internal governance rules are set out in 'Governance at RBG Kew', which details the operating rules for RBG Kew and what it means to be an arm's-length public body and an exempt charity. The document also helps staff to navigate rules relating to decision making, delegated authorities and internal control mechanisms. It was updated and approved by the Board of Trustees in December 2022. Governance at RBG Kew is broadly aligned with the Charity Governance Code for larger charities and draws upon various other principles and best practice as befitting to RBG Kew's status, size and breadth of operations, such as the government corporate governance code of good practice and the Charity Commission's guidance on trustee boards. The only material change to Governance at Kew was designation of Committees of the Board of Trustees as decision-making Committees to allow Board agendas to be streamlined to focus on strategic matters.

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

## 1. Governance arrangements

### The Board of Trustees

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

The 12 Trustees on the Board have been selected to provide an appropriate balance of skills, experience and knowledge to discharge their duties effectively. Of the 12 Trustees, 11 have been appointed by the Secretary of State for Environment, Food and Rural Affairs and one by His Majesty the King, in line with the National Heritage Act 1983. The recruitment of Trustees is regulated by the Office of the Commissioner for Public Appointments and conducted through fair and open

competition, in accordance with the Governance Code on Public Appointments. In addition, we use the expertise of a number of Independent Members who sit on different Boards and Committees. On appointment Trustees are briefed by Defra and inducted into RBG Kew's operations. The induction process includes meetings with management and Trustees, visits to Kew's sites, briefings on strategies and plans, risk management and finances and requirements of board membership within the public and charity sector.

Board effectiveness reviews are carried out annually with periodic external effectiveness reviews undertaken in line with best practice. An external independent review was carried out between November 2022 and March 2023. The review concluded that the Board was operating effectively with some areas identified for improvement. An agreed action plan has been drawn up for implementation in 2023. Actions include reducing the number of items on agendas to allow more time for discussion, delegating to Committees as appropriate, building visibility of Trustees with staff, increased engagement of the Executive Board in meetings and greater opportunities for individual feedback.

### Membership of the Board during 2022–23 was as follows:

Dame Amelia Fawcett DBE CVO (Chair)  
Steve Almond  
Judith Batchelar OBE  
Sarah Flannigan  
Professor Christopher Gilligan CBE ScD  
Professor Ian Graham FRS  
Krishnan Guru-Murthy  
Jantiene Klein Roseboom van der Veer  
Sir Paul Nurse OM CH FRS FMedSci HonFREng HonFBA MAE  
Kate Priestman  
David Richardson  
John Scanlon

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

- delivering 'Our manifesto for change 2021–2030' – delivery plan and financial strategy
- plans for renovation of the Palm House, a new Herbarium, a new Learning Centre and Carbon Garden
- review of new strategies, including an Outreach Strategy, Digital Strategy and refreshed People and Culture Strategy
- partnership with Greensphere to commercialise and increase the impact of our science
- preparation for our comprehensive fundraising campaign
- approval of the RBG Kew Annual Report and Accounts 2021–22 and the budget and operational plan 2023–24
- approval for pricing for 2023 for Kew Gardens, Wakehurst and membership
- approval of key policies, including reserves, delegated financial authorities and a new collections development policy
- review of strategic risks

The Board is satisfied by the quality of data provided to them, which undergoes scrutiny by management, internal and external auditors and RBG Kew's Committees.

## Committees

RBG Kew has two types of committees. Committees of the Board of Trustees are decision making and Committees of the Executive Board are advisory. Committees include a minimum of two Trustees, and some have Independent Members. Each Committee has written terms of reference.

Committees of the Board of Trustees play an important governance function in assuring the Board of Trustees that the Executive Board is carrying out its role appropriately. Committees of the Board include the Audit and Risk Committee; Finance and Resources Committee; Remuneration and Nominations Committee; and Equality, Diversity and Inclusion Committee.

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

A synopsis of committee meetings is provided to each subsequent meeting of the Board of Trustees, with an opportunity for Committee Chairs to raise concerns and highlight key matters of interest. A record of Committee membership and attendance is on page 16.

## Audit and Risk Committee

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

Membership of the Committee during the year comprised three Trustees and one Independent Member (until 30 June 2022). Key aspects of the Committee's work are the review of RBG Kew's strategic risk register and directorate risk registers, and the review of internal and external audit reports and progress on completing recommendations. In addition, topics discussed in 2022–23 included:

- reviews of cyber security, information security and safeguarding
- review of Kew/Defra Framework Document and Governance at Kew
- reviews of policies for anti-slavery, third-party engagement and ethics
- Herbarium risks and progress against actions
- Kew Madagascar Conservation Centre operations
- estates forward maintenance planning
- review of register of interests

- internal audit strategy and plan for 2023–24
- Committee effectiveness.

## Finance and Resources Committee

The main responsibility of the Finance and Resources Committee is to review RBG Kew's significant financial matters and make recommendations to the full Board for decision. The Committee's remit includes reviewing resources (people, financial health and infrastructure) to ensure that RBG Kew has the means to implement its corporate strategy. The significant financial matters include the operational plan and budget, in-year financial results and review of major programmes, projects and capital expenditure. Membership of the Committee as at 31 March 2023 comprised four Trustees and two Independent Members. Matters reviewed by the Committee during the year included:

- scrutiny of business cases for major projects and events and long-term financial plans
- review of RBG Kew's reserves, cash management and investment policies
- capital funding and progress on major capital projects including the estates capital programme
- review of in-year financial performance
- 2023–24 operational plan and budget and 10-year finance strategy
- Science grant income and commercialisation of Kew Science
- reviewing Kew's financial health: government funding and self-generated income
- review of activity under the people and culture strategy
- post-project reviews.

## Remuneration and Nominations Committee

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

## Equality, Diversity and Inclusion Committee

The Equality, Diversity and Inclusion (EDI) Committee provides ambition, challenge and oversight to the delivery of the 'Extend our reach' strategic priority and Kew's EDI Strategy. The Committee consists of four Trustees and one Independent Member and met twice during the year. Matters reviewed included:

- progress against Kew's EDI Action Plan
- review of RBG Kew's Outreach strategy
- review of underserved audiences research
- History, Equity and Inclusion at RBG Kew.



## Foundation Council

The Foundation Council is a group of philanthropic supporters who act as advocates and ambassadors for RBG Kew's fundraising activity, helping to build a network of supporters that will sustain our future. In 2022–23, the Council welcomed four new members, including Jeremy Darroch as the new Chair of the Council, and met three times. Highlights from the meetings included:

- Presentations on RBG Kew's fundraising Campaign narrative and title
- Campaign flagship project updates and fundraising plans, including the Palm House and new Learning Centre
- RBG Kew's PR and Marketing plan.

## Science Advisory Committee

The Science Advisory Committee advises on the long-term strategy for Kew Science. At 31 March 2023, the Committee comprised four Trustees and four Independent Members. Independent Members are invited to each Committee meeting and advise on topics relevant to their areas of expertise. The Committee met four times during the year. The Committee discussed:

- Museum Accreditation and Collections Development Policy
- Library and Archives Strategy development
- Wakehurst Conservation and Research Nursery funding application, progress and overview of scientific research plans
- Seed conservation and seed science consultation
- future direction of the Global Centre on Biodiversity for Climate
- next steps for the Greensphere commercial partnership
- New Herbarium Project site selection
- Kew's research in relation to Nature-based Solutions.

## Visitor and Commercial Advisory Committee

The Visitor and Commercial Advisory Committee provides strategic oversight of the visitor offer at Kew Gardens and Wakehurst, and on driving growth of RBG Kew's commercial offer. The Committee consists of three Trustees and one Independent Member. It met three times in 2022–23. The Committee discussed topics including:

- Visitor research
- Treehouses project update
- Interpretation Strategy
- Annual Review of Retail Buying
- Membership Review
- Summer and Autumn 2023 programme at Kew Gardens
- Enhancing the Visitor Experience Phase I benefits
- Wakehurst Pricing Strategy.

## Wakehurst Advisory Committee

The Wakehurst Advisory Committee's remit is to drive, challenge and support ambition, innovation and excellence in all aspects of the Wakehurst estate and its role within RBG Kew. It met three times in 2022–23. The Committee discussed topics including:

- Wakehurst's performance, trends and operational priorities
- The Mansion roof renovation project
- The Landscape Ecology Programme
- Conservation and Research Nursery
- Wakehurst Audience Development Plan.

## Board of Trustees and Committee attendance 2022–23

Board and Committee	Board	Audit and Risk	Finance and Resources	Remuneration and Nominations	Equality, Diversity and Inclusion	Wakehurst Advisory	Visitor and Commercial Advisory	Foundation Council	Science Advisory
<b>RBG Kew Trustees</b>									
Dame Amelia Fawcett	4 of 4*		2 of 3	2 of 2*	1 of 2				
Steve Almond	3 of 4	6 of 6*							
Judith Batchelar	3 of 4					1 of 2	3 of 3*	2 of 3	
Sarah Flannigan	4 of 4				2 of 2		3 of 3	1 of 3	
Professor Christopher Gilligan	4 of 4			2 of 2		3 of 3*			3 of 4
Professor Ian Graham	4 of 4		3 of 3						4 of 4*
Jantiene Klein Roseboom van der Veer	4 of 4	6 of 6							3 of 4
Krishnan Guru-Murthy	4 of 4				2 of 2*		1 of 3		
Sir Paul Nurse	3 of 4								3 of 4
Kate Priestman	4 of 4		3 of 3*	2 of 2	1 of 1				
David Richardson	4 of 4	6 of 6				1 of 3			
John Scanlon	3 of 4		3 of 3						
<b>Independent Members</b>									
Marcus Agius								2 of 3	
Peter Allen								3 of 3	
Stephen Brenninkmeijer								3 of 3	
Jeremy Darroch (from January 2023)								1 of 1*	
Lady Barbara Davis								2 of 3	
David Fransen								3 of 3	
Joe Gromacki								2 of 3	
Margaret de Heinrich de Omorovicza								1 of 3	
Lily Jencks (from 1 November 2022)								2 of 2	
Razan Khalifa Al Mubarak								0 of 3	
Robert Lloyd George (until 10 October 2022)								0 of 1	
Jan Pethick								3 of 3	
Hélène Marie (Ewi) Shafran								2 of 3	
John Taysom								0 of 3	
Herta Von Stiegel								1 of 3	
Johanna Waterous								1 of 3	
Pippa Wicks (Chair until 30 November 2022)								2 of 2	
Mike McDonagh (until 30 June 2022)		2 of 2							
Sanjeev Gandhi			3 of 3						
Jane Reeves			3 of 3						
Bola Fatimilehin					1 of 2				
Andy Bassadone							2 of 3		
Professor Fred Asiegbu									4 of 4
Professor Richard Ellis									2 of 4
Professor Nathalie Seddon									2 of 4
Dr Xerxes Mazda									3 of 4

NB: Where the total number of meetings shown against a Trustee is less than total number of meetings held this indicates that the individual did not hold office at the time of the meeting. \*Denotes chair. Two additional Audit and Risk Committee meetings were held to review the Annual Report and Accounts.

## Director of RBG Kew and Accounting Officer

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

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

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

## Executive Board

The Executive Board is a decision-making forum which meets weekly and is chaired by the Director of RBG Kew. The Board's primary purpose is to support the Director in delivering RBG Kew's corporate strategy. Membership in 2022–23 was as follows:

- Director RBG Kew (Chair), Richard Deverell
- Director of Science, Professor Alexandre Antonelli
- Director of Gardens, Richard Barley
- Director of Marketing and Commercial Enterprise, Sandra Botterell
- Director of Wakehurst, Ed Ikin (from January 2023)
- Chief Information Officer, Ian McKetty
- Director of Foundation, Meredith Pierce Hunter
- Director of Resources, Fern Stoner

## Related and connected parties

### The Foundation and Friends of the Royal Botanic Gardens, Kew

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

RBG Kew can appoint up to two RBG Kew Trustees to the Board. At 31 March 2023 there were five Trustees, one of which was RBG Kew-appointed, and four were independent. The Board of Kew Foundation met three times in 2022–23.

Kew Foundation is deemed to have an associate relationship with RBG Kew from an accounting perspective, based on the number of Trustees who can be appointed by RBG Kew. As such, in accordance with the Accounts Direction issued by the Secretary of State for Environment, Food and Rural Affairs, with approval of HM Treasury, a share of the Foundation's net assets is consolidated into the accounts this financial year (see Note 17 of the financial statements).

This reflects the number of Trustees who can be appointed by RBG Kew (up to two Trustees) as a proportion of the total number of Trustees that RBG Kew can appoint plus the total number of actual independent Trustees (two plus four Trustees – six Trustees in total), which was 33% at 31 March 2023. RBG Kew does not have the ability to exercise control over the net assets recognised, which remain subject to decision making by the Foundation's independent Board of Trustees, and these assets are therefore shown as restricted assets in RBG Kew's financial statements.

## Bentham-Moxon Trust

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

An associate relationship is deemed to exist between RBG Kew and the Trust based on the number of RBG Kew staff who are members of the Trust's Board of Trustees. As such, in accordance with the Accounts Direction issued by the Secretary of State for Environment, Food and Rural Affairs, with approval of HM Treasury, a share of the Bentham-Moxon Trust's net assets is consolidated into the accounts this financial year (see Note 17 of the financial statements). This reflects the number of Trustees who can be appointed by RBG Kew (up to three Trustees) as a proportion of the total number of Trustees which RBG Kew can appoint plus the total number of actual independent Trustees (three plus three Trustees – six Trustees in total), which was 50% at 31 March 2023.

## RBG Kew Enterprises Limited

Kew Enterprises is the wholly owned trading subsidiary of RBG Kew, and its accounts are consolidated into the accounts of RBG Kew. It is governed by a Board of Directors, appointed by and accountable to the Board of Trustees of RBG Kew. Enterprises is structured into three divisions: Commercial Enterprises, Foundation, and the Commercial Innovation Unit (CIU). The Board maintains general responsibility and accountability for Enterprises as a whole, reviews its performance, and approves its strategy and budget, remuneration policies, and standard corporate matters such as the Annual Report and Accounts. The Director of RBG Kew is an ex officio member, while the other Directors are Trustees of RBG Kew and executive staff. The Operating Agreement between RBG Kew and Kew Enterprises was approved and signed in March 2021. The Board met four times in 2022–23.

Enterprises' key identified business risks are its dependence on visitors to Kew Gardens and Wakehurst, and the success of commercial events held in the gardens. Risk in these areas continue to be impacted by decreased international tourism, the cost-of-living crisis and high levels of inflation. Other non-visitor related income streams (including licensing income, e-commerce income and recharge of fundraising services) continue to provide some assurance of the company's financial resilience. Risks and mitigations continue to be monitored and managed.

## Other connected and related parties

RBG Kew has the right to appoint three Trustees to the Castle Howard Arboretum Trust and one Trustee to the Markshall Estate. Further information on these parties can be found in Note 23.

## Defra

We support delivery of the Defra strategy and wider UK government objectives. RBG Kew supports Defra's strategic approach as a member of Defra's Environment Committee, and RBG Kew's activities are included in the Defra group outcome delivery plan.

Regular meetings take place between Defra officials and RBG Kew management. There are meetings between the sponsor Minister, the Chair of the Trustees and the Director of RBG Kew every six months. At a working level, contact with Defra officials is frequent and covers a variety of strategic and financial matters. A Defra representative is invited to attend RBG Kew's Audit and Risk Committee meetings. A Framework Document, which was updated in 2022, sets out RBG Kew's relationship with Defra.

## Risk management

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

Kew operates a comprehensive risk management framework, which is centred on a hierarchical structure of risk registers flowing from directorate, cross-organisational and project registers and up to strategic/corporate levels. This structure promotes the escalation of risks that cannot be controlled at the lower levels, or which may have an impact on other directorates, or across the wider organisation. Quarterly reviews of the strategic risk register are undertaken throughout the year as part of the Executive Board Operational Plan review process. Underpinning the entire risk management framework, we have a risk policy that is approved biennially by the Executive Board and Audit and Risk Committee. The risk appetite statement, which forms part of this policy, is approved by the Board of Trustees, and provides our appetite for risk against each of RBG Kew's defined risk categories and in alignment with the key priorities of 'Our manifesto for change'.

The Audit and Risk Committee ensures oversight of risk management and seeks assurance that risks are being adequately managed by reviewing relevant activities and outputs, including the strategic risk register and audit activity, on a quarterly basis. An Executive Director attends each meeting to describe the risk environment within their directorate, providing Committee members the opportunity to review operational risk registers. Directors of the following directorates attended in 2022–23: Marketing and Commercial Enterprises; Resources; and Information Technology. The Committee additionally reviewed the Digitisation Project risk register in March 2023. A rolling programme of directorate risk register reviews continues into 2023–24.

## Key risks

The majority of our strategic risks relate to our ability to secure sufficient funding so that we can safeguard our collections, continue to meet our obligations as a World Heritage Site, deliver world-class science, and maintain and improve our estates infrastructure. Many of these risks have increased due to the dual challenge of increased operating costs (arising from very high levels of inflation and increased energy prices) coupled with slow recovery of income (impacted by lower visitor numbers from overseas and the cost-of-living crisis). Risks are identified, managed and escalated through our risk management framework. Key risks are also escalated to Defra.

As of March 2023, three risks carried a red risk rating. These are detailed below alongside mitigating activities for each risk:

### 1. Protection of our internationally important Science Collections:

We continue to manage the risks from fire, flood, pest damage and other environmental conditions such as temperature and humidity, within the constraints of the Grade 2\* listed Herbarium. Our focus remains on a long-term plan to relocate the collections and redevelop our science buildings. We have commenced a project to digitise our collections to provide a 'back up' copy to partially mitigate this risk, and this project will continue into 2023–24.

### 2. Insufficient growth in self-generated income and capital:

Our self-generated income has been impacted due to a number of factors, including the pandemic, decreased international tourism, inflation and the cost-of-living crisis. We will continue to diversify and grow our self-generated income, with a focus on growing philanthropic income, cost-saving measures and making the case for investment in projects that drive income generation.

### 3. Compromised security from internal/external sources (Cyber Risk):

We have a layered approach to all aspects of security, including cyber security, with various industry standard technical solutions to mitigate this risk. The risk is heightened given the voracity of current external threats, but we continue to mitigate through a multifaceted approach to technical and administrative security configuration. It remains key for continued investment in technical controls and tools to mitigate cyber threats.

The Executive Board continues to monitor the impact of current macroeconomic pressures, including high levels of inflation, on the business and take mitigating action where possible. Kew continues to monitor the risks associated with the Russia/Ukraine conflict but considers the risks to be low and the impact to date to be minimal. When required, in response to key external incidents (such as the threat of national power outages and in response to Avian flu), a group of key representatives across RBG Kew form an Incident Management Team to review our business continuity plans and to consider potential impacts on our operations, reputation and finances.

## Internal control framework

### Financial management and control

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

### Fraud risk management

We have a zero-tolerance policy towards fraud, bribery and corruption and all staff are required to undertake mandatory training, which includes content relating to fraud, bribery and corruption. Internal audits consider the risk and likelihood of fraud within the scope of their remits. The Audit and Risk Committee review the anti-fraud, bribery and corruption policy and the whistleblowing policy biennially, with the last review in March 2022. During the year, the Committee reviewed a counter-fraud action plan and received a report on gifts and hospitality offered and received.

We contribute to government counter-fraud activities through collaboration with the Defra Group Counter Fraud Network, where best practice is shared between Defra departments and other arm's-length bodies. During the year there were two incidents of fraud of immaterial value. In both cases the funds were fully recovered. Any incidents of fraud are logged and reported to the Audit and Risk Committee and also to Public Sector Fraud Authority via the Defra Group Consolidated Data Request return on a quarterly basis. During the year Kew carried out an investigation following a report relating to the employee of a contractor. This was investigated in line with Kew's and the contractor's Whistleblowing Policies and no evidence was found to support the allegations.

### Performance management

The Executive Board met quarterly to review progress on delivery of the 2022–23 operational plan and budget. The Board of Trustees focused on the major initiatives and deliverables that will deliver our corporate strategy.

### Management of interests

RBG Kew has processes in place for managing conflicts of interest as set out in 'Governance at RBG Kew'. Trustees, Executive Board members, Kew Enterprises Limited Directors and Independent Members are formally required to review their interests annually, and declarations of interest are standing items on Board and Committee agendas. Registers of interests are maintained and are reviewed by the Audit and Risk Committee annually. The Trustees' Register of Interests is published on [kew.org/about-us/who-we-are/](http://kew.org/about-us/who-we-are/)

[board-of-trustees](#). In 2022–23, no Trustees or members of the Executive Board held company directorships or other significant interests which conflicted with their responsibilities.

## 2. Governance and internal control issues

The areas reviewed by internal audit during the year included:

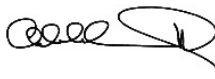
- Enhancing the Visitor Experience (EVE) Data Migration (substantial assurance)
- Recruitment and Induction (moderate assurance)
- Fundraising Campaign (moderate assurance)
- Madagascar Major Project Grant (limited assurance)
- Madagascar Compliance (advisory audit)
- Success Measures (moderate assurance)
- Data Breach (substantial assurance)
- Sustainability (moderate assurance)

The Audit and Risk Committee has received regular reports on progress with the implementation of internal audit recommendations throughout the year. The internal audit annual report for 2022–23 concluded that RBG Kew's framework of governance, risk management and control is 'Moderate' in its overall adequacy and effectiveness.

Based on the information and explanation provided in 2022–23, the Audit and Risk Committee concluded it was satisfied that risks are managed appropriately, and risk management is robust and embedded. The Committee has assurance that internal control arrangements are solid and improving, and benefit from the scrutiny and challenge offered by both internal audit and the Committee. The Committee is satisfied that the volume of internal audit days available is sufficient to maintain coverage of key risk areas.

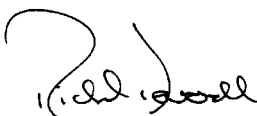
### Conclusion

The reports of our internal auditors demonstrate that the Board can take adequate assurance from the risk and control framework in place across RBG Kew in 2022–23, and that it has proved sufficient in terms of meeting RBG Kew's obligations, mitigating risks, and safeguarding assets. However, the control framework will need to continue to evolve to respond to emerging risks and challenges.



**Dame Amelia Fawcett**

Chair of the Board of Trustees  
Royal Botanic Gardens, Kew  
12 July 2023



**Richard Deverell**

Director  
Royal Botanic Gardens, Kew  
12 July 2023

# Sustainability report

## Summary

In 2022–23 greenhouse gas emissions from RBG Kew’s activities increased compared to the previous year, resulting in an outturn of 8,728 tonnes CO<sub>2</sub>e (7,802 2021–22), above our emissions target of 7,188 tonnes CO<sub>2</sub>e. The increase is explained by a rise in international travel as our overseas research and conservation work re-commenced, a small increase in energy use including oil consumption and a summer drought which increased our water consumption, despite continuing efforts to reduce leaks and improve irrigation efficiency. Although we have seen an increase in emissions, we have made significant efforts to reduce energy consumption where possible – for example reducing temperatures in our Glasshouses during winter 2022.

This year we have made considerable progress developing our Sustainability Delivery plans and emissions reduction

pathway, including the delivery of our first building decarbonisation project – replacing two gas boilers with air source heat pumps in the Nash Conservatory. We have also developed a wider Heat Decarbonisation Plan; secured funding for several large decarbonisation projects; completed a Climate Adaptation Risk Register and Outline Plan; and signed off our internal Sustainability Strategy Delivery Plan, which will track progress across the organisation.

In March 2023, the Defra Group Sustainability Strategy was published, which provides a framework for delivery of sustainability action across the Defra group. This year Kew has also supported development of the Defra Group operational climate change risk register, and the first two phases of the Defra Group’s internal Nature Recovery and enhancement work.

## Summary of performance

Area		2017–18 Performance Baseline 1	2019–20 Performance Baseline 2	2020–21 Performance	2021–22 Performance	2022–23 Performance	% change performance since 2019 to 2020	% change since last FY
CO <sub>2</sub> e emissions [1]	Core carbon emissions (Scope 1, Scope 2 and core Scope 3)	10,599♦	9,799♦	7,206♦	7,802♦	8,728	–18%	12%
Site Energy usage [2]	Site electricity use (MWh) [3]	8,569	8,115	7,335	8,327	8,432	–2%	1%
	Site fossil fuel use (MWh)	23,997♦	23,786♦	22,172♦	20,672♦	21,920	–9%	6%
Water	Water supplied (thousand m <sup>3</sup> )	202	162♦	246	126♦	202	0%	60%
Waste	Waste (tonnes)	1,318	1,072	887	1,269♦	1,385	5%	9%
	Waste to landfill (%)	14.3%	5.6%	1.7%	0.3%	0.4%	–97%	33%

[1] See ‘carbon footprint overview’ below for a breakdown of Scope 1, 2 and core Scope 3 emissions categories.

[2] ‘Site Energy usage’ excludes fleet vehicle fuel.

[3] In previous years ‘Site electricity use’ represented grid electricity only. This row now includes electricity use from Combined Heat and Power (‘CHP’) and solar on-site generation.

♦ indicates data has been re-stated to improve historic data accuracy based on new information or methodology improvements.

## About our data

This data is reported in accordance with HM Treasury’s Sustainability Reporting Guidance 2022–23. Carbon footprint reporting is aligned with the guidelines set out in the Greenhouse Gas Protocol ([ghgprotocol.org](https://ghgprotocol.org)). Reported figures are based on a mix of direct meter readings (manual or automatic) and billed amounts. Billed quantities may be subject to future adjustments dependent on supplier re-billing. RBG Kew is below the organisational size threshold for Streamlined Energy and Carbon Reporting (SECR), but we will seek to align our reporting with SECR guidelines, where we can.

Where possible, we will compare 2022–23 performance to 2017–18 (Baseline 1 – the year used as a baseline by the Greening Government Commitment Targets). However, for several data sources or emissions categories, better data (quantity, quality or both) is available for 2019–20 (Baseline 2 – the year used as a baseline for RBG Kew’s Sustainability Strategy targets). Where sufficiently reliable data is not available for a comparison of performance against Baseline 1, Baseline 2 will be used.

## Overview of carbon footprint

RBG Kew has committed to measure and report its Core Carbon Footprint (Scope 1, Scope 2 and core Scope 3 emissions) annually from 2021, and its Wider Carbon Footprint annually from 2025. Wider scope 3 emissions are hard to quantify accurately as they rely on data from up and downstream sources, which suffer from issues of availability and accuracy; these are universal issues that we will work to resolve within our value chains. The emissions categories (sources) included in our Core and Wider Carbon Footprints are shown in Figure 6 in Kew’s Sustainability Strategy, and the emissions categories within the Core Carbon Footprint are shown in the table below.

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

## Details of performance

Carbon footprint (tonnes CO <sub>2</sub> e)		2017–18 (Baseline 1)	2019–20 (Baseline 2)	2020–21	2021–22	2022–23
Scope 1 emissions		4,773♦	4,738♦	4,332♦	4,041♦	4,127
Scope 2 emissions		2,636	1,857	1,498	1,653	1,526
Core Scope 3 emissions		3,190♦	3,204♦	1,376♦	2108♦	3,075
<b>Totals</b>	<b>Total emissions</b>	<b>10,599♦</b>	<b>9,799♦</b>	<b>7,206♦</b>	<b>7,802♦</b>	<b>8,728</b>

A further breakdown of emissions categories within Scope 1 and Scope 3 is shown below:

Scope 1	Buildings and land use emissions [1]	4,629♦	4,592♦	4,199♦	3,899♦	3,972
Scope 1	Vehicle emissions (onsite and offsite)	144♦	146♦	133♦	142♦	155
Scope 3	Scope 3 emissions from Energy Use [2]	1,429♦	1,059♦	930♦	1,297♦	1,227
Scope 3	Business travel	723	1,146	10	141	1,200
Scope 3	Employee commute	864*	864	260♦	604♦	563
Scope 3	Water	113	93	137	29♦	47
Scope 3	Waste	47♦	28♦	28	29♦	32
Scope 3	Investments	14♦	14♦	11♦	8♦	6
Scope 3	Investments	14♦	14♦	11♦	8♦	6

[1] Building and land use emissions includes: all emissions from heating (including gas, heating oil, LPG and biomass); generators (including CHP (gas), back-up generators (diesel) and standalone generators (biofuel); fugitive emissions (f<sub>2</sub>gas emissions); and an estimation of land use emissions for a small number of livestock used for conservation grazing at Wakehurst. Prior year figures were grouped as heating and CHP fuel use and other direct emissions and therefore are restated.

[2] 'Scope 3 emissions from Energy Use' includes transmission and distribution losses (electricity), and emissions from 'fuel related activity' (well-to-tank emissions from gas, oil, LPG, petrol, diesel and electricity).

\* 2017–18 data not available so 2019–20 data backfilled to serve as baseline.

♦ indicates data has been re-stated to improve historic data accuracy based on new information or methodology improvements.

## Energy breakdown (use and generation)

RBG Kew's energy use for 2022–23 is outlined in the table below. Overall, there has been a small year-on-year increase in energy consumption, with the most significant increase in oil consumption, which was caused by a fault with the dual-fuel boilers at the Princess of Wales Conservatory, requiring oil back-up heating to protect the collections. The energy crisis in 2022 has driven increasing energy costs, but due to the buying approach of the framework we are using we expect to see further rises in 2023–24.

In 2022–23 Kew produced an interim energy strategy setting out our baseline and longer-term direction for energy use and energy infrastructure and created a new role focused on the implementation of site-wide energy strategy for Kew in 2023.

We have made several interventions to reduce energy consumption, including a Christmas office shut down, and a wider energy behaviour change campaign. 2022–23 is also the first full year where three sets of functional photovoltaics have been generating electricity – the installations at the Millennium Seed Bank, Family Kitchen and Shop and Arboretum Headquarters generated 89 MWh solar electricity. The 'Combined Heat and Power' (CHP) unit, which generates onsite electricity and heat, has had reduced run-hours over the past two years due to maintenance downtime, but we expect this usage to return previous levels in 2023–24.

Energy (MWh)	2017–18 (Baseline 1)	2019–20 (Baseline 2)	2020–21	2021–22	2022–23	and change since Baseline 1	% change since last FY
Total	32,566♦	31,901♦	29,507♦	29,030♦	30,415	–7%	5%
Electricity	7,498	7,266	6,424	7,784	7,893	5%	1%
Electricity (CHP)	1,027	803	862	491♦	450	–56%	–8%
Electricity generation (solar)	44♦	46♦	49♦	52♦	89	102%	71%
Gas (inc CHP)	20,943	21,138	19,842	19,079♦	19,060	–9%	0%
Oil	3,030♦	2,606♦	2,302♦	1,555♦	2,821	–7%	81%
LPG (Propane)	24	42	28	38	39	65%	2%
Biomass	0	0	0	31	63	N/A	103%
Energy costs (£m)	£1.40m	£1.56m	£1.20m	£2.38m	£2.55m	82%	7%

## Business travel and employee commuting

The removal of COVID-19 restrictions (which delayed many Kew business trips during 2020–21 and 2021–22) has led to a surge in international trips for scientific research and conservation. However, due to the continuation of home

working and RBG Kew's hybrid working policy, we continue to see reduced commuting emissions compared to Baseline 1 and Baseline 2, which are both pre-Covid baseline years.

Business travel and employee commuting	2017–18 (Baseline 1)	2019–20 (Baseline 2)	2020–21	2021–22	2022–23	% change since baseline	% change since last FY
Business travel emissions (tonnes, CO <sub>2</sub> e) [1]	723	1,146	10	141	1,200	4.7%	751%
Employee commuting (tonnes, CO <sub>2</sub> e)	864*	864	260♦	604♦	563	-35%	-7%

[1] Business Travel Emissions data includes estimated emissions from UK and international business travel but excludes estimated emissions from accommodation.

\* 2017–18 data not available so 2019–20 data backfilled to serve as baseline.

♦ indicates data has been re-stated to improve historic data accuracy based on new information or methodology improvements.

## Fleet vehicles

RBG Kew has a small fleet of road vehicles and a larger fleet of onsite and specialist horticultural vehicles. We are seeking to replace our vehicles and equipment with 100% battery electric powered vehicles wherever feasible. As of March 2023, 19% of RBG Kew's vehicles are electric, which is below the Government Fleet Commitment for 25% of the government car fleet to be ultra-low emission vehicles (ULEV) by 31 December 2022. However, we are working to review our fleet to achieve the target for 100% of the government car and van fleet to be fully zero emissions at the tailpipe by 31 December 2027.

Manager. This role is now in place and will implement a site-wide Waste Strategy to maximise reuse and recycling, and to reduce the carbon emissions from our waste streams.

Since the review, RBG Kew has taken further steps to promote waste segregation and recycling. In addition to the roll-out of IT recycling stations across the estate to recycle surplus Waste Electrical and Electronic Equipment (WEEE), Kew has also implemented additional recycling streams, throughout its operations, including during events such as at Christmas at Kew.

We cannot currently record and report the weight or value of reused materials, but significant reuse occurs throughout our operations. This includes the reuse of signage and installations across multiple years' events as well as the implementation of a reusable hot cup scheme during last year's Glow Wild festival at Wakehurst, saving 65,000 single-use cups and an estimated embodied carbon saving of over 2.4 tonnes.

## Waste and resource consumption minimisation

In early 2022–23 a waste review for Kew Gardens was completed, with an agreed set of recommendations. One recommendation was to appoint a Waste and Recycling

Waste (tonnes)	2017–18 (Baseline 1)	2019–20 (Baseline 2)	2020–21	2021–22	2022–23	% change since last FY	% change since last FY
Total waste [1]	1,318	1,072	887	1,269♦	1,385	5%	9%
Reused, recycled, offsite compost [1]	511	228	189	367♦	398	-22%	8%
Energy from waste (energy recovery)	619	784	683	898♦	982	59%	9%
Waste incinerated (without energy recovery)	No data	No data	0	0♦	0	N/A	0%
Landfill	188	60	15	4	5	-97%	24%
(of which waste deemed hazardous)	(180)	(28)	(3)	(4)	(5)	-97%	25%
Total disposal cost (£, 000)	264	156	136	162	185	-30%	14%

[1] RBG Kew composts more than 4,000 tonnes of garden waste per annum, for use on site (we hold an Environment Agency permit for both Kew Gardens and Wakehurst). This material does not leave our sites, so it is not counted within our waste or recycling tonnage.

♦ indicates data has been re-stated to improve historic data accuracy based on new information or methodology improvements.



## Water use

Much of RBG Kew's water use is used in irrigation for the Living Collections. Variations in temperature and rainfall contribute to fluctuations in our water consumption. We also abstract groundwater (under licence from the Environment Agency) for heating and cooling of the Herbarium; this water is returned to the Thames.

In 2022, a summer drought resulted in a significant increase in water consumption, particularly during July and August. Additionally, Kew faced increased water costs partly due to under-billing in previous years, and the discovery of a

supplier error. We recognise that climate change will continue to increase the likelihood of summer drought, and we are reviewing our irrigation systems and water management practices to build resilience to water scarcity while meeting our obligations to preserve our unique living collections.

In Autumn 2022, we also re-started use of an online water monitoring dashboard to allow closer monitoring of water consumption. This dashboard has allowed us to rapidly locate and repair several leaks.

Water	2017–18 (Baseline 1)	2019–20 (Baseline 2)	2020–21	2021–22	2022–23	% change since baseline	% change since last FY
Potable Water Supplied (thousand m <sup>3</sup> )	202	162♦	246	126♦	202	0%	60%
Water utility cost (£ 000) [1]	332	463	295	73*	542	63%	642%*
Groundwater abstracted for heating and cooling (thousand m <sup>3</sup> ) [2]	104	56	162	71	87	-16%	23%

[1] From 2019–20 onwards, wastewater is included in the water utility cost to provide a more holistic representation.

[2] Low annual abstraction level in 2019–20 and 2021–22 was caused by refurbishments to the ground source heat pump system.

\* Water utility cost in 2021–22 is very low due to credits carried forward from previous years.

♦ indicates data has been re-stated to improve historic data accuracy based on new information or methodology improvements.

## Additional sustainability information

### Sustainable procurement

RBG Kew is conscious of the role of public sector procurement in meeting our organisational need for goods, services, works and utilities, while achieving value for money on a whole-life basis; minimising damage to the environment; and generating benefits for society and the economy.

RBG Kew's updated Procurement Strategy (to be published in Quarter 1 2023–24), covering the period 2023–2028, will set out the strategic approach to procurement within a challenging economic, legislative and regulatory environment. Within that Strategy we set out our commitment to supporting the delivery of Kew's manifesto for change, through procurements that achieve best-value outcomes, which consider factors other than price, such as prior experience, capacity, quality, innovation, technical expertise and sustainability impacts, including carbon emissions, when selecting suppliers. Specifically, where appropriate: we will embed compliance with the Government Buying Standards; we will work with suppliers who support us to deliver the targets within Kew's sustainability strategy, including our pledge to be Climate Positive by 2030; we will integrate measurable sustainable procurement practice, ensuring that sustainability criteria are built into the specifications and tender evaluations.

### Environmental management system

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

An external audit of our ISO 14001 EMS was completed in December 2022 and received positive feedback from our specialist auditors, with three minor non-conformities and 28 observations, of which 21 were opportunities for improvement and seven were positive observations. Our ISO 14001 certificate is available to view on [kew.org/about-us/reports-and-policies/environmental-policy](http://kew.org/about-us/reports-and-policies/environmental-policy).

### Sustainable construction

In 2022–23, RBG Kew did not undertake any major capital builds. We are in the early stages of design for several major capital projects to be delivered to very high environmental and sustainability standards, including Passivhaus certification and whole-life carbon assessment. The intention is that future new build projects will offer reduced operational and embodied carbon emissions and ensure environmental excellence in construction and operation. These projects include the new Learning Centre at Kew Gardens and the Wakehurst Conservation and Research Nursery.

In terms of sustainable retrofits for our existing estate, we have delivered our first decarbonisation project under the Public Sector Decarbonisation Scheme (PSDS), replacing the gas boilers in the Grade I listed Nash Conservatory with air source heat pumps. We made significant progress towards a design for decarbonising the Jodrell scientific building and Melon Yard glasshouses, which will now be delivered by March 2024. The design work has been funded by the PSDS and the delivery has been funded by a Defra capital grant.

Additionally, we have completed a Low Carbon Skills Fund funded Heat Decarbonisation Plan, which identifies an initial roadmap for the decarbonisation of heat across our two sites and have secured further PSDS funding for two significant decarbonisation projects.

## Supporting nature recovery

RBG Kew has a 330-acre site at Kew Gardens and a 535-acre site at Wakehurst, which contain our globally biodiverse Living Collections, the management of which is set out in our Living Collections strategy (2019). Currently, 6% of the accessions to the Living Collections are categorised as threatened by extinction under the IUCN Red List of Threatened Species.

Both Kew Gardens and Wakehurst are managed to conserve the integrity of the sites and support diverse and thriving species assemblages. Certain habitats within Kew Gardens are regarded as being of high conservation value for the Greater London Area. These include the semi-natural woodland with pockets of unimproved neutral and acid grassland found within Kew's 15-hectare Natural Area. In addition, both native and introduced trees in all areas of the Gardens support a number of threatened or rare species of epiphytic fungi. At Wakehurst, a 156-hectare site has been designated a Site of Special Scientific Interest. Wakehurst and Chiddingly Woods are noted for their nationally rare habitat of Wealdon ghyll woodland with exposures of sand rock.

At Kew Gardens, we are beginning new biodiversity surveys within the natural areas to help better understand and manage the habitats for wildlife. At Wakehurst we have developed a new Countryside Stewardship Higher Tier Agreement, which includes a new Woodland Management Plan and Wildlife Management Plans, including an updated Deer Management Plan. Wakehurst contributes data to a number of National Wildlife Monitoring Schemes and records the biodiversity of its woodland, grassland, wetland and sand rock habitats.

RBG Kew's Landscape Ecology Programme, based at Wakehurst, has continued to develop methods and protocols to research the value of UK biodiversity across the themes of carbon, pollination, hydrology, and nature connectedness. Within the carbon research strand, we are undertaking research into greenhouse gas flux and above- and below-ground sequestration across Wakehurst's woodland and grassland habitats. This will inform Wakehurst's land management and sustainability targets. We have developed a protocol to analyse carbon from soils and fungi, which is being scaled up to agricultural and peatland habitats through a collaboration with the UK Natural Capital Ecosystem Assessment. We have completed a spatial baseline of Wakehurst's carbon stocks using LiDAR and drone technology together with existing methods and national datasets for UK carbon stocks above-ground. This baselining suggested a carbon stock between 10,419 and 28,292 tonnes across the Wakehurst site. We plan to continue to work to refine this estimate further. To scale our carbon research beyond Wakehurst, we are collaborating with government partners such as Defra and Natural England,

through a HM Treasury-funded Shared Outcomes Fund programme, which evaluates nature-based solutions to climate change across UK landscapes. Kew's data is also being fed into a landscape mapping and modelling tool, developed by our partner the University of Sussex (Science Policy Research Unit and Predictive Analytics Lab). The tool draws on diverse data sources – including social, economic and ecological data – and novel techniques to characterise the changing function, value and usefulness of biodiverse landscapes to people.

## Climate change adaptation

This year we have conducted a review of the climate change risks to RBG Kew's operations and assets (including living and preserved collections, buildings and infrastructure) identified against projections of climate change scenarios at Kew Gardens and Wakehurst. The climate change adaptation risks include damage to and changing operational requirements of existing assets (including the living collections); potential for water shortages and increased water use costs; changes in requirements to provide comfortable and safe conditions for staff and visitors; increased threat from plant pests and pathogens; and increased disruption to supply chains. Initial cross-organisational mitigation actions have been identified, which will be monitored via Kew's Climate Positive Working Group.

## Reducing environmental impacts from ICT and digital

The IT Directorate at Kew has published its fourth annual report in 2022 covering the ICT function, which includes a summary of WEEE disposals, power and print usage statistics, as well as vendor evaluations.

IT have worked to support various reductions in power or resource consumption this year, including: completing a hardware amnesty; rolling out IT equipment recycling bins across the organisation (and recycling 384 items, equivalent of 4.1 tonnes of equipment); working to replace legacy desk phones and move towards unified communications via MS Teams; encouraging use of QR codes to reduce paper reliance; and encouraging staff to take care to prolong life of assets. Additionally, IT are continuing the cloud-first strategy, establishing a number of new cloud systems, and migrating or virtualising various legacy or underutilised systems.

The IT Directorate is also making progress in aligning with the 'Greening Government: ICT and digital services strategy 2020–2025' including reporting.

Paper use	2017–18 (Baseline 1)	2019–20 (Baseline 2)	2020–21	2021–22	2022–23	% change since baseline 1	% change since last FY
Total weight (kg) [1]	3,250	3,430	274	1,596	683	–79%	–57%

[1] In 2022–23, it was recorded that 769,156 pages were printed.

## UN Sustainable Development Goals (SDG)

RBG Kew's work to understand and protect biodiversity contributes to many of the United Nations Sustainable Development Goals on ecosystems; sustainable livelihoods; food security; health and wellbeing; protecting watersheds; renewable energy; and climate change.

Some specific examples of Kew's work which has supported progress towards the SDGs during 2022–23 include:

- Kew's online learning platform, Endeavour, includes a range of resources that teach children about the SDGs and particularly biodiversity loss (Goal 15: Life on Land).
- Our Food Forever Festival in Summer 2022 delivered community engagement around food security, supporting SDGs 2 (Zero Hunger) and 4 (Quality Education).
- Kew Gardens Cameroon Orchid Festival in February 2023 delivered community engagement around the conservation of biodiversity, supporting SDGs 4 (Quality Education) and 15 (Life on Land).
- RBG Kew supports implementation of the Convention on Biological Diversity and is a founding member of Consortium of Scientific Partners. Kew staff are regularly nominated for and serve on Convention on Biological Diversity (CBD) expert panels and have taken part in several CBD meetings as members of the UK delegation in the past. This work supports SDG Goal 16 to develop strong and effective institutions.
- RBG Kew maintains over 400 partnerships from corporates, to governments, to charities, to universities – supporting and promoting the importance of nature in climate action and supporting SDG Goal 17 to develop strong partnerships.

## Governance

Overall responsibility for the Sustainability Strategy and performance lies with RBG Kew's Board of Trustees and Executive Board. In order to drive forward sustainability progress, we have a number of cross-organisational groups, including the CPWG, which has responsibility for supporting the development and implementation of plans to deliver our Sustainability ambitions, and the Environmental Management Steering Group (EMSG), which has responsibility for overseeing environmental risks, Kew's ISO 14001 systems, and environmental compliance. Our Sustainability Strategy Action Plan identifies over 20 senior Delivery Leads across the organisation, and progress is reported to the CPWG, and Executive Board, on a quarterly basis.

Environmental risks are tracked within the Environment Risk Register (overseen by EMSG), and Climate Change Adaptation are tracked within the new Climate Change Risk Register (to be overseen by CPWG). The most significant environmental risks are escalated as necessary.

# Statement of Trustees' and Accounting Officer's responsibilities

## Statutory information

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

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

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

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

The Accounting Officer and Board of Trustees confirm that:

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

## Results

The accounts have been prepared in a form directed by the Secretary of State, with the approval of HM Treasury, under Schedule 1 Part IV subsection 39(4) of the National Heritage Act 1983 and on the basis of the accounting policies set out in Note 2.

Total income for the year was £119.7 million (£101.6 million in 2021–22) of which £47.9 million (£36.9 million in 2021–22) was Grant-in-aid from Defra, with increased funding for science research and philanthropic income. Total expenditure was £97.4 million (£88.4 million in 2021–22), reflecting

growth in staff numbers to support increased grants and variable costs of operations. There was a £0.8 million gain on investments (£0.2 million gain in 2021–22) and a gain on revaluation of assets of £22.1 million (£19.9 million gain in 2021–22) leaving a surplus of £45.2 million (£33.3 million surplus in 2021–22) after revaluation of assets.

Of the overall surplus of £45.2 million, the majority related to movements in funds which RBG Kew does not have free access to. This includes a surplus totalling £35.5 million on the capital, capital revaluation and investments reserves. The capital reserves reflect capital and project funds to be offset by future depreciation on assets purchased or future capital or project expenditure. In addition, there was a £8.3 million increase in the restricted projects reserves and a £0.3 million net gain being the share of the results of the Bentham-Moxon Trust and Kew Foundation.

RBG Kew generated a small surplus on the unrestricted general reserves of £0.2 million and a £0.9 million surplus on the unrestricted designated reserves (as a result of better than anticipated operating performance), which has been allocated for much-needed investment in capital and other projects primarily in 2023–24 and 2024–25.

Total funds increased to £333.3 million (£288.1 million 2021–22). These include a revaluation fund of £151.7 million (£130.3 million in 2021–22) to reflect the value of certain land and buildings to which the Trustees do not have title, as outlined below, and the capital reserves of £126.8 million (£112.3 million in 2021–22), which consist of restricted grants and unrestricted income for capital expenditure to be used to offset future depreciation of assets already purchased. The share of net assets of associates represents £10.2 million (£9.9 million in 2021–22) of restricted reserves. The remaining £44.6 million (£35.6 million in 2021–22) includes project funds, donations and general funds, some of which have been designated.

## Land and buildings

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

## Other fixed assets

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

## Investments

Investments are detailed in Note 12 and are held in accordance with the Trustees' powers. The Accounting Officer and Trustees consider the Churches, Charities and Local Authorities Investment Fund and the Cazenove Investment Fund both provide an adequate balance between risk and reward. During the year £4m was invested with Cazenove Investment Fund.

Investments include a share of the net assets of associates (the Foundation and Bentham-Moxon Trust) determined by the proportion of the voting rights held by RBG Kew of each charity. Each associate sets and monitors its own investment policies.

## Payments to creditors

Our policy is to settle all invoices with our creditors within 30 days unless otherwise specified in the contract, and to observe the principles of the CBI Prompt Payment Code. During 2022–23 RBG Kew settled its debts on average in 31 days (31 days in 2021–22).

## Reserves

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

At 31 March 2023, this fund stands at £6.9 million (£6.7 million at 31 March 2022) and may be used to partly fund any short-term shortfall in income and to meet major capital needs in the future. In addition, as at 31 March 2023, RBG Kew holds designated unrestricted funds for future capital and project requirements of £13.5 million (£13.0 million at 31 March 2022).

The minimum level of unrestricted reserves is anticipated to be retained at £4 million to meet working capital requirements and provide funds to cope with future fluctuations in income. However, this will be kept under review by the Board through 2023–24.

## Going concern

The Trustees have considered the factors that may influence the organisation in the 12 months following certification of these accounts, in particular the slower recovery of visitor-related and commercial income due to the impact of the cost of living crisis, and inflationary pressures. Self-generated income is expected to remain stable in 2023–24, and RBG Kew has prepared a balanced budget for 2023–24 on this basis. Government funding for 2023–24 has been confirmed, a contingency is held within the budget, and RBG Kew's levels of general unrestricted and designated reserves provide cover for any additional adverse income risks should these emerge. Defra has been kept updated on the financial challenges and continues to be supportive.

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

On the key assumption that income from charitable activities will not be significantly impacted by cost-of-living rises and geopolitical uncertainties, and will be maintained at 2023 levels, the Trustees believe it is appropriate to prepare the accounts on a going concern basis. The Trustees note that the Directors of its trading company, RBG Kew Enterprises

Limited, have prepared the accounts of the company on a going concern basis, and expect to continue to support RBG Kew through the gifting of profits made by the company in the future.

## Foundation and Friends of the Royal Botanic Gardens, Kew

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

## Bentham-Moxon Trust

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

## RBG Kew Enterprises Limited

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

## Director

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

## Internal audit

The Board has appointed Mazars as internal auditors who report on a quarterly basis to the Audit and Risk Committee. 2022–23 was Mazars' seventh year as RBG Kew's internal auditors following their reappointment for an additional year in 2022.

## Bankers

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

## External auditor (RBG Kew)

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

## External auditor (RBG Kew Enterprises Limited)

haysmacintyre  
10 Queen Street Place  
London  
EC4R 1AG

## Employee involvement

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

## Gender pay gap

The relevant gender pay gap averages for RBG Kew as at March 2022 were 9.6% (mean average) and 13.4% (median average). The bonus pay gap, including non-consolidated payments paid to staff, was 1.1% (mean average) and 0% (median average). The proportion of men and women receiving a bonus\*, including non-consolidated payments, was 62.7% and 63.4% respectively. The hourly pay quartiles are shown in the table below:

\*For RBG Kew this consists of non-consolidated payments made to staff under the 'You made a difference' recognition award scheme. During the reporting period a recognition award was made to all eligible employees as part of the 2021–22 pay settlement to recognise the contribution made by staff during the pandemic, hence the proportion receiving a bonus is considerably higher than in previous years.

Quartile	Women	Men
Lower quartile	63.0%	37.0%
Lower middle quartile	61.4%	38.6%
Upper middle quartile	57.9%	42.1%
Upper quartile	48.6%	51.4%

## Trade union facility time

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

- There was a total of 15 (FTE) employees who were union officials during the relevant period.
- Eleven employees spent up to 1% of their working hours on facility time and four spent between 1% and 50% of their working hours on facility time.
- The percentage of the pay bill spent on facility time was 0.0091% as laid out in the table below.

Cost of facility time	£4,231
Total pay bill	£46.6m
% of total pay bill spent on facility time	0.0091%

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

## Freedom of Information

Between 1 April 2022 and 31 March 2023, RBG Kew received 30 Freedom of Information requests. Out of the 30 requests responded to, 29 (97%) were dealt with in line with the statutory timeframe.

## Modern slavery

RBG Kew is committed to ensuring modern slavery is not present in our own operations or in our supply chains. While our use of established public sector procurement frameworks where possible mitigates many of the risks, we continue to review our approach and policy in this area. Our full statement and policy can be found at [kew.org/about-us/reports-and-policies/anti-slavery-policy](https://www.kew.org/about-us/reports-and-policies/anti-slavery-policy).

## Insurance

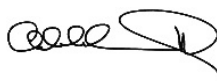
RBG Kew has a range of commercial insurance policies which include public liability, professional indemnity, motor vehicle, cyber liability and other relevant products. However, commercial insurance has not been taken in a number of other areas, notably heritage buildings without commercial use, in line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

## Personal data related incidents

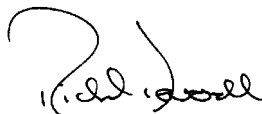
RBG Kew did not identify any personal data breaches that would have required notification to the Information Commissioner's Office between 1 April 2022 and 31 March 2023.

## Sickness absence

The average number of days' sickness for staff in 2022–23 was 5.5 days (5.2 in 2021–22).



**Dame Amelia Fawcett**  
Chair of the Board of Trustees  
Royal Botanic Gardens, Kew  
12 July 2023



**Richard Deverell**  
Director  
Royal Botanic Gardens, Kew  
12 July 2023

# Remuneration report

## Remuneration policy

The remuneration of the Director is set by the Remuneration and Nominations Committee, a sub-committee of the Board of Trustees. The members are identified on page 13.

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

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

## Service contracts

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

## Salary and pension entitlements

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

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

Remuneration (Audited)		2022-23 Salary	2022-23 Bonus	2022-23 Pension benefits to nearest (£1,000)	2022-23 Total to nearest (£1,000)	2021-22 Salary	2021-22 Bonus	2021-22 Pension benefits to nearest (£1,000)	2021-22 Total to nearest (£1,000)
		£	£	£	£	£	£	£	£
Richard Deverell <sup>1</sup>	Director	197,762	250	27,000	225,000	193,426	250	26,000	220,000
Alexandre Antonelli <sup>2</sup>	Director, Science	155,466	250	58,000	214,000	154,875	250	58,000	213,000
Richard Barley <sup>3</sup>	Director, Gardens	118,790	250	46,000	165,000	115,666	250	43,000	159,000
Sandra Botterell <sup>4</sup>	Director, Marketing and Commercial Enterprise	143,454	14,346	14,000	172,000	135,299	13,794	14,000	163,000
Ian McKetty <sup>5</sup>	Chief Information Officer	119,051	250	46,000	165,000	116,147	250	45,000	161,000
Meredith Pierce Hunter <sup>6</sup>	Director, Kew Foundation	137,282	3,000	11,000	151,000	131,025	-	10,000	141,000
Fern Stoner <sup>7</sup>	Director, Resources	129,580	250	51,000	181,000	120,674	250	47,000	168,000
Ed Ikin <sup>8</sup>	Director, Wakehurst from 01-01-23	22,840	250	9,000	32,000	-	-	-	-
Tony Sweeney <sup>9</sup>	Director, Wakehurst until 30-09-21	-	-	-	-	52,237	-	20,000	72,000

- Salary includes annual salary from RBG Kew of £177,762 (2021-22 £173,426), and £20,000 (2021-22 £20,000) for fundraising services from RBG Kew Enterprises in 2022-23. Bonus includes a £250 recognition award (2021-22 £250).
- Salary includes annual salary from RBG Kew of £152,341 (2021-22 £148,625), £3,125 for an advance royalty payment relating to the publication of a book. Bonus includes a £250 recognition award (2021-22 £250).
- Salary includes annual salary from RBG Kew of £118,790 (2021-22 £110,666) and £0 (2021-22 £5,000) for fundraising services from RBG Kew Enterprises in 2021-22. Bonus includes a £250 recognition award (2021-22 £250).
- Employed by RBG Kew Enterprises. Bonus includes bonus payment of £14,346 (2021-22 £13,794).
- Salary includes annual salary from RBG Kew of £119,051 (2021-22 £116,147). Bonus includes a £250 recognition award (2021-22 £250).
- Employed by RBG Kew Enterprises. Bonus includes bonus payment of £3,000 (2021-22 £0).
- Salary includes annual salary from RBG Kew of £129,580 (2021-22 £120,674). Bonus includes £250 recognition award (2021-22 £250).
- Joined Executive Board from 01-01-23, salary includes annual salary from RBG Kew of £22,840 (2021-22 £0). Annual equivalent salary of £83,090. Bonus includes £250 recognition award (2021-22 £250).
- Full time equivalent salary for 2021-22 £104,474.

## Salary

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

## Benefits in kind

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

## Bonuses

Bonuses for RBG Kew Enterprises employees are based on business performance. In 2022–23, bonuses of £167,767 were paid for RBG Kew Enterprises staff – a 19% increase (2021–22: £140,620 and 97% increase). Bonuses reported in 2022–23 relate to performance in 2022–23 and the comparative bonuses report for 2021–22 relate to performance in 2021–22. RBG Kew employees are not entitled to bonuses.

## Gender

As at 31 March 2023, the gender split of the Executive Board was five men and three women.

## Salary ratios (Audited)

The ratio to the Director's remuneration of £198,012 in 2022–23 (2021–22: £193,676) was as follows:

Ratio	Salary 2022–23	Ratio 2022–23	Salary 2021–22	Ratio 2021–22
25th percentile	£24,252	8.2	£22,750	8.5
Median	£28,249	7.0	£26,834	7.2
75th percentile	£37,865	5.2	£37,677	5.1

The change in ratios reflects the pay award with a higher percentage awarded to lower grades, improving the 25th percentile and median ratios. The progression has been fairly applied and reflects Kew's assessment of market conditions. Agency pay has been excluded from the salary calculations since this pay arrangement would give rise to a distortion of the results. There has been a 2.2% increase in the Director's remuneration (2021–22: 0.1%). The Director is not entitled to a bonus and received a £250 recognition award (2021–22 £250).

The range of pay in the organisation in 2022–23 was £17,853 to £197,762 (2021–22: £16,744 to £193,426). There has been a 4.0% increase (2021–22: 1.0%) in average salaries and allowances.

## Cash Equivalent Transfer Values

Pension benefits (Audited)	Accrued pension at age 60 as at 31-03-23 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31-03-23	CETV at 31-03-22	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	£'000
Richard Deverell	–	–	–	–	–	27.1
Alexandre Antonelli	10–15	2.5–5	149	107	23	N/A
Richard Barley	20–25	2.5–5	428	360	39	N/A
Sandra Botterell	–	–	–	–	–	14.3
Ian McKetty	15–20	2.5–5	241	191	30	N/A
Meredith Pierce Hunter	–	–	–	–	–	11.0
Fern Stoner	20–25	2.5–5	299	250	27	N/A
Ed Ikin	10–15	0–2.5	136	–	–	N/A



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

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. There were no transfers in 2022–23 (no transfers in 2021–22) They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023–24 CETV figures.

### **Real increase in CETV**

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

### **Civil Service Pension Schemes**

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

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within ten years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who

were between ten years and 13 years and 5 months from their normal pension age on 1 April 2012 switched into alpha between 1 June 2015 and 1 February 2022. All members who switched to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum; classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is updated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

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

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

Further details about the Civil Service pension arrangements can be found here: [civilservicepensionscheme.org.uk](http://civilservicepensionscheme.org.uk)

## Tax arrangements of public appointees

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

**Table 1: For all off-payroll engagements as of 31 March 2023, of more than £245 per day and that last for more than six months (not audited)**

Number of existing engagements as of 31 March 2023	17
Of which at the time of reporting:	
Number that have existed for less than one year	10
Number that have existed for between one and two years at time of reporting	3
Number that have existed for between two and three years at time of reporting	3
Number that have existed for between three and four years at time of reporting	1

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

**Table 2: For all off-payroll appointments engaged at any point during the year ended 31 March 2023 and earning at least £245 per day (not audited)**

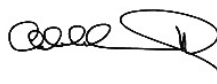
The number of appointments in force during the time period	33
Of which:	
Not subject to off-payroll legislation	14
Subject to off-payroll legislation and determined as in-scope of IR35	9
Subject to off-payroll legislation and determined as out-of-scope of IR35	10
Number of engagements reassessed for compliance or assurance purposes during the year	-
Of which: Number of engagements that saw a change to IR35 status following review	-
Number of engagements where the status was disputed under provisions in the off-payroll legislation	-
Of which: Number of engagements that saw a change to IR35 status following review	-

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

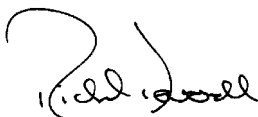
Number of off-payroll engagements at Board level and/or senior officials with significant financial responsibility	-
Total number of individuals that are Board members and/or senior officials with significant financial responsibility	8

## Staff remuneration and staff numbers

The following details regarding employees can be found on page 45 (Note 9): employees earning above £60,000, staff salaries and social security, compensation schemes, number of employees during the year, and staff turnover.



**Dame Amelia Fawcett**  
Chair of the Board of Trustees  
Royal Botanic Gardens, Kew  
12 July 2023



**Richard Deverell**  
Director  
Royal Botanic Gardens, Kew  
12 July 2023

## Auditor's certificate and report

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

#### Opinion on financial statements

I certify that I have audited the financial statements of the Royal Botanic Gardens, Kew (RBG Kew) for the year ended 31 March 2023 under the National Heritage Act 1983.

The financial statements comprise: the RBG Kew and its Group's:

- Balance Sheets as at 31 March 2023;
- Consolidated Statement of Financial Activities and Consolidated Cash Flow Statement for the year then ended; and
- the related notes including the significant accounting policies.

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

In my opinion, the financial statements:

- give a true and fair view of the state of the RBG Kew and its Group's affairs as at 31 March 2023 and its net income for the year then ended;
- have been properly prepared in accordance with the National Heritage Act 1983 and Secretary of State directions issued thereunder.

#### Opinion on regularity

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

#### Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

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

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

## Conclusions relating to going concern

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

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

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

## Other information

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

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

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

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

I have nothing to report in this regard.

## Opinion on other matters

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

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

- those parts of the Annual Report subject to audit have been properly prepared in accordance with Secretary of State directions issued under the National Heritage Act 1983; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## Matters on which I report by exception

In the light of the knowledge and understanding of the RBG Kew and its Group and their environment obtained in the course of the audit, I have not identified material misstatements in the statutory other information.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

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

## Responsibilities of the Board of Trustees and Accounting Officer for the financial statements

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

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Board of Trustees and the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- assessing RBG Kew and its Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Trustees and the Accounting Officer either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

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

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

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

decisions of users taken on the basis of these financial statements.

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

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

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

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud:

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

As a result of these procedures, I considered the opportunities and incentives that may exist within the RBG Kew and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I obtained an understanding of the RBG Kew and its Group's framework of authority and other legal and regulatory frameworks in which the RBG Kew and its

Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the RBG Kew and its Group. The key laws and regulations I considered in this context included, the National Heritage Act 1983, The Charities Act 2011, Managing Public Money, employment law, pensions legislation and tax legislation.

### **Audit response to identified risk**

To respond to the identified risks resulting from the above procedures:

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

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

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

### **Other auditor's responsibilities**

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

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

## **Report**

I have no observations to make on these financial statements.

### **Gareth Davies**

14 July 2023

Comptroller and Auditor General

National Audit Office

157–197 Buckingham Palace Road

Victoria

London

SW1W 9SP

# Royal Botanic Gardens, Kew

## Consolidated Statement of Financial Activities for the year ended 31 March 2023

	Notes	Unrestricted	Restricted	Endowment	2022-23 Total	Unrestricted	Restricted	Endowment	2021-22 Total
Income from:		£m	£m	£m	£m	£m	£m	£m	£m
Grant in aid	3	22.0	25.9	–	<b>47.9</b>	19.8	17.1	–	36.9
Grants and donations – RBG Kew	4	5.4	21.2	–	<b>26.6</b>	3.6	19.1	–	22.7
Charitable activities	6	21.2	–	–	<b>21.2</b>	20.4	0.2	–	20.6
Other trading activities	5/16	22.9	–	–	<b>22.9</b>	20.9	–	–	20.9
Investments		0.4	–	–	<b>0.4</b>	–	–	–	–
Share of associates' results	17	–	0.7	–	<b>0.7</b>	–	0.5	–	0.5
<b>Total income</b>	<b>18</b>	<b>71.9</b>	<b>47.8</b>	<b>–</b>	<b>119.7</b>	<b>64.7</b>	<b>36.9</b>	<b>–</b>	<b>101.6</b>
<b>Expenditure on:</b>									
Raising funds – trading	7/16	12.8	–	–	<b>12.8</b>	11.8	–	–	11.8
Raising funds – fundraising	7/16	4.5	–	–	<b>4.5</b>	4.2	–	–	4.2
<b>Charitable activities</b>									
· Research and conservation	7	34.6	22.9	–	<b>57.5</b>	28.9	20.8	–	49.7
· Visitor activities	7	19.3	2.9	–	<b>22.2</b>	16.9	2.5	–	19.4
Share of associates' results	17	–	0.4	–	<b>0.4</b>	–	3.3	–	3.3
<b>Total expenditure</b>	<b>18</b>	<b>71.2</b>	<b>26.2</b>	<b>–</b>	<b>97.4</b>	<b>61.8</b>	<b>26.6</b>	<b>–</b>	<b>88.4</b>
Net gains on investments		0.8	–	–	<b>0.8</b>	0.2	–	–	0.2
<b>Net income</b>		<b>1.5</b>	<b>21.6</b>	<b>–</b>	<b>23.1</b>	<b>3.1</b>	<b>10.3</b>	<b>–</b>	<b>13.4</b>
Revaluation of assets		22.1	–	–	<b>22.1</b>	19.9	–	–	19.9
<b>Net movement in funds</b>		<b>23.6</b>	<b>21.6</b>	<b>–</b>	<b>45.2</b>	<b>23.0</b>	<b>10.3</b>	<b>–</b>	<b>33.3</b>
Reconciliation of funds:									
Total funds at 1 April restated	18	178.0	109.8	0.3	<b>288.1</b>	155.0	99.5	0.3	254.8
<b>Total funds at 31 March</b>	<b>18</b>	<b>201.6</b>	<b>131.4</b>	<b>0.3</b>	<b>333.3</b>	<b>178.0</b>	<b>109.8</b>	<b>0.3</b>	<b>288.1</b>

All activities arise from continuing operations. All recognised gains and losses have been included in the Statement of Financial Activities. The Notes on pages 39 to 56 form part of these accounts.

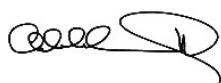
# Royal Botanic Gardens, Kew

## Balance Sheets at 31 March 2023

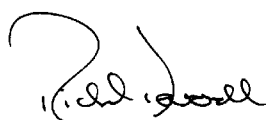
	Notes	Royal Botanic Gardens, Kew		Consolidated	
		2023	2022	2023	2022
		£m	£m	£m	£m
<b>Fixed assets</b>					
Intangible assets	10	12.1	3.6	12.1	3.6
Tangible assets	10	63.3	58.6	63.3	58.6
Heritage assets	11	194.6	173.2	194.6	173.2
Investments	12	13.2	8.4	23.1	18.0
		<b>283.2</b>	243.8	<b>293.1</b>	253.4
<b>Current assets</b>					
Stocks of goods for sale		0.4	0.3	1.5	1.2
Debtors	13	15.9	15.6	10.8	12.0
Cash at bank and in hand		36.9	30.5	45.5	38.0
		<b>53.2</b>	46.4	<b>57.8</b>	51.2
<b>Liabilities</b>					
Creditors: amounts falling due within one year	14	(13.1)	(11.7)	(17.4)	(16.2)
<b>Net current assets</b>		<b>40.1</b>	34.7	<b>40.4</b>	35.0
<b>Total assets less current liabilities</b>		<b>323.3</b>	278.5	<b>333.5</b>	288.4
Creditors: amounts falling due after more than one year	15	(0.2)	(0.3)	(0.2)	(0.3)
<b>Net assets</b>		<b>323.1</b>	278.2	<b>333.3</b>	288.1
<b>Funds</b>					
Unrestricted general	18	49.9	47.7	49.9	47.7
Unrestricted revaluation	18	151.7	130.3	151.7	130.3
Restricted	18	121.2	99.9	131.4	109.8
Endowment	18	0.3	0.3	0.3	0.3
		<b>323.1</b>	278.2	<b>333.3</b>	288.1

The Notes on pages 39 to 56 form part of these accounts.

The financial statements were approved by the Director and Board of Trustees on 7 July 2023 and signed on their behalf by:



**Dame Amelia Fawcett**  
Chair of the Board of Trustees  
Royal Botanic Gardens, Kew  
12 July 2023



**Richard Deverell**  
Director  
Royal Botanic Gardens, Kew  
12 July 2023

# Royal Botanic Gardens, Kew

## Consolidated Cash Flow Statement for the year ended 31 March 2023

	Note	2022-23 £m	2021-22 £m
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	(a)	31.4	16.6
<b>Cash flow from investing activities</b>			
Dividends, interest and rents receivable		0.6	0.3
Purchase of intangibles, property, plant and equipment	10	(13.5)	(10.6)
Purchase of Heritage assets	11	(7.0)	(3.3)
Purchase of investments		(4.0)	-
<b>Cash flow from financing activities</b>			
Cash inflows from new borrowing		-	-
<b>Change in cash and cash equivalents in the reporting period</b>		<b>7.5</b>	<b>3.0</b>
Cash and cash equivalents at start of period	(b)	38.0	35.0
<b>Cash and cash equivalents at end of period</b>		<b>45.5</b>	<b>38.0</b>

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

	2022-23 £m	2021-22 £m
Net income for the reporting period	23.1	13.4
Depreciation, impairment charges	6.2	5.8
(Losses) / gains on investments	(1.1)	2.6
Loss on disposal of fixed assets	1.7	0.7
(Increase) / decrease in stock	(0.3)	0.1
Decrease / (increase) in debtors	1.2	(3.3)
Increase / (decrease) in creditors	1.2	(2.4)
Dividends, interest and rents receivable	(0.6)	(0.3)
<b>Net cash provided by operating activities</b>	<b>31.4</b>	<b>16.6</b>

### b) Analysis of cash and cash equivalents

	2022-23 £m	2021-22 £m
Cash at bank and in hand	45.5	38.0
<b>Total cash and cash equivalents</b>	<b>45.5</b>	<b>38.0</b>

### c) Analysis of changes in net debt

	As at 1 April 2022 £m	Cash flows £m	Non-cash changes £m	As at 31 March 2023 £m
<b>Cash and cash equivalents</b>				
Cash at bank and in hand	38.0	7.5	-	45.5
	38.0	7.5	-	45.5
<b>Borrowings</b>				
Due within one year	-	-	-	-
Due after one year	(0.3)	0.1	-	(0.2)
	(0.3)	0.1	-	(0.2)
<b>Total</b>	<b>37.7</b>	<b>7.6</b>	<b>-</b>	<b>45.3</b>



# Notes to the accounts year ended 31 March 2023

## 1. Form of accounts

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

## 2. Accounting policies

### Accounting convention

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

These accounts do not present a Cash Flow Statement of Statement of Financial Activities for RBG Kew, since as the parent in the group whose consolidated accounts are presented here, exemptions are available under the 'qualifying entity' rules and by analogy to section 408 of the Companies Act, as described in FRS 102. In both cases the results of the parent are fully consolidated into the group position presented.

### Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Royal Botanic Gardens, Kew and its subsidiary RBG Kew Enterprises Limited for the year ended 31 March 2023. Consolidation has been carried out on a line-by-line basis.

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

For Foundation this is on the basis of the number of Trustees who can be appointed by RBG Kew (up to two Trustees) as a proportion of the total number of Trustees which Kew can appoint plus the total number of actual independent Trustees (two plus four Trustees – six Trustees in total), which was 33% at 31 March 2023.

For Bentham-Moxon Trust this is on the basis of the number of Trustees who can be appointed by the Director of RBG Kew, which was 50% at 31 March 2023.

These associates are accounted for using the equity method. A share of the net assets of these charities

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

### Going concern status

The Trustees have considered the factors that may influence the organisation in the 12 months following certification of these accounts, in particular the slower recovery in visitor numbers following the COVID-19 pandemic and the impact of the cost-of-living crisis, as well as inflationary pressures. Self-generated income is expected to remain stable in 2023–24 and RBG Kew has prepared a balanced budget for 2023–24 on this basis. Government funding for 2023–24 has been confirmed, a contingency is held within the budget, and RBG Kew's levels of general unrestricted and designated reserves provide cover for any additional adverse income risks should these emerge. Defra has been kept updated on the financial challenges and continues to be supportive.

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

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

### Critical accounting judgements and key sources of estimation uncertainty

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

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

In relation to the valuation of land and buildings, a full valuation exercise was carried out by professional valuers for the 2021–22 year-end valuations and a desktop valuation exercise was carried out for the 2022–23 year-

end. The Trustees consider that the valuation provided is an appropriate basis on which to determine a materially fair value of relevant land and buildings at the date of reporting.

Fair value is based on external valuers employing the Royal Institution of Chartered Surveyors valuation methodology for property. The property held is valued using methodologies specific to the nature of the property with operational assets valued on the basis of Existing Use Value (EUV) or Depreciated Replacement Cost (DRC), and investment properties valued using Market Value (MV); this includes use of indices, estimated rent yields, and comparable land values.

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

## Income

### Government grants

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

### Income from activities and generated funds

Income is accounted for on a receivable basis, net of VAT. Grant income is recognised when RBG Kew has met any performance or other deliverable criteria for its recognition. Where the grant is received in advance of performance its recognition is deferred and included in creditors; where entitlement occurs before the grant is received it is accrued to debtors. Member subscriptions, season tickets, corporate memberships and Patron membership are accounted for in the period when received and are not refundable if membership is cancelled. Kew treats the membership schemes on the same basis as a gift/donation as it supports the work of Kew, with access being a by-product rather than a right to services or benefits.

Income is allocated to Restricted Income when it is given by the donor or grant maker for specific purposes. Admissions income and education charges are recognised upon the visit date. Retail income is recognised upon the sale of the goods. Corporate membership, sponsorship, catering contracts and licensing income is recognised evenly over the period to which it relates. Concerts, events, venue hire and other income from third parties are recognised in the period to which they relate.

### Charitable activities – Income from government grants

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

### Gifts in kind

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

## Donated services

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

## Investment income

Investment income comprises interest receivable from cash at bank and short-term deposits, income from investments held in the Churches, Charities and Local Authorities Investment Fund, and Cazenove Investment Fund, and income relating to investment properties. Investments also includes nine properties that are now being commercially let.

## Expenditure

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

## Expense allocation

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

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

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

## Assets

### Heritage assets

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

### Land and buildings

The Board of Trustees does not hold title to the land and buildings used by RBG Kew, except for the Wellcome Trust Millennium Building and the land it is situated on, and the adjacent Havelock Farm, which was acquired in 2012–13. The remaining land and buildings are owned by the Crown at Kew Gardens and by the National Trust at Wakehurst. As required by FRS102, existing buildings used for fundraising,

administration or accommodation purposes plus land and the Wellcome Trust Millennium Building were valued and capitalised on the Balance Sheet at 31 March 2001 (Notes 10 and 11). Subsequent additions are included initially at cost.

Land and buildings are revalued every five years by external professionally qualified valuers, on the basis of either open market value for existing use or depreciated replacement cost. Professional revaluations were carried out during 2001–02, 2006–07, 2011–12, 2016–17 and 2021–22. Up until 2018–19, in between professional revaluations, values have been updated using indices provided by the professional valuers. For the 2019–20, 2020–21 and 2022–23 accounts, in light of additional uncertainty arising from COVID-19 and its potential impact on land and building asset values, desktop valuation exercises were undertaken by Kew's valuer. Revaluation gains are recognised in the SOFA under 'Revaluation of assets' unless they reverse a charge for impairment previously recognised as a cost within the expenditure headings of the SOFA. Revaluation losses are recognised as an expense in the relevant expenditure heading of the SOFA except to the extent they reverse any previous revaluation gains.

RBG Kew has not capitalised heritage buildings acquired before 2001–02. Under Charities SORP this is allowable where it is considered that the cost of obtaining valuations for other existing buildings would be onerous compared to the benefit to the readers of the Accounts. Expenditure on new heritage buildings over £5,000 is capitalised. Those buildings used for fundraising, administration, accommodation or other operational purposes have been capitalised as tangible fixed assets.

## Collections

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

Collections are unlikely to depreciate and are expected to have a life in excess of 50 years, so no depreciation is provided against them. Impairment reviews of these collections are undertaken on an annual basis.

## Other fixed assets

Other fixed assets are stated at their value to the business by reference to cost less depreciation.

## Depreciation

Capital items costing more than £5,000 are capitalised as fixed assets. Depreciation is provided on all fixed assets on a straight-line basis, except land and collections, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

**Buildings:** between 20 and 80 years

**Gardens equipment:** between 5 and 20 years

**Scientific and laboratory equipment:** over 10 years

**Computer and photographic equipment:** between 3 and 10 years

**Office equipment and motor vehicles (other):** over 5 years

A full month (or year in the case of buildings) of depreciation is charged in the month of disposal and none in the month of acquisition. The carrying value of tangible fixed assets is reviewed for impairment when events and/or changes in circumstances indicate the carrying value may not be recoverable.

## Assets in construction

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

## Research and development

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

## Intangible fixed assets

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

## Investments

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

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

Within Investments, RBG Kew recognises a share of the net assets of the Foundation and the Bentham-Moxon Trust as associates. RBG Kew's interest in the associate is determined by the proportion of the voting rights held by Kew of each of the charities. On recognition (and because there was no consideration involved), the interest in the associate

is accounted for as a gift and recognised as a share of the associate net assets in the Statement of Financial Activities. In subsequent years the carrying amount is adjusted to reflect RBG Kew's share of the net assets and the results of the associates. At the parent level, the cost model is applied and measurement is therefore nil in the parent balance sheet since this is not a directly controlled subsidiary.

### **Current assets and liabilities**

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

### **Net liquid resources**

Liquid resources comprise short-term cash deposits. Cash comprises cash at hand, in bank and short-term deposits. Short-term deposits are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. All cash is held in commercial banks and none with the Government Banking Service.

### **Reserves and funds**

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

### **Unrestricted general reserves**

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

### **Unrestricted capital revaluation reserve**

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

### **Unrestricted designated funds**

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

### **Restricted funds**

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

### **Endowment funds**

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

### **Other policies**

#### **Taxation**

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

#### **Leases**

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

#### **Pensions**

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

### **3. Grant-in-aid**

Grant-in-aid of £47.9m was received from Defra in 2022–23 to carry out its statutory functions as outlined in the Management Commentary (2021–22 £36.9m). Of this £25.9m is restricted to specific revenue and capital projects including scientific research (2021–22 £17.1m).

## 4. Grants and donations

	Unrestricted £m	Restricted £m	2022-23 £m	Unrestricted £m	Restricted £m	2021-22 £m
Income received from Kew Foundation	1.6	1.7	<b>3.3</b>	1.6	6.9	8.5
Fundraising	3.7	12.2	<b>15.9</b>	1.9	7.2	9.1
Other project income	0.1	7.0	<b>7.1</b>	0.1	4.9	5.0
EU project income	–	0.2	<b>0.2</b>	–	–	–
Grant for maintaining Wakehurst	–	0.1	<b>0.1</b>	–	0.1	0.1
	<b>5.4</b>	<b>21.2</b>	<b>26.6</b>	3.6	19.1	22.7

Grants and donations income includes £0.0m from the Players of People's Postcode Lottery towards research and conservation projects (2021–22: £0.2m).

## 5. Other trading activities

	2022-23 £m	2021-22 £m
Retailing	<b>6.1</b>	5.7
Commercial development (i)	<b>15.8</b>	14.3
Corporate membership and sponsorship	<b>1.0</b>	0.9
	<b>22.9</b>	20.9

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

## 6. Income from charitable activities

	Unrestricted £m	Restricted £m	2022-23 £m	Unrestricted £m	Restricted £m	2021-22 £m
Admissions	8.9	–	<b>8.9</b>	8.5	–	8.5
Memberships	8.2	–	<b>8.2</b>	8.3	–	8.3
Catering contracts	1.6	–	<b>1.6</b>	1.5	–	1.5
Education charges	0.8	–	<b>0.8</b>	0.5	–	0.5
Income from government grants	–	–	–	–	0.1	0.1
Other income from third parties	1.7	–	<b>1.7</b>	1.6	0.1	1.7
	<b>21.2</b>	–	<b>21.2</b>	20.4	0.2	20.6

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

## 7. Expenditure

	Staff costs £m	Dep'n and impair't £m	Other direct costs £m	Grant funding of activity £m	Support costs £m	Total 2022-23 £m
Raising funds – trading	3.6	–	9.2	–	–	<b>12.8</b>
Raising funds – fundraising	3.1	–	1.4	–	–	<b>4.5</b>
Research and conservation	21.9	4.5	5.3	3.9	21.9	<b>57.5</b>
Visitor activities	8.2	1.7	6.1	–	6.2	<b>22.2</b>
Support costs	9.7	–	18.4	–	(28.1)	–
	<b>46.5</b>	<b>6.2</b>	<b>40.4</b>	<b>3.9</b>	–	<b>97.0</b>

	Staff costs	Dep'n and impair't	Other direct costs	Grant funding of activity	Support costs	Total 2021-22
	£m	£m	£m	£m	£m	£m
Raising funds – trading	3.4	–	8.4	–	–	<b>11.8</b>
Raising funds – fundraising	2.9	–	1.3	–	–	<b>4.2</b>
Research and conservation	20.4	4.6	4.8	1.5	18.4	<b>49.7</b>
Visitor activities	7.6	1.2	5.4	–	5.2	<b>19.4</b>
Support costs	8.6	–	15.0	–	(23.6)	–
	<b>42.9</b>	<b>5.8</b>	<b>34.9</b>	<b>1.5</b>	<b>–</b>	<b>85.1</b>

Unrecovered VAT for the year of £1.7m has been charged against these accounts (2021–22 £0.9m). £106k (2021–22 £90k) was paid to the external auditors for audit fees. £83k (2021–23 £76k) was paid for the audit of RBG Kew, and £23k (2021–23 £14k) for the audit of RBG Kew Enterprises. No other fees were paid to the external auditors. Grant funding of activity are grants to institutions for botanic research and conservation projects. We have made grants to over 130 different institutions in the period. The institutions ranged from universities to other smaller organisations working to protect biodiversity and use natural resources sustainably. The largest grant was for £337k. No grants were made to individuals. Impairment losses of the year of £1.1m (2021–22 £1.1m) have been recognised due to changes in valuation.

## 8. Support costs

	Staff costs	Other direct costs	Total 2022–23
	£m	£m	£m
Estates and Capital Development	2.8	11.9	<b>14.7</b>
IT	2.5	1.9	<b>4.4</b>
HR	1.3	0.6	<b>1.9</b>
Finance	1.1	0.1	<b>1.2</b>
Governance	0.3	0.1	<b>0.4</b>
Other support	1.7	3.8	<b>5.5</b>
	<b>9.7</b>	<b>18.4</b>	<b>28.1</b>

Other direct support costs include losses on disposals of fixed assets, which were £1.6m in 2022–23 (2021–22: £0.6m).

	Staff costs	Other direct costs	Total 2021–22
	£m	£m	£m
Estates and Capital Development	2.7	11.1	<b>13.8</b>
IT	2.2	1.8	<b>4.0</b>
HR	1.2	0.6	<b>1.8</b>
Finance	1.1	–	<b>1.1</b>
Governance	0.2	0.2	<b>0.4</b>
Other support	1.2	1.3	<b>2.5</b>
	<b>8.6</b>	<b>15.0</b>	<b>23.6</b>

## 9. Staff costs and trustees' emoluments

### a) Employees with earnings above £60,000

	2022-23	2021-22
£60,000 – 69,999	29	18
£70,000 – 79,999	18	11
£80,000 – 89,999	9	4
£90,000 – 99,999	2	–
£100,000 – 109,999	1	1
£110,000 – 119,999	1	2
£120,000 – 129,999	1	1
£130,000 – 139,999	2	2
£140,000 – 149,999	1	–
£150,000 – 159,999	1	1
£190,000 – 199,999	1	1
	<b>66</b>	<b>41</b>

Based on headcount and not FTE. Details of senior staff remuneration can be found in the Remuneration Report. The increase in employees earning above £60,000 reflects the pay award in 2022-23 (there was no award in 2021-22 or 2020-21).

### b) Staff salaries and social security

	2022-23	2021-22
	£m	£m
Salaries	36.3	32.5
Social security costs	3.8	3.1
Pension costs	6.3	6.3
Redundancy and severance costs	0.2	(0.2)
<b>Total staff costs</b>	<b>46.6</b>	<b>41.7</b>
Agency staff costs	3.1	3.1
Capitalised salary and related costs	(3.2)	(1.9)
<b>Net employee costs</b>	<b>46.5</b>	<b>42.9</b>

£1.6m salary and social security costs (2021-22: £0.4m) and £0.2m pension costs (2021-22: £0.0m) have been capitalised within Non-Current Assets. There are £1.4m (2021-22: £1.5m) of agency staff costs which have also been capitalised. Redundancy costs are provided for when formal notice has been given or a detailed formal plan is in place in relation to a restructure. Redundancy costs are also provided for those employed on fixed-term contracts of more than two years.

### c) Reporting of compensation schemes – voluntary exit packages

	Total number of voluntary exit packages	
Number of employees at:	2022-23	2021-22
Less than £10,000	9	6
£10,000 to £24,999	8	7
£25,000 to £49,999	2	3
£50,000 to £100,000	–	–
<b>Total number of exit packages</b>	<b>19</b>	<b>16</b>
<b>Total resource cost (£m)</b>	<b>0.2</b>	<b>0.2</b>

During the year there was a total of one compulsory exit package in the £0-£10,000 bracket and two in the £10,000-£24,999 bracket.

During 2021-22 there was a total of one compulsory exit package in the less than £10,000 bracket.

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

	Average monthly FTE	
Function	2022-23	2021-22
Research and conservation	591	514
Visitor activities	167	158
Support services and Estates management	164	159
RBG Kew Enterprises Limited – Commercial	90	87
RBG Kew Enterprises Limited – Fundraising	59	57
<b>Total (FTE)</b>	<b>1,071</b>	<b>975</b>

The number of employees includes 19 agency staff for 2022-23 (2021-22: 17). There have been the equivalent costs of 54 full-time employees capitalised within Non-Current Assets this year (2021-22: 8 employees).

Staff turnover for the year was 13.1% (2021-22: 14.8%). This excludes employees on fixed-term contracts.

### e) Trustees' remuneration

Trustees do not receive any remuneration for their services. Travel and subsistence expenses of five Trustees (six in 2021-22) amounting to £5,721 (£2,717 in 2021-22) have been charged at cost as part of other direct costs.

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

	Software	Intangible assets under construction	Total intangible assets	Buildings	Gardens equipment	IT equipment	Other	Assets under construction – buildings	Total tangible assets
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Cost/Valuation	Cost	Cost		Valuation	Cost	Cost	Cost	Cost	
At 1 April 2021 (Restated)	6.5	3.6	<b>10.1</b>	50.5	5.3	2.8	12.4	0.7	<b>71.7</b>
Additions	–	8.5	<b>8.5</b>	0.5	0.1	0.8	1.7	1.9	<b>5.0</b>
Reclassification	–	–	–	–	–	–	–	0.4	<b>0.4</b>
Disposals	(0.1)	–	<b>(0.1)</b>	(0.5)	(0.1)	–	(0.5)	–	<b>(1.1)</b>
Transfers	3.9	(3.9)	–	0.4	–	–	0.6	(1.0)	–
Revaluation	–	–	–	1.7	–	–	–	–	<b>1.7</b>
<b>At 31 March 2022</b>	<b>10.3</b>	<b>8.2</b>	<b>18.5</b>	<b>52.6</b>	<b>5.3</b>	<b>3.6</b>	<b>14.2</b>	<b>2.0</b>	<b>77.7</b>
<b>Amortisation / Depreciation and Impairment</b>									
At 1 April 2022	6.5	–	<b>6.5</b>	0.4	3.9	2.2	6.6	–	<b>13.1</b>
Charge for the year	–	–	–	1.1	0.3	0.3	1.1	–	<b>2.8</b>
Impairment	–	–	–	0.6	–	–	–	–	<b>0.6</b>
Disposals	(0.1)	–	<b>(0.1)</b>	–	(0.1)	–	(0.5)	–	<b>(0.6)</b>
Transfers	–	–	–	–	–	–	–	–	–
Revaluation	–	–	–	(1.5)	–	–	–	–	<b>(1.5)</b>
<b>At 31 March 2023</b>	<b>6.4</b>	<b>–</b>	<b>6.4</b>	<b>0.6</b>	<b>4.1</b>	<b>2.5</b>	<b>7.2</b>	<b>–</b>	<b>14.4</b>
<b>Net book value</b>									
<b>At 31 March 2023</b>	<b>3.9</b>	<b>8.2</b>	<b>12.1</b>	<b>52.0</b>	<b>1.2</b>	<b>1.1</b>	<b>7.0</b>	<b>2.0</b>	<b>63.3</b>
At 31 March 2022	0.0	3.6	3.6	50.1	1.4	0.6	5.8	0.7	58.6

The valuations of the buildings were carried out by Montagu Evans in March 2022. The assets were valued at 31 March 2022 using Open Market Value on an Existing Use basis or, if no market exists for a property, which may be rarely sold or is a specialised asset, then the depreciated replacement cost approach was used. Valuations were prepared in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual. For the 2022–23 accounts, desktop valuations were undertaken by Montagu Evans and asset values updated according to this valuation.



## 11. Heritage assets Royal Botanic Gardens, Kew and Consolidated

	Land	Heritage buildings	Heritage buildings – operational	Collections	Assets under construction – other	Total
	£m	£m	£m	£m	£m	£m
<b>Valuation</b>						
At 1 April 2022	43.3	91.4	34.9	0.3	4.0	<b>173.9</b>
Additions	–	1.8	–	–	5.2	<b>7.0</b>
Reclassification	–	–	–	–	(0.4)	<b>(0.4)</b>
Disposals	–	(0.8)	–	–	(0.4)	<b>(1.2)</b>
Transfers	–	2.3	–	–	(2.3)	–
Revaluation	6.5	6.0	3.3	–	–	<b>15.8</b>
<b>At 31 March 2023</b>	<b>49.8</b>	<b>100.7</b>	<b>38.2</b>	<b>0.3</b>	<b>6.1</b>	<b>195.1</b>
<b>Depreciation and Impairment</b>						
At 1 April 2022	–	0.7	–	–	–	<b>0.7</b>
Charge for the year	–	1.7	0.6	–	–	<b>2.3</b>
Impairment	–	0.5	–	–	–	<b>0.5</b>
Disposals	–	–	–	–	–	–
Revaluation	–	(2.4)	(0.6)	–	–	<b>(3.0)</b>
<b>At 31 March 2023</b>	<b>–</b>	<b>0.5</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.5</b>
<b>Net book value</b>						
<b>At 31 March 2023</b>	<b>49.8</b>	<b>100.2</b>	<b>38.2</b>	<b>0.3</b>	<b>6.1</b>	<b>194.6</b>
At 31 March 2022	43.3	90.7	34.9	0.3	4.0	173.2

The valuations of the land and buildings were carried out by Montagu Evans in March 2022. The assets were valued at 31 March 2022 using the depreciated replacement cost approach. Valuations were prepared in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual. For the 2022–23 accounts, desktop valuations were undertaken by Montagu Evans (all other land and buildings) and asset values were updated according to this valuation. All heritage asset categories have been revalued with the exception of Collections.

Heritage assets are held primarily for their contribution to knowledge and culture. Those with some operational use (fundraising, administration or accommodation purposes) have been classified as operational heritage assets. Assets solely used for operational purposes, have been treated as tangible fixed assets (Note 10). Assets valued are as set out in the following table.

	Number of buildings valued	Valuation method	Note
Buildings which are not heritage assets	<b>37</b>	Existing Use, Market Value and Depreciated Replacement Cost	10
Heritage assets with some operational use	<b>6</b>	Depreciated Replacement Cost	11
Heritage assets with insignificant/no operational use	<b>16</b>	Depreciated Replacement Cost	11

The Kew Gardens site of 132 hectares is a Grade I historic landscape and a UNESCO World Heritage Site. The Wakehurst site of 202 hectares is in an Area of Outstanding Natural Beauty. The land in relation to both sites has been valued using amenity (or agricultural) land values. RBG Kew manages over 300 buildings on the Kew Gardens and Wakehurst sites. As explained in Note 2, RBG Kew has not capitalised heritage buildings acquired before 2001–02 as the cost of obtaining valuations for these existing buildings would be onerous compared to the benefit. Of the five heritage assets that are Grade I listed – the Orangery, Pagoda, Palm House, Temperate House and Wakehurst Mansion, the Orangery and Temperate House have been capitalised. There are also 37 Grade II listed buildings, of which 20 have been capitalised. The age of the buildings ranges from the 19th century through to the 21st century. Where significant refurbishment work is undertaken in relation to these assets, or they are brought into operational use, the asset is capitalised and valued by professional valuers.

In addition, RBG Kew's collections have not been capitalised, as allowed by section 34 FRS102.

In 2022–23 £2.3m of estates capital work in progress was transferred to heritage building assets (2021–22 £3.5m). RBG Kew occupies Crown land and buildings and does not currently have express obligations to undertake, and hence provide, for ongoing or accumulated maintenance for that land and buildings. Maintenance is undertaken and paid for in cooperation with Defra. RBG Kew has a ten year Forward Maintenance Programme for its estate. Funds available for maintenance are prioritised by the Executive Board to the most urgent needs.

All new land and buildings above the capitalisation threshold have been included in the balance sheet since April 2001 and transactions over the last five years are summarised below (this excludes Collections held as Heritage Assets).

	2018–19	2019–20	2020–21	2021–22 Restated	2022–23
	£m	£m	£m	£m	£m
<b>Valuation</b>					
At 1 April	204.4	222.4	208.6	156.6	173.6
Cost of additions funded by Government Grants	8.1	3.5	2.1	1.9	5.8
Cost of additions funded by other sources	3.3	0.8	3.6	1.4	1.2
Disposals transfers	(0.3)	(1.1)	(3.8)	(0.7)	(1.6)
Revaluations	8.8	(17.0)	(9.1)	14.4	15.8
Transfers	(1.9)	–	(44.8)	–	–
<b>At 31 March</b>	<b>222.4</b>	<b>208.6</b>	<b>156.6</b>	<b>173.6</b>	<b>194.8</b>

The 2021–22 figures have been restated to exclude impairment, which does not form part of the valuation.

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

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

There is extensive information about Kew's collections available at [kew.org/science/collections-and-resources](http://kew.org/science/collections-and-resources) and a brief summary for each of the main areas follows:

- The Herbarium and Fungarium collections total approximately 8.25 million specimens. They are actively managed by the scientists at Kew and are added to each year from collecting expeditions by Kew staff and other institutions.
- The Economic Botany collections are fully catalogued and consist of approximately 100,000 items added to annually with items from all around the world. All the collections are available for inspection and there is also a display of items for the general public in the Botanical Restaurant in the Gardens.
- The Library and Archives collections consist of over 7.5 million items, with material dating from the 14th century to the present. Together they represent one of the most important botanical reference sources in the world. The Library Reading Room is open to the public and parts of the collection are on show to the public in changing displays in the Reading Room and the Shirley Sherwood Gallery of Botanical Art and the permanent display in the Marianne North Gallery.
- The Herbarium, Economic Botany and Library and Archives collections are being made available via ongoing digitisation projects to wider audiences and are accessible through the internet.

- The Living collections are fully catalogued and managed by the horticulturists at Kew Gardens and Wakehurst. They provide a reference source for all botanical and horticultural science within Kew, with over 62,000 accessions representing over 25,000 taxa and over 18,000 species.
- Kew's Millennium Seed Bank at Wakehurst is the result of one of Kew's most successful projects and holds Kew's Seed collection of almost 99,000 samples representing 350 families and just over 40,000 species, made up of 2.45 billion seeds.
- The Microscope Slide collections total about 150,000 items, prepared by Kew's scientists as part of their research leading to publications and as part of their identification work, including advisory work for UK Customs.
- The DNA and Tissue Bank contains about 60,000 samples representing nearly all families (507 families), and over half the genera (around 7,100) of flowering plants. The composition of the collection reflects studies carried out at Kew over the last 24 years.

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

	2019-20	2020-21	2021-22	2022-23
Herbarium collections	22,513	4,231	8,654	<b>10,408</b>
Fungarium collections	2,204	313	582	<b>2,184</b>
Economic Botany collections	738	30	6	<b>181</b>
Library and Archives collections	9,926	3,765	2,384	<b>5,696</b>
Living collections	1,426	609	561	<b>2,031</b>
Seed collections	3,434	927	985	<b>1,159</b>
Microscope Slide collections	263	0	0	<b>0</b>
DNA and Tissue Bank	1,994	0	126	<b>3,106</b>

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

## 12. Investments

	Royal Botanic Gardens, Kew			Consolidated				
	Investments	Investment properties	Total	Investments	Investment properties	Share of net assets of associates – Bentham Moxon Trust	Share of net assets of associates – Foundation	Total
	£m	£m	£m	£m	£m	£m	£m	£m
At 1 April 2022	0.8	7.6	<b>8.4</b>	0.5	7.6	3.7	6.2	<b>18.0</b>
Additions	4.0	–	<b>4.0</b>	4.0	–	–	–	<b>4.0</b>
Revaluation	–	0.8	<b>0.8</b>	–	0.8	–	–	<b>0.8</b>
Gains/(losses)	–	–	–	–	–	–	–	–
Share of associates results	–	–	–	–	–	(0.4)	0.7	<b>0.3</b>
<b>At 31 March 2023</b>	<b>4.8</b>	<b>8.4</b>	<b>13.2</b>	<b>4.5</b>	<b>8.4</b>	<b>3.3</b>	<b>6.9</b>	<b>23.1</b>

Investments includes 9 properties that are now being commercially let (2021–22: 9). The properties have been revalued by Montagu Evans in March 2022. The properties were valued at 31 March 2022 using Open Market Value or where no market exists on an Existing Use basis. There are no restrictions on RBG Kew's ability to realise income in relation to these properties or obligations for maintenance or enhancements. Investment in Group entity RBG Kew Enterprises Limited is £0.3m (2021–22: £0.3m) and is eliminated on consolidation. During the year £4.0m was invested in a multi-asset fund with Cazenove; there was £0.1m income and £0.0m expenditure relating to this fund.

Investments at 31 March are analysed as follows:

	Royal Botanic Gardens, Kew		Consolidated		Consolidated Investments at fair value comprise	2023
	2023	2022	2023	2022		
	£m	£m	£m	£m		£m
RBG Kew Enterprises Limited	<b>0.3</b>	0.3	–	–		
CCLA Investment Fund	<b>0.5</b>	0.5	<b>0.5</b>	0.5	Bonds	<b>0.3</b>
Cazenove investment portfolio	<b>4.0</b>	–	<b>4.0</b>	–	Liquidity funds (including cash and cash equivalents)	<b>0.7</b>
Investment properties	<b>8.4</b>	7.6	<b>8.4</b>	7.6	Charity Multi Asset Funds	<b>3.5</b>
Share of net assets of associates			<b>10.2</b>	9.9		<b>4.5</b>
	<b>13.2</b>	8.4	<b>23.1</b>	18.0		

### 13. Debtors

	Royal Botanic Gardens, Kew		Consolidated	
	2023	2022	2023	2022
	£m	£m	£m	£m
Trade debtors	1.5	0.9	2.1	1.8
Prepayments and accrued income	5.8	3.9	7.3	5.3
Owed by subsidiary	7.2	5.8	–	–
Owed by the Foundation	0.2	3.6	0.2	3.6
VAT (HM Revenue & Customs)	1.1	1.3	1.1	1.3
Other	0.1	0.1	0.1	–
<b>Total Debtors</b>	<b>15.9</b>	15.6	<b>10.8</b>	12.0
<b>Intra-government bodies:</b>				
Balances with central government bodies	3.7	2.9	3.7	2.9
Balances with local authorities	–	–	–	–
Balances with public corporations	–	–	–	–
Balances with bodies external to government	12.2	12.7	7.1	9.1
<b>Total Debtors</b>	<b>15.9</b>	15.6	<b>10.8</b>	12.0

### 14. Creditors: Amounts falling due within one year

	Royal Botanic Gardens, Kew		Consolidated	
	2023	2022	2023	2022
	£m	£m	£m	£m
Trade creditors	1.1	1.5	2.0	1.8
Accruals and Deferred Income	9.2	7.8	12.3	11.8
Owed to subsidiary	–	–	–	–
Other	1.1	1.2	1.4	1.4
Tax and NI	1.1	0.7	1.1	0.7
Pension	0.6	0.5	0.6	0.5
<b>Total Creditors</b>	<b>13.1</b>	11.7	<b>17.4</b>	16.2
<b>Intra-government Bodies:</b>				
Balances with central government bodies	–	1.2	–	1.2
Balances with local authorities	–	–	–	–
Balances with public corporations	–	–	–	–
Balances with bodies external to government	13.1	10.5	17.4	15.0
<b>Total Creditors</b>	<b>13.1</b>	11.7	<b>17.4</b>	16.2

Deferred income relates to income where the activity being funded has not taken place by 31 March in any year and the performance conditions are not yet met. At 31 March 2022 deferred income was £5.3m. During 2022–23 £11.4m was deferred in the year and £12.3m released. At 31 March 2023 deferred income was £4.4m.

Creditors includes provisions of £1.1m (2021–22: £1.1m) primarily relating to potential exit costs for qualifying staff on fixed-term contracts should redeployment not be possible at the end of the contract.

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

	Royal Botanic Gardens, Kew		Consolidated	
	2023	2022	2023	2022
	£m	£m	£m	£m
Loan	0.2	0.3	0.2	0.3
<b>Intra-government bodies:</b>				
Balances with central govt. bodies	0.2	0.3	0.2	0.3

In 2015–16 RBG Kew borrowed £0.5m from Defra as part of the government voted loan scheme to refurbish two of its residential properties for commercial letting. The interest rate is the National Loans Fund interest rate and was fixed at 1.78%. The loan will be repaid over 12 years from the rental income generated with instalments repaid annually.

## 16. Trading subsidiary

The subsidiary undertaking is as follows:

### Name

RBG Kew Enterprises Limited

### Registered in

England and Wales Company Number 2798886

### Registered address

Royal Botanic Gardens, Kew, Richmond TW9 3AB

### Activity

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

### Proportion of shares held

Ordinary and Redeemable shares 100%

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

	2022–23	2021–22
	£m	£m
Activities for generating funds – trading	21.9	20.0
Activities for generating funds – fundraising	1.0	0.9
Costs of generating funds – trading	(12.8)	(11.8)
Costs of generating funds – fundraising	(4.5)	(4.2)
<b>Net surplus</b>	<b>5.6</b>	4.9
Add back consolidation adjustments (intercompany expenditure / income)	2.5	3.2
<b>Net surplus excluding adjustments</b>	<b>8.1</b>	8.1
Gift Aid payable to Kew	(8.1)	(8.1)
<b>Retained in the subsidiary</b>	<b>–</b>	–
<b>Balance Sheet</b>		
Current assets	15.4	14.5
Current liabilities	(15.1)	(14.2)
	0.3	0.3
<b>Share capital and reserves</b>	<b>0.3</b>	0.3

## 17. Share of associates

	Bentham-Moxon Trust	Foundation	2022–23 Total £m	Bentham-Moxon Trust	Foundation	2021–22 Total £m
<b>At 1 April</b>	3.7	6.2	9.9	3.2	9.5	12.7
Share of associates' results – surplus	–	0.7	0.7	0.5	–	0.5
Share of associates' results – deficit	(0.4)	–	(0.4)	–	(1.7)	(1.7)
Movement from decreased percentage of voting rights	–	–	–	–	(1.6)	(1.6)
<b>At 31 March</b>	<b>3.3</b>	<b>6.9</b>	<b>10.2</b>	3.7	6.2	9.9

RBG Kew recognises a share of the net assets of Bentham-Moxon Trust and the Foundation based on the percentage of voting rights of these charities' Boards of Trustees able to be held by Kew trustees or Kew staff per Note 2 – basis of consolidation.

The Foundation has a year-end of 31 March and net assets are included as at 31 March 2023. The share of the Foundation's results included in the accounts is £0.7m.

The Bentham-Moxon Trust has a year-end of 31 December, and a share of net assets as at 31 December 2022 and 31 December 2021 are consolidated in these accounts, the difference to 31 March 2022 and 31 March 2023 being considered immaterial.

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

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

Bentham-Moxon Trust	2022-23 £m	2021-22 £m
Investment income	0.1	0.1
Botanical grants and research expenses	(0.1)	-
Net gains / (losses) on investments	(0.4)	0.4
<b>Net income</b>	<b>(0.4)</b>	<b>0.5</b>

Kew Foundation	2022-23 £m	2021-22 £m
Donations and legacy income	1.8	1.1
Investment income	-	-
Expenditure on raising funds	(0.1)	(0.1)
Charitable expenditure	(1.0)	(2.8)
Net gains / (losses) on investments	(0.3)	0.1
<b>Net expenditure</b>	<b>0.4</b>	<b>(1.7)</b>
Adjustment for 2021-22 income	0.3	-
<b>Net income</b>	<b>0.7</b>	<b>(1.7)</b>

The adjustment for 2021-22 income reflects the late adjustment in the Foundation Charity for legacy income.

## 18. Statement of funds: Consolidated

	2022-23					At 31 March 2023 £m
	At 1 April 2022	Income £m	Expenditure £m	Revaluation £m	Transfers £m	
<b>Unrestricted</b>						
General – other	6.7	68.3	(68.1)	-	-	6.9
General – capital	28.0	2.7	(1.2)	-	-	29.5
Capital Revaluation Reserve	123.1	-	(1.9)	22.1	-	143.3
Investment properties	7.2	-	-	0.8	0.4	8.4
Unrestricted – Designated	-	-	-	-	-	-
Future capital and projects	13.0	0.9	-	-	(0.4)	13.5
<b>Total Unrestricted</b>	<b>178.0</b>	<b>71.9</b>	<b>(71.2)</b>	<b>22.9</b>	<b>-</b>	<b>201.6</b>
<b>Restricted</b>						
Restricted – capital	84.3	17.8	(4.8)	-	-	97.3
Donations	1.1	-	-	-	-	1.1
National Lottery Community Fund	-	-	-	-	-	-
Projects	14.5	29.3	(21.0)	-	-	22.8
Share of associates	9.9	0.7	(0.4)	-	-	10.2
<b>Total Restricted</b>	<b>109.8</b>	<b>47.8</b>	<b>(26.2)</b>	<b>-</b>	<b>-</b>	<b>131.4</b>
<b>Endowment</b>						
Scott-Marshall	0.3	-	-	-	-	0.3
Robin Spare Book Fund*	0.0	-	-	-	-	0.0
<b>Total Endowment</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.3</b>
<b>Total Reserves</b>	<b>288.1</b>	<b>119.7</b>	<b>(97.4)</b>	<b>22.9</b>	<b>-</b>	<b>333.3</b>

\*Balance on this fund is less than £50,000

## 2021–22

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

RBG Kew total reserves of £323.1m (2021–22: £278.2m) exclude share of associates of £10.2m (2021–22: £9.9m) in the tables above.

## Unrestricted General Reserves

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

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

Investment properties includes nine properties that are commercially let. The reserve includes the revaluation of these properties.

## Unrestricted – Designated Funds

These are unrestricted funds which have been set aside by the Trustees for particular purposes, for example future expenditure on capital and other projects as approved by the Board of Trustees.

## Restricted Funds

These are funds which have been given to Kew for specific purposes by donors. The addition to restricted capital funds reflects restricted grants received during the year for capital expenditure. Expenditure reflects the depreciation of those assets and any loss on disposal for the year.

The Donations fund represents money given mainly by members of the public for specific purposes ranging from

the purchase of books for the Library to money to support different parts of the gardens. There are 7 different accounts within Donations (2021–22: 7).

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

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

## Endowment Funds

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

## 19. Analysis of net assets between funds

2022-23

	Unrestricted	Restricted	Endowment	Total
	£m	£m	£m	£m
General – Other	20.4	23.9	0.3	44.6
General – Capital	29.5	97.3	–	126.8
Revaluation Reserve	151.7	–	–	151.7
Share of net assets of associates	–	10.2	–	10.2
	<b>201.6</b>	<b>131.4</b>	<b>0.3</b>	<b>333.3</b>

2021-22

	Unrestricted Restated	Restricted Restated	Endowment	Total
	£m	£m	£m	£m
General – Other	19.7	15.6	0.3	35.6
General – Capital	28.0	84.3	–	112.3
Revaluation Reserve	130.3	–	–	130.3
Share of net assets of associates	–	9.9	–	9.9
	<b>178.0</b>	<b>109.8</b>	<b>0.3</b>	<b>288.1</b>

## 20. Analysis of funds

2022-23

	Unrestricted	Restricted	Endowment	Total
	£m	£m	£m	£m
<b>Reserves balances at 31 March are represented by:</b>				
Fixed Assets	171.6	98.4	–	270.0
Investments	12.4	10.4	0.3	23.1
Current Assets	31.6	26.2	–	57.8
Creditors – less than 1 year	(14.0)	(3.4)	–	(17.4)
Creditors – more than 1 year	–	(0.2)	–	(0.2)
	<b>201.6</b>	<b>131.4</b>	<b>0.3</b>	<b>333.3</b>

2021-22

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



## 21. Pension costs

Many staff of RBG Kew are members of the Civil Servant and Other Pension Scheme (CSOPS) or the Principal Civil Service Pension Scheme (PCSPS). PCSPS and CSOPS, known as 'alpha', are an unfunded multi-employer defined benefit scheme, but RBG Kew is unable to identify its share of the underlying assets and liabilities. As a result, RBG Kew does not recognise liabilities associated with its share, and accounts for costs in line with accruing employer contributions due. The scheme actuary valued the PCSPS as at 31 March 2016. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation.

For 2022–23, employers' contributions of £4.8m were payable to the PCSPS/ CSOPS (2021–22 £5.3m) at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands, with employee contributions between 4.6% and 8.05%, dependent on earnings. 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 2022–23 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £0.1m (2021–22 £0.1m) were paid to one of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and ranged from 8% to 14.75%. RBG Kew matches employee contributions of up to 3% of pensionable earnings.

From 1 October 2019 the majority of RBG Kew's new entrants are enrolled in a new defined contribution scheme, with employer contributions of 8%. RBG Kew also matches employee contributions of up to 2% of pensionable earnings. It made pension contributions of £0.9m (2021–22: £0.5m) and 640 staff were members of this scheme as at 31 March 2023 (2022: 312).

RBG Kew Enterprises Limited operates a Group Personal Pension Plan for its employees, which is a defined contribution scheme. It made pension contributions of £0.5m to this scheme during the year (£0.4m in 2021–22). 221 staff were members of the defined contribution scheme as at 31 March 2023.

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

## 22. Commitments

At 31 March 2023 there were major financial commitments in relation to capital development expenditure of £5.7m (2022: £3.5m). The amount payable within one year is £5.7m (2022: £3.5m).

## 23. Connected charities and other related party transactions

RBG Kew has dealings with the Defra and its sponsored bodies, and other Government Departments and their sponsored bodies, and receives Grant-in-aid from Defra.

## Connected charities

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

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

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

The Foundation made grants to RBG Kew in the year totalling £3.3 million (£8.5 million in 2021–22).

RBG Kew Enterprises made charges for fundraising services to the Foundation totalling £0.2 million (2021–22: £0.2 million); RBG Kew made charges for back-office support services to the Foundation totalling £0.00 million (£0.00 million in 2021–22).

There are a maximum of six Trustees on the Foundation Board; two Trustees can be appointed by RBG Kew and up to four Trustees are independent. The basis of consolidation is the number of Trustees who can be appointed by RBG Kew (up to two Trustees) as a proportion of the total number of Trustees which Kew can appoint plus the total number of actual independent Trustees (two plus four Trustees – six Trustees in total), which was 33% at 31 March 2023 (2022 33%).

Jantiene Klein Roseboom van der Veer served as a Trustee for both organisations from July 2021. Nick Baird served as a Trustee for both organisations until his resignation from the RBG Kew Board in October 2021 and now serves as one of four independent Trustees for the Foundation. No control of the Foundation by RBG Kew is indicated at 31 March 2023.

The Bentham-Moxon Trust is a separate registered charity (registration no. 305966) which provides financial support for botanical collections and research and publications that further the work of Kew. Three members of staff are Trustees (Colin Clubbe. Until 31 March 2023 Tim Utteridge and Diane Scott) were appointed by the Director (50%) along with three external Trustees. The Trust makes annual grants to Kew and can make grants to non-related parties and organisations.

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

During the year RBG Kew received £0.1 million (£0.1 million in 2021 to 2022) from the Bentham-Moxon Trust.

In addition to the material associates, there are a number of other charitable organisations with which RBG Kew has a relationship. RBG Kew also has the right to appoint three Trustees to the Castle Howard Arboretum Trust and one Trustee to the Markshall Estate; these are not deemed to be associates as there is no benefit to RBG Kew from these associations and RBG Kew does not have significant influence. The Kew Asia Foundation, incorporated in Hong Kong, was dissolved in July 2021.

### **Other related party transactions**

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

Dame Amelia Fawcett, Chair of the Trustees, is on the Board of Governors for the Wellcome Trust. In 2022–23 expenditure incurred by RBG Kew was £0 (2021–22 £2,000) and income received from the Wellcome Trust was £121,000 (2021–22 £0).

Judith Batchelar, Trustee, is Deputy Chair for the Environment Agency. In 2022–23 expenditure incurred by RBG Kew was £12,000 (2021–22 £11,000) and income received from the Environment Agency was £0 (2021–22 £0). Judith Batchelar is also a Council Member for NERC. In 2022–23 expenditure incurred by RBG Kew was £72,000 (2021–22 £0) and income received from NERC was £96,000 (2021–22 £222,000).

Professor Christopher Gilligan is a Board Member of the James Hutton Institute. In 2022–23 expenditure incurred by RBG Kew was £4,000 (2021–22 £4,000) and income received from the James Hutton Institute was £0 (2021–22 £0). Professor Christopher Gilligan is also Director of Research for the University of Cambridge. In 2022–23 expenditure incurred by RBG Kew was £0 (2021–22 £0) and income received from the University of Cambridge was £1,000 (2021–22 £0).

Professor Ian Graham is an employee of the University of York. In 2022–23 expenditure incurred by RBG Kew was £24,000 (2021–22 £0) and income received from the University of York was £0 (2021–22 £16,000). Professor Ian Graham is Director for BBSRC High Value Biorenewables NIBB. In 2022–23 expenditure incurred by RBG Kew was £0 (2021–22 £0) and income received from High Value Biorenewables was £26,000 (2021–22 £0). Professor Ian Graham is also a member of various panels for the Royal Society. In 2022–23 expenditure incurred by RBG Kew was £18,000 (2021–22 £0) and income received from the Royal Society was £124,000 (2021–22 £0).

Kate Priestman, Trustee, was Senior Vice President for Strategy, Portfolio and Operations at GlaxoSmithKline (GSK) and Director for GSK Intellectual Property Companies until 28 February 2023. In 2022–23 expenditure incurred by RBG Kew was £0 (2021–22 £0) and income received from GSK was £36,000 (2021–22 £112,000).

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

## **24. Financial instruments**

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

## **25. Events after the reporting date**

These financial statements were authorised by the Accounting Officer for issue on the same date as they were certified by the Comptroller and Auditor General. There were no events after the reporting date.

## **26. Losses and special payments**

Losses and special payments during the year totalled £0.1m (2021–22 £0.0m). This covers bad debt provisions and stock losses.

## Annex

### Royal Botanic Gardens, Kew five-year consolidated financial summary

#### Statement of Financial Activities

	2018-19 £m	2019-20 £m	2020-21 £m	2021-22 £m	2022-23 £m
<b>Income</b>					
Grant-in-aid	36.3	32.0	35.2	36.9	47.9
Grants and donations – RBG Kew	19.5	18.8	15.3	22.7	26.6
Grants and donations – gain from increased/ (decreased) share of net assets of associates	–	–	–	–	–
Income from activities	37.1	42.9	30.0	41.5	44.1
Investment income	0.1	0.2	–	–	0.4
Share of associates' results	–	0.4	0.2	0.5	0.7
<b>Total income</b>	<b>93.0</b>	<b>94.3</b>	<b>80.7</b>	<b>101.6</b>	<b>119.7</b>
<b>Expenditure</b>					
Charitable expenditure	66.9	70.5	66.9	69.1	79.7
Raising funds – trading / fundraising	12.8	15.1	10.8	16.0	17.3
Share of associates' results	0.4	1.2	–	3.3	0.4
<b>Total expenditure</b>	<b>80.1</b>	<b>86.8</b>	<b>77.7</b>	<b>88.4</b>	<b>97.4</b>
<b>Net income</b>	<b>12.9</b>	<b>7.5</b>	<b>3.0</b>	<b>13.2</b>	<b>22.3</b>
Revaluation of investments and fixed assets	8.9	(10.5)	(4.8)	20.1	22.9
<b>Net movement in funds</b>	<b>21.8</b>	<b>(3.0)</b>	<b>(1.8)</b>	<b>33.3</b>	<b>45.2</b>
Funds at 1 April	237.8	259.6	256.6	254.8	288.1
<b>Funds at 31 March</b>	<b>259.6</b>	<b>256.6</b>	<b>254.8</b>	<b>288.1</b>	<b>333.3</b>

#### Summary Balance Sheet

At 31 March	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m
Fixed assets	243.4	234.2	228.7	253.4	293.1
Current assets	33.1	38.1	45.0	51.2	57.8
Creditors	(16.9)	(15.7)	(18.9)	(16.5)	(17.6)
<b>Total assets less liabilities</b>	<b>259.6</b>	<b>256.6</b>	<b>254.8</b>	<b>288.1</b>	<b>333.3</b>
Unrestricted	170.2	157.9	155.0	178.0	201.6
Restricted	89.2	98.5	99.5	109.8	131.4
Endowment	0.2	0.2	0.3	0.3	0.3
<b>Total funds</b>	<b>259.6</b>	<b>256.6</b>	<b>254.8</b>	<b>288.1</b>	<b>333.3</b>

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E02941048

ISBN 978-1-5286-4316-0