

Kew

PLANTS PEOPLE
POSSIBILITIES

Royal Botanic Gardens, Kew
**Annual Report
and Accounts**
for the year ended 31 March 2010





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Annual Report and Accounts for the year ended 31 March 2010

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The Royal Botanic Gardens, Kew is:

a world-leader in plant science – and a major visitor attraction. Governed by Trustees and sponsored by the UK's Department for Environment, Food and Rural Affairs (Defra) which champions sustainability. Funding also comes from visitor income and fundraising.

devoted to building and sharing knowledge so that people can benefit from plants and fungi – now and for generations to come.

around 800 people including 280 in science and conservation, and 200 in horticulture; they are supported by over 500 volunteers including affiliated researchers, more than 60 supervised PhD and 45 Horticultural Diploma students, and many others with a valued range of roles and skills.

two stunning gardens – Kew Gardens (a World Heritage Site) and Wakehurst Place in West Sussex – these house Kew's collections, laboratories and the Millennium Seed Bank – and show the importance of plants in all our lives.

Kew's mission is:

to inspire and deliver science-based plant conservation worldwide, enhancing the quality of life.

Kew achieves results through:

surveys of plant diversity both overseas and in the UK, high quality scientific research and horticulture, publications – both scientific and popular, direct and digital access to the collections and information, education, capacity building and hands-on conservation activity; crucially the gardens also enable Kew to build public understanding and support for sustainability and plant conservation.

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Chairman's letter

"The Royal Botanic Gardens, Kew is the premiere botanic garden in the world, and the premiere centre in the world for the basic and applied study of plants."

Professor Lord May of Oxford, 2009

Inscribed on the World Heritage list in 2003, and celebrating its 250th anniversary in 2009, Kew makes a globally distinctive contribution in the United Kingdom and abroad to knowledge, to horticulture, to conservation and to improvement in human welfare, as well as to public engagement with science. Kew is one of the Defra family jewels and a clear leader in plant science and conservation on the international stage. It also contributes to the broader agendas of other Government departments as they strive to achieve the United Nation's Millennium Development Goals for 2015, including the eradication of poverty and hunger, combating disease and ensuring environmental sustainability, particularly in developing countries. The special role Kew can play in inspiring and helping to improve the quality of life and meeting these challenges stems from its role as an integrated scientific, horticultural, heritage and conservation institution.

Kew's collections and expertise are unique in their size and international scope, established in the mid-eighteenth century and still growing. No other botanic gardens' collections come as close to presenting a microcosm of the plant diversity of the world as do the 19 major reference collections developed and curated by Kew. The Herbarium collections have the best level of general coverage on a global basis, with clear areas of strength in Africa, tropical Asia and tropical South America. Kew's Millennium Seed Bank holds seeds from over 10% of the world's plant species on deposit for the benefit of humankind.

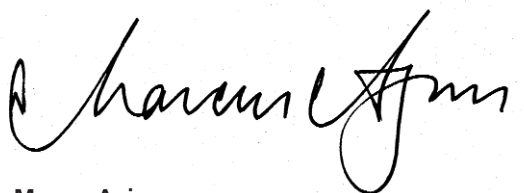
Kew's living collections, and the knowledge associated with growing and managing them are unparalleled anywhere in the world. Each year approaching two million people visit Kew and Wakehurst Place including some 100,000 school children. Kew's Millennium Seed Bank is the largest of its kind in the world, and includes nearly two billion seeds from 28,000 species from over 130 countries. Kew also differs from most other major plant diversity institutions in its strengths in microscopic and chemical analyses; its approaches to biological screening; and the extension of its *ex situ* conservation activities into large scale seed banking.

There is a real danger that this knowledge and expertise, as well as the collections, may dissipate due to financial constraints. The Independent Review by Defra is a timely opportunity to address a sustainable financial model for the future of Kew.

The world is facing new challenges and must change. Business as usual is not an option and the same is true for Kew. The Breathing Planet Programme is Kew's comprehensive response to these challenges. At the same time, we need to assess what changes are needed to improve the quality, effectiveness and value for money that Kew offers, and to address how best to ensure a sustainable financial future focussing on the delivery and communication of its world-class science to broad ranging audiences.

This is my first Annual Report as Chairman of the Board of Trustees and it is a great privilege to be able to take up the challenge handed on to me by Lord Selborne. I would like to thank him for the wonderful legacy he has left me. I would also like to thank Sir Richard Lapthorne and Richard Deverell who retired from the Board this year and to welcome Professor Nicola Spence, Dr Geoffrey Hawtin and Sir Ferrers Vyvyan. I should like to pay particular tribute to all of the hard working staff at Kew and Wakehurst Place who continue to deliver world-class outputs at a time of continuing financial constraint. In this regard, I commend the leadership shown by Stephen Hopper who has elected to waive the bonus to which he was entitled and was awarded. We have decided to direct this sum to the MSB's Adopt a Seed to Save a Species appeal.

Ultimately, 2010-2015 will be critical years for humanity and biodiversity. Real tipping points are looming, and it is incumbent upon Kew to contribute vigorously to plant-based solutions for a sustainable future. I look forward to working with fellow Trustees, the Director, staff and volunteers on these critical issues.



Marcus Agius

Chairman

Trustees of the Royal Botanic Gardens, Kew

Director's review

It has been a great honour and a privilege to lead the Royal Botanic Gardens, Kew in its 250th year. At a time of economic recession and unprecedented global environmental challenges, we have nonetheless celebrated milestones and successes as part of Kew's 250th anniversary in 2009, and have begun to mark the International Year of Biodiversity in 2010. I am especially proud of the many achievements, some highlighted below, and congratulate all involved.

Following the Open Free Day on 1 January 2009 when over 26,000 people came to Kew, visitor numbers have exceeded budget, despite the gloom of the recession and the unhelpful weather conditions during the year.

The year was marked by some very special highlights. On May 5th 2009 we were honoured to have Her Majesty The Queen and Prince Philip officially launch the 250th anniversary. Their legacy will be the trees they planted to symbolise the northern and southern hemispheres: the maidenhair tree, *Ginkgo biloba* and the Wollemi pine *Wollemia nobilis*. Her Royal Highness Princess Alexandra opened the Director's Garden, which now provides a showcase of Kew's work in miniature in the area adjacent to the ambassadorial residence and offices occupied by the Director and staff. Visits by high profile politicians and senior government representatives have included the Rt Hon Hilary Benn, at the time Secretary of State, and Huw Irranca Davies MP, then the Minister responsible for RBG Kew, as well as Defra's Chief Scientific Adviser Professor Robert Watson, who opened the 250th science conference in October.

The Millennium Seed Bank Partnership achieved its goal of conserving 10% of the world's wild flora, on time and on budget. His Royal Highness The Prince of Wales attended a dinner at Kew to celebrate this achievement and to launch the next phase, the Millennium Seed Bank Partnership which will bank a further 15% of species by 2020. We launched a successful fundraising scheme, Adopt a Seed to Save a Species in support of the Millennium Seed Bank achieving this ambitious target.

With a generous grant from The Wellcome Trust, the Great Plant Hunt science project for primary schools has continued to attract national interest, reaching out to children in over 20,000 schools throughout the United Kingdom and plans are now afoot to launch this successful programme internationally. The Kew website was re-launched. The Marianne North Gallery was reopened after a major refurbishment made possible by a generous grant from the Heritage Lottery Fund and a successful Adopt a Painting fundraising scheme.

The 250th scientific conference: *Plant conservation for the next decade: a celebration of Kew's 250th anniversary* proved a most successful meeting bringing together scientists from around the globe. At the conference it was my pleasure to award the inaugural RBG Kew International Medal to Dr Peter Raven, President of the Missouri Botanical Garden. This was for his distinguished, internationally-recognised work aligned with the mission of Kew.

Our relationship with Defra has continued to develop and at the end of 2009, we welcomed the panel led by Sir Neil Chalmers and appointed by Defra to carry out an independent review of Kew, with the objective of determining a sustainable, financial future, demonstrating the importance that the Government attaches to Kew, its heritage and world class science. In this context it is pertinent to

record that 2009 saw the greatest number on record of high impact scientific papers published by Kew scientists in any one year.

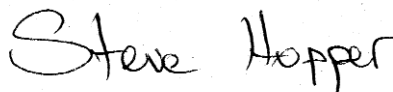
We also welcomed the appointment of the new Director of Development, Michael Murphy who will lead the Kew Foundation's effort to raise money on behalf of Kew. The Foundation had its third most successful year in the history of the organisation in support of Kew realising its mission. I would like to express my thanks to all those who so generously supported Kew including a grant from the Andrew W. Mellon Foundation in support of digitising and preserving Kew's type specimens in the Herbarium and Arcadia's contribution towards the Millennium Seed Bank's efforts in South Africa and Chile. Private philanthropy and corporate support remain of prime importance to Kew's achievements.

2010, the International Year of Biodiversity, provides another platform for Kew to present its work and contribute nationally and internationally to the conservation of life on earth. The year also presents new opportunities as we consider the recommendations of the Independent Review report (the Chalmers' Report). The world is facing difficult economic times and Kew has the ability and focus, using its many assets, to provide some of the solutions to the challenges of global change and loss of biodiversity, whilst making its own business operations even more efficient and effective.

With the able assistance of Gross.Max consultants, Kew completed the first Landscape Master Plan for the main site in 170 years, setting a forward vision of conservation and enhancement for the next few decades. This visionary plan will ensure the universal values embodied in the World Heritage that is Kew will be cared for, and also identified precincts where 21st Century aspirations will be embodied in the landscape, especially by reconnecting Kew to the River Thames with imaginative and sensitive future enhancements.

Regarding Kew's programmes, partnerships and impact globally, the seven strategies of Kew's Breathing Planet Programme will enable us to inspire and deliver science-based plant conservation worldwide. The outcomes we aim for include retaining the Earth's major remaining carbon sinks embodied in wild vegetation, recovering lost plant productivity, diversity and carbon sequestration, and advancing plant-based solutions and adaptation to climate change.

There were many other achievements which marked our 250th year, and staff, volunteers and the Trustees can be proud to have contributed to a successful year. I wanted to pay a special tribute to Kew's outgoing Chairman Lord Selborne, and HM the Queen's trustee Sir Richard Laphorne, both of whom have contributed meritorious service to Kew over many years. Lastly, on behalf of staff and supporters of Kew, a special welcome to the new Chairman Mr Marcus Agius. We all look forward very much to working with the Chairman and Trustees in delivering the step change underway in Kew's global reach, partnerships and impact at a time of unprecedented global environmental challenges.



Professor Stephen D. Hopper FLS
Director

Management commentary

The major thrust of the organisation's activity is now being aligned around the Breathing Planet Programme in order to maximise its relevance and impact in addressing the major environmental challenge we face today

The Breathing Planet Programme

There are seven key strategies:

- 1 Accelerating discovery and global access to plant and fungal diversity information** Discovering, collating and accelerating global access to essential information on plant and fungal diversity, through fundamental science, enhanced collection programmes and data-capture, including baseline information, applied Geographical Information Systems and novel identification tools such as web-based floras and DNA barcoding.
- 2 Mapping and prioritising** Identifying plant and fungal species and regions of the world most at risk of losing their wild diversity, to enable priority setting for conservation programmes, with the application of cutting edge IT and GIS approaches where they can enhance this process.
- 3 Conserving what remains** Helping implement global plant and fungal conservation programmes, such as creation of new, sustainably managed areas, through established and new partnerships, in countries richest in diversity and geographical extent of remaining wild vegetation.
- 4 Sustainable local use** Expanding plant and fungal diversity knowledge and Kew's innovative science programmes to the identification and successful use of locally-appropriate plant species under changing climatic regimes on agricultural, urban and suburban lands.
- 5 Seed banking through the Millennium Seed Bank Partnership** Extending the Millennium Seed Bank's global partnership programmes to secure in safe storage 25% of the world's plant species by 2020, targeting species and regions most at risk from climate change.
- 6 Restoration ecology** Establishing a global network of partners in restoration ecology to facilitate the use of seed banks and other botanic garden resources in the urgent repair and re-establishment of damaged native vegetation.
- 7 Inspiring through botanic gardens** 'Kew for You' – delivering enjoyable, inspiring experiences and horticultural displays that transform people's understanding worldwide of plant diversity and conservation and their relevance to environmental challenges.

Performance targets and results

Key Performance Indicator	Outcome	Target	Outcome	% vs	% vs	Target
	2008/09	2009/10	2009/10	Last Year	Target	2010/11
1 Publications	300	350	380	+26.7	+8.6	350
2 High impact publications	60	60	116	+93.3	+93.3	65
3 Conservation and sustainability assessments (new basis)	2,663	3,000	2,665	–	-11.2	3,000
4 Major habitat conservation surveys	7	10	7	–	-30.0	10
5 Training delivered – capacity building	25,330	20,600	27,306	+7.8	+32.6	22,000
6 Access to the collections: live visits	27,982	25,000	27,868	–	+11.5	25,000
on-line visits	2,050,000	2,200,000	2,930,000	+42.9	+33.2	2,400,000
7 Collections digitally catalogued (cumulative)	539,880	603,000	600,367	+11.2	-0.4	667,000
8 Status of the collections (% currently accessible)	84%	82%	87%	+3%	+5%	83%
9 Visits to the gardens	1,818,000	1,637,000	1,701,000	-6.4	+3.9	1,655,000
10 Web visits	3,590,000	3,500,000	4,369,000	+21.7	+24.8	4,000,000
11 Staff and volunteer retention (%)	85%	83%	86%	+1%	+3%	83%
12 Total revenue generated (£'000)	£52,100	£55,000	£46,000	-11.7	-16.4	£52,000

Publications are reported by calendar year. Figures for earlier years are periodically updated and 'high impact' journals re-assessed using more recent citation figures.

Visitor figures also include events such as concerts, evening attractions, etc.

Management commentary *continued*Performance targets and results *continued*

Performance over four years

Key Performance Indicator		Outcome 2006/07	Outcome 2007/08	Outcome 2008/09	Outcome 2009/10
1	Publications	465	518	300	380
2	High impact publications	78	87	60	116
3	Conservation and sustainability assessments (new basis)	3,848	4,523	2,663	2,665
4	Major habitat conservation surveys	12	9	7	7
5	Training delivered – capacity building	na	24,000	25,330	27,306
6	Access to the collections: live visits	26,608	27,737	27,982	27,868
	on-line visits	na	200,000	2,050,000	2,930,000
7	Collections digitally catalogued (cumulative)	na	473,000	539,880	600,367
8	Status of the collections (% currently accessible)	na	79%	84%	87%
9	Visits to the gardens	1,836,470	1,958,860	1,818,000	1,701,000
10	Web visits	na	2,800,000	3,590,000	4,369,000
11	Staff and volunteer retention (%)	na	83%	85%	86%
12	Total revenue generated (£'000)	£43,200	£51,300	£52,100	£46,000

Publications are reported by calendar year. Figures for earlier years are periodically updated and 'high impact' journals re-assessed using more recent citation figures.

Visitor figures also include events such as concerts, evening attractions, etc.

na – this data was not collected before 2007/08

Commentary on performance against targets

Overall

In 2009/10, eight of the twelve KPIs exceeded their target, and four did not achieve their target. The principle cause of the underachievement on KPIs 3, 4, 7 and 12 was related to the current economic climate.

1 & 2 Publications

Both the total number of publications and the number of high impact publications are over target. This reflects the successful collaboration programmes, notably the continued work by the Angiosperm Phylogeny Group, the research on seed storage and germination for the Millennium Seed Bank Partnership, in-country collaborative programmes e.g. Madagascar and the European Union-funded SYNTHESYS project. For high impact papers the outcome is nearly double the target and this accords with Kew's aim to maintain the already high level of output and to concentrate development on the production of high profile papers that will be published in scientific journals that have the greatest impact.

3 Conservation and sustainability assessments

Conservation and sustainability assessments which include comprehensive assessments of defined geographical areas, e.g. nature reserves or national parks are significantly below target. The two factors which have had most impact on this are; the difficulty in raising necessary external funds, and projects on hold because partners are either being affected by a downturn in their economies or there is political instability in-country. We expect levels to remain lower than predicted for 2010/11.

Significant outputs this year included the Darwin Initiative-funded publication of the *Conservation Checklist for Dom and the Bamenda Highlands of Cameroon* and the reports from the recent expeditions to Mozambique. Funding through the Kew Innovation Unit facilitated habitat assessments in Congo Brazzaville and Sierra Leone and work undertaken in Brazil, Abu Dhabi and Sumatra. Additionally, Kew was involved in a supporting role as part of the Chagos Environmental Network in the determination of a "no take" marine reserve in the Chagos Islands, Indian Ocean.

4 Major habitat conservation surveys

Species use reports are down on previous years, once again reflecting the economic situation, since much of this work is externally funded. Numbers of habitat surveys are likely to suffer in 2010/11 due to a major reorganisation of the collections of the Herbarium, Library, Art and Archives which will reflect the latest taxonomic opinion on family, genera and species relationships, in line with other large UK biodiversity institutes.

5 Training delivered

The annual total of people/days training delivered is 27,306 and comfortably exceeds the 2009/10 target. The figure comprises considerable horticultural training (Kew Diploma, traineeships, apprenticeships and interns) which makes up 65% of the total, followed by sandwich course students at 16%.

6 Access to collections

The figure for live visits to Kew facilities is similar to recent previous years in being slightly above the target score, even though the disruption caused by the Herbarium, Library, Art and Archives extension build was expected to impact numbers of visitors negatively to both Library and Herbarium. Any reductions appear to have been compensated for by successful open days held in the Herbarium, Library, Art and Archives, Horticulture and Public Experience and the Jodrell Laboratory. The figure for on-line visits is significantly above the target set (including those targets proposed for the next two years), but at present it is not possible to state in which direction this figure is likely to move as the measure is still relatively new.

7 Collections digitally catalogued

Progress was made with the digitisation of the collection but numbers failed to meet the target. An essential cost-saving exercise involving the Herbarium digital collections manager post meant that the digitisation officer had less time to add legacy data sets into the Herbarium catalogue. Development work is underway to improve the import routine from certain types of source database. There were also issues with the Library catalogue system being off-line for a period thereby hampering Library cataloguing.

Future targets will remain unaltered at 63,000 additions per year and the Herbarium digitisation strategy will seek to address the issue of adequate staffing in the second half of 2010/11. There will be an increase in externally funded Herbarium digitisation due to the Andrew W Mellon Foundation-funded Global Plants Initiative but digitization using core staff is expected to fall as collections are moved into the new wing and re-sequenced in the older wings.

8 Status of the collections

There has been an improvement in the accessibility of the Library collection over the last year due to a programme of auditing the main library stock. The completion of the relocation of part of the collection into the new Library storage areas should enhance this process further. Similarly the completion of the move of the Archive collections in 2010/11 will bring previously scattered parts of the same collection together and house them adjacent to the Reading Room, considerably reducing the time it takes to retrieve items for users.

9 Visits to the gardens

For 2009/10 at the Kew site, the total number of visitors was down 5.7% at 1,221,114. However, the total number of paying visitors was up 7.7% at 507,181. For Wakehurst Place, the total number of visitors was down by 2.2% at 431,529 but the total number of paying visitors was up 1.3% at 29,233. The lower figure for paying visitors for Wakehurst Place reflects free entry for National Trust members. Both sites were showing signs of a record year until onset of extremely challenging winter weather. The successful first half of the year reflected the 250th celebrations. However, long periods of wet weather from November to February, with periods when the gardens were closed due to snow and ice in December and January, significantly reduced the total. When the numbers for events are added to these figures, the overall target was exceeded.

10 Web visits

Website visits exceeded the target set for 2009/10. This reflects the high-quality content and services available online, as well as the high profile afforded by Kew's 250th anniversary, including Kew's google doodle. Kew's website re-launched during the year, and has received excellent feedback.

11 Staff and volunteer retention

This compares favourably with the target of 83%. It is also very similar to the retention figure for 2008/09 of 85%. Volunteering continues to experience a controlled expansion and volunteer retention also comfortably exceeded the annual target.

12 Income

The result of £46.0m is less than the target of £55.0m for two main reasons. Firstly, it was hoped there would be an increase in Grant-in-aid, but in these difficult financial times this was not forthcoming. Secondly, due to the re-phasing of two major capital projects, significant funds raised by the Foundation were not drawn down in 2009/10. These funds will be available to meet project costs in future years. Operating expenditure was carefully controlled throughout the year so that it was contained within the reduced income available.

Management commentary continued

Review of activities

The 250th Anniversary provided the organisation with the opportunity to communicate its mission and objectives as well as the emerging strategies of the Breathing Planet Programme.

This year, Kew focussed on four major projects: celebrating the 10% target reached by the Millennium Seed Bank, inspiring school children through the Great Plant Hunt, improving digital access by re-launching our website www.kew.org, and using the Kew Gardens and Wakehurst Place sites to inform visitors about the importance of Kew's global conservation work.

In April, the Banking on Life exhibition in the Nash Conservatory gave visitors to Kew insight into our most ambitious conservation programme, the Millennium Seed Bank Partnership. The display included details of the work carried out by the Seed Bank and by its partners across the world.

The Great Plant Hunt continued to attract national interest. The introductory video was downloaded over 20,000 times in the first two weeks of the project; together with emails and letters this showed that the website and the chest delivered to 23,000 schools were both seen as inspiring and effective resources, taking Kew's messages to a whole new generation. Independent research undertaken in autumn 2009 found that 60% of the primary schools had already used the materials with pupils, and 97% were planning to use them in future.

Our website www.kew.org was re-launched in October 2009 and is now communicating Kew's science and conservation work in a clearer, more accessible and more inspiring format. Visits to the site in 2009/10 reached over 4 million – a record result.

At Wakehurst Place, the anniversary was used to highlight Kew's management of this National Trust property. A giant 10% emblem was mown into Yew Tree Meadows to mark the target reached by the Millennium Seed Bank. The Weald Meadows Exhibition organised by the Weald Meadows Group, a local collaboration between Wakehurst Place, the University of Sussex and the High Weald AONB Unit, highlighted the rich biodiversity and cultural heritage of flower-rich grasslands in the Weald of Sussex.

The Queen and Duke of Edinburgh visited Kew in May to mark the 250th Anniversary. The Royal Party visited the Banking on Life exhibition in the Nash Conservatory, planted two trees (a ginkgo and a Wollemi pine), and joined Kew Trustees, staff, students and volunteers for tea in the Orangery.

Two exhibitions held at the Shirley Sherwood Gallery of Botanical Art supported the 250th themes. These were *The Power of Plants*, on show until July and *The Art of Plant Evolution* which ran from August 2009 to April 2010. In the autumn, we hosted the Princes Rainforest Trust exhibition, *Focus on the Rainforest* in the Nash Conservatory.

In October, we celebrated the re-opening of the Marianne North Gallery with more than 1,000 people who attended a community day filled with workshops and dance that provided a new context for this unique collection and building. Kew is grateful for the continuing support of the Heritage Lottery Fund whose support enabled this restoration project.

Our collaboration with World Collection Programme partners continued to strengthen. Ongoing collaboration with the British Museum included both the India Landscape at the British Museum, the design and construction of which was managed by Kew staff, and the July debate: "Whose landscape is it anyway?" This was part of a series of off-site lectures and discussions held between June and October, to bring Kew's messages to new audiences. Other partners included the British Library, V&A and the Royal Society. The events were attended by more than 865 people.

Kew engaged in an independent performance review led by Sir Neil Chalmers and on behalf of Defra. This first comprehensive review since 2001 came at a propitious time, as Kew becomes increasingly relevant in the face of environmental change whilst coping with a growing gap between its costs and income. The Kew Foundation is developing its fundraising plan to support Kew's ambitious vision.

In October, Kew's Millennium Seed Bank Partnership celebrated collecting, banking and conserving 10% of the world's wild plants, by banking its 24,200th species – *Musa itinerans* a pink, wild banana from China, increasingly under threat due to its habitat being cleared for commercial agriculture. It was collected in Southwest China by Millennium Seed Bank partners, the Kunming Institute of Botany and Chinese Academy of Sciences.

Also in October Kew hosted delegates from 35 countries at a scientific conference entitled *Plant conservation for the next decade: a celebration of Kew's 250th anniversary*. Attracting plant conservation researchers from across the globe, this three-day conference showcased Kew's scientific work and its world-wide multidisciplinary collaborations, to a distinguished international audience.

Giant rainforest trees, rare orchids, spectacular palms, minute fungi, wild coffees and an ancient aquatic plant were among 292 new plant and fungal species discovered and described by Kew botanists in 2009. This highlights the fact that much of the plant world is yet to be discovered and documented.

Kew also engaged in preparing a Landscape Master plan for the Gardens, the first since William Nesfield's in the 1840's. Kew has commissioned a similar plan for Wakehurst Place that will provide opportunities as we work with the National Trust to develop this site.

2010 promises to be another exceptional year as Kew celebrates the opening of the Herbarium and Library extension and the formal opening of the Marianne North Gallery. Kew will also be celebrating 2010 as the International Year of Biodiversity, both onsite with visitor attractions and internationally through its prominent role in the Global Plant Checklist, the Convention on Biological Diversity and the next phase of the Global Strategy for Plant Conservation.

Crucially to the organisation will be the strategic and financial initiatives that will be needed as it implements the recommendations of the Independent Review funded by Defra.

Statutory information

History of the body and statutory background

The Board of Trustees of the Royal Botanic Gardens, Kew was established under the National Heritage Act 1983 and came into existence on 8 August 1983. From 1 April 1984 responsibility for the Royal Botanic Gardens, Kew was transferred from the Minister of Agriculture, Fisheries and Food (now Secretary of State for Environment, Food and Rural Affairs) to the Board of Trustees. Under the above Act, RBG Kew is a Non-Departmental Public Body with exempt charitable status.

Objectives

Subject to the provisions of the National Heritage Act 1983 the Board's general functions 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 is for the time being, in fact concerned;
- provide other services (including quarantine) in relation to plants;
- care for its collections of plants, preserved plant material, other objects relating to plants, books and records;
- keep the collections as national reference collections, ensure 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; and
- 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.

The resources supporting the first five objectives are included in 'Research and conservation' in the Statement of Financial Activities and those supporting the final objective are included in 'Visitor activities'.

Results

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

Total incoming resources for the year were £49.0m (2008/09 £55.0m) of which £28.6m (£26.6m) was Grant-in-aid from the Department for Environment, Food and Rural Affairs. Total resources expended were £50.7m (£47.8m) leaving a deficit of £1.7m (surplus £7.2m).

Total reserves decreased to £119.1m (£123.8m). These include a substantial amount to reflect the value of certain land and buildings to which the Trustees do not have title (see below).

Land and buildings

The Board of Trustees do not hold title to the land and buildings used by the Royal Botanic Gardens, Kew, except for the Wellcome Trust Millennium Building and adjacent land at Wakehurst Place; the National Trust owns the freehold of the remaining land at Wakehurst Place. The land and buildings at the Kew Gardens site are owned by the Crown. The Board is liable to maintain and replace all the buildings that they use.

Information on land and buildings can be seen in Note 13.

Other fixed assets

Significant changes in other fixed assets are shown in Notes 13 and 14.

Investments

Investments held are in accordance with the Trustees' powers. See note 14. Due to the limited investment funds available the Accounting Officer and Trustees consider the Charities Official Investment Fund provides an adequate balance between risk and reward.

Payment to creditors

It is Kew's policy to settle all invoices with its creditors within 30 days unless otherwise specified in the contract, and to observe the principles of CBI Code – Prompt Payments. During 2009/10 Kew settled its debts on average in 26 days.

Reserves

The Reserves of the organisation are explained in Note 2 of the Accounts. The Board has agreed that the unrestricted part of the Accumulated Reserves should not fall below a minimum of £3.0m to give the organisation the flexibility to cope with funding fluctuations. The Reserves Policy is reviewed on an annual basis. At present this fund stands at £5.9m and will be used to partly fund Kew's major capital needs deriving from the Breathing Planet Programme.

Research and development

The Royal Botanic Gardens, Kew is a world-leading organisation with over 200 staff working on the scientific understanding and conservation of plants and fungi. This activity covers the full range of botanic and mycological science from molecular biology to horticulture and its aim is to guide all its work so that it will produce outcomes in conservation and sustainability that benefit humanity.

Kew aims to maximise its impact through partnerships and collaboration with universities, botanic gardens, conservation organisations, industry and government. Kew holds a range of botanic and mycological collections and data that are of global importance and it aims to enhance digital access to these resources so that they can be used more effectively and rapidly at the point of need. These aims are set out in more detail in the Breathing Planet Programme on page 6.

Management commentary continued

Statutory information continued

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) which is independently administered. Its purpose is to provide support for Kew by the raising of funds for Kew's activities. It does this by attracting sponsorship for projects and through an active and growing membership, committed volunteers and by enhancing awareness of Kew's work. Membership at 31 March 2010 was 74,800. There are common trustees on the Foundation and RBG Kew's Board – see Note 25.

RBG Kew did not support the organisation financially in 2009/10.

RBG Kew Enterprises Limited

RBG Kew owns 100% of the issued share capital of RBG Kew Enterprises Limited. This company carries out the following activities of RBG Kew: retailing, concerts, licensing and venue hire. Its results have been fully consolidated into the accounts of RBG Kew.

Director

The Director of the Royal Botanic Gardens, Kew throughout the year was Professor Stephen Hopper.

Board of Trustees

The membership of the Board of Trustees during the year is as follows. One Trustee is appointed by the Queen; the Chairman and other Trustees are appointed by the Secretary of State for Environment, Food and Rural Affairs.

Chairman

Marcus Agius f, r (appointed 26 October 2009)
 Lord Selborne KBE, FRS f, r (retired 12 October 2009)

Appointed by Her Majesty The Queen

George Loudon f, r (appointed 30 October 2009)
 Sir Richard Laphorne CBE (retired 30 September 2009)

Trustees

Professor Jonathan Drori CBE f, r
 Professor H Charles J Godfray FRS
 Professor Sandy Harrison
 Dr Geoffrey Hawtin (appointed 26 October 2009)
 Timothy Hornsby CBE a
 Sir Henry Keswick a
 Professor Nicola Spence (appointed 26 October 2009)
 Professor Sir William Stewart FRS
 Jennifer Ullman a
 Sir Ralph Ferrers Vyvyan (appointed 1 November 2009)
 Richard Deverell a, f, r (retired 31 October 2009)

- a Audit Committee
- f Finance Committee
- r Remuneration Committee

On appointment Trustees are briefed by Defra and offered induction by Kew to learn about the diverse areas of activity.

The Board of Trustees is responsible for agreeing the strategy of the organisation through approval of the Corporate Plan and the budgets. The Director is responsible for developing and implementing the strategy and for the day to day operation of the organisation in conjunction with the Corporate Executive. The Corporate Plan is updated annually and following approval by the Board is submitted to the Department for Environment, Food and Rural Affairs for approval by the Secretary of State.



Marcus Agius (Chairman)



Jon Drori



Charles Godfray



Sandy Harrison



Geoffrey Hawtin



Timothy Hornsby

Trustees details

Marcus Agius is Group Chairman of Barclays PLC and a Senior Independent Director of the BBC. Also Chairman of the Foundation and Friends of the Royal Botanic Gardens, Kew. Formerly: Chairman of Lazard London, Deputy Chairman of Lazard LLC, and Chairman of BAA PLC.

Jonathan Drori CBE is Director of Changing Media Ltd, a London consulting group. Visiting Professor at Bristol University, specialising in misconceptions in science and in the uses of technology for learning. Adviser to public bodies on new media and audience strategies. Previously: Director of Culture Online at the Department for Culture Media and Sport, Head of Commissioning for BBC Online, Head of Digital Media and Learning Channels, Executive Producer and Director.

Charles Godfray FRS is Hope Professor in the Zoology Department and Fellow of Jesus College, Oxford University. Formerly Director of the NERC Centre for Population Biology and Professor of Evolutionary Biology at Imperial College London. Fellow of the Royal Society, a Foreign Member of the American Academy of Arts and Sciences, and an honorary research fellow of the Natural History Museum and Rothamsted Research.

Sandy Harrison is Professor of Climate Dynamics in Geographical Sciences at the University of Bristol. Member of the International Geosphere-Biosphere Programme (IGBP) core project on Integrated Land Ecosystems and Atmospheric Processes. Coordinator of the IGBP Cross-project Initiative on Fire. Co-chair of the Scientific Steering Committee of the Palaeoclimate Modelling Intercomparison Project, and President of the INQUA Commission on Palaeoclimatology.

Geoffrey Hawtin is an expert in the conservation and utilisation of plant genetic resources and the founding director of the Global Crop Diversity Trust and currently the Trust's Senior Advisor. During his career he has also been the CEO of two research institutes of the Consultative Group on International Agricultural Research: the Centro Internacional de Agricultura Tropical (CIAT) in Colombia and Bioversity International in Rome, Italy.

Timothy Hornsby CBE is Chair of the Horniman Museum, Chair of the Harkness Fellows Association, Independent member of the Consumer Council for Water, Trustee of the International Institute for Environment and Development and of the Charles Darwin Trust, Governor of the Legacy Trust, and member of the Advisory Committee on

Consumer Engagement of The Food Standards Agency. Previously Chair of the National Lottery Commission, following Chief Executive posts at the National Lottery Charities Board (now the Big Lottery Fund), the Royal Borough of Kingston, and the Nature Conservancy Council.

Sir Henry Keswick is Chairman of Jardine Matheson, Director of Rothschilds Continuation Holdings AG. Formerly, Chairman of the National Portrait Gallery, President of the Royal Highland Agriculture Society, proprietor of The Spectator, and member of the National Trust Council.

George Loudon is Chairman and Director of a number of investment and other firms including Pall Mall Capital Ltd and Altius Associates Ltd; former Director of Midland Bank Plc and former Vice-Chairman of the Amsterdam Stock Exchange. Former Director of the Multiple Sclerosis International Federation. Board member of the Rijksakademie Beeldende Kunst (Amsterdam) and former Trustee of the Galapagos Conservation Trust and of the London Library.

Nicola Spence is Chief Executive of Science City York, formerly Chief Scientist at the Food and Environment Research Agency and Head of Plant Health at the Central Science Laboratory. She is Special Professor in applied plant pathology at the University of Nottingham and an expert in plant health and international plant trade. She is a Board member for the British Society for Plant Pathology and a scientific adviser to the BBSRC and the EU.

Sir William Stewart FRS is recently retired Chairman of the Health Protection Agency. Formerly, Chief Scientific Adviser, Cabinet Office, and the first Head of the Office of Science and Technology. Founding Professor of Biological Sciences at the University of Dundee, Secretary of the Agricultural and Food Research Council, member of the Royal Commission on Environmental Pollution, President of the British Association for the Advancement of Science, President of the Royal Society of Edinburgh and a vice-President of the Royal Society.

Jennifer Ullman is a landscape consultant, and was formerly Chief Parks Officer for Wandsworth Borough Council and Chairman of the Board of Greenspace.

Sir Ferrers Vyvyan is the owner and manager of Treloar Estate and Chairman of the Royal Institution of Cornwall (RIC), a Learned Society that owns and runs the Royal Cornwall Museum.



Henry Keswick

George Loudon

Nicola Spence

William Stewart

Jennifer Ullman

Ralph Ferrers Vyvyan

Management Commentary continued

Statutory information continued

Internal audit

The Board has appointed internal auditors who report to the Director as Accounting Officer and an Audit Committee constituted from members of the Board of Trustees. Their purpose is to review RBG Kew's systems of internal control and make recommendations for improvements through detailed reports on areas covered and an annual report summarising their work.

Advisors

Bankers

The Royal Bank of Scotland
26a The Quadrant
Richmond
Surrey, TW9 1DF

Auditor (RBG Kew and RBG Kew Enterprises Ltd)
Comptroller and Auditor General
National Audit Office

Solicitors

Burges Salmon LLP
Narrow Quay House
Narrow Quay
Bristol, BS1 4AH

Disabled persons

RBG Kew supports the employment of disabled people wherever possible, by recruitment, by retaining all those who become disabled during their employment, and generally through training, career development and promotion.

Sickness absence

The average number of days sickness for staff in 2009/10 was 6.3 (2008/09 6.5).

Personal data related incidents

RBG Kew is not aware of any personal data related incidents during 2009/10. We continue to focus on improving our systems in this area.

Employee involvement

Consultations take place with employees' representatives so that the views of employees may be taken into account in making decisions which are likely to affect their interests.

Environment, social and community issues

Environmental change is an area of great public interest and Kew is involved in a number of projects looking at different aspects, from recording weather statistics to discovering new ways of successfully germinating difficult seeds. Restoration ecology is an area that Kew has identified as a way to help manage damage to the environment that continues to happen and in particular to preserve biodiversity.

2010 is the International Year of Biodiversity and Kew is proud to hold ISO14001 accreditation. This means that in areas like water usage, sustainability and procurement, Kew considers carefully how to reflect best practice in choosing its suppliers and managing its resources. For example, the use of a cardboard bailer on site at Kew has brought about a significant improvement to cardboard recycling. Peat free compost at Wakehurst supports messaging about the importance of the UK's peat bogs.

Diverse communities have been welcomed through projects such as the Marianne North Gallery reopening and the Great Plant Hunt project, aimed at schools. Kew has also collaborated with partner organisations on projects, for example, the British Museum's exhibition on the India Landscape. Kew interacts with an enormous variety of different social groups, including students of all disciplines, researchers, school groups, visitors, botanists, horticulturists, other scientists, archivists, civil servants, digital media and IT specialists to name just a few. Kew's aim is to reach out to those who may face additional barriers whether physical, social, financial or educational.

The Sunshine Ramblers programme, developed with the support of GlaxoSmithKline, is aimed at children with severe learning or physical disability. The children who take part in this programme need constant care, usually on a one to one basis and travel is especially difficult. Some children have been able to make repeat visits. This is especially valuable because it provides them with the opportunity to develop their confidence, knowledge and appreciation of stimuli which takes more than one visit to nurture.

Volunteers and donated services

As part of its commitment to supporting and promoting active citizenship, RBG Kew recognises the important role played by volunteers in its work and the valuable contribution made by volunteers to the Kew community. Kew has a record of working with volunteers since 1992 and there are currently 554 volunteers supporting Kew's work in a wide range of settings (100 at Wakehurst Place and over 450 at Kew). Volunteers are a vital and integral part of the organisation and donate a range of diverse talents and skills, including horticultural support, guiding, support to our schools and families programmes and science departments. Last financial year our volunteers donated in excess of 65,000 hours to Kew's mission; an average of 117 hours per person and more than 50% of our volunteers gave more than one day per week to the organisation. In addition Kew benefits from the valuable contribution made by about 60 Honorary Researchers and Associates.

Alongside the traditional volunteer roles RBG Kew provides short term work experience placements and internships in conjunction with various agencies and educational establishments. In the financial year 2009/10, 41 Horticultural interns donated approximately 14,000 hours to RBG Kew.

In addition Kew promotes environmental volunteering by hosting Employee Volunteering Days for the corporate sector. Last year 240 people undertook corporate volunteering within the horticultural teams over 12 days.

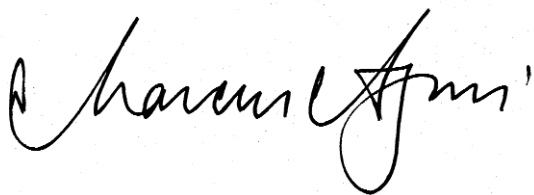
Kew is committed to enabling as diverse a section of the community as possible to become involved in varied forms of voluntary activity at Kew, and to offering any necessary support. We work with our 'third sector' colleagues to provide assisted volunteering placements for those volunteers who may have some sort of special educational need or disability. Last year such placements accounted for over 10% of our horticultural volunteers.

In recognition of how important volunteers are, Kew has consulted pertinent stakeholders and developed an integrated Three Year Strategy for the Development of Volunteering at RBG Kew which was ratified by Kew's Corporate Executive in March. This is currently being translated into an action plan which will provide a framework for the continued development of work with volunteers across Kew, in a common, consistent, equitable and sustainable way within the context of Kew's mission and the Breathing Planet Programme.

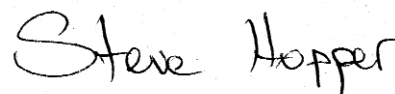
Kew celebrates and thanks both its volunteers who donate their precious gift of time and talent to the organisation, and the many Kew employees, who support and nurture our volunteers enabling them to optimise their volunteer placement with us.

The Accounting Officer and Board of Trustees confirm

- there is no relevant audit information of which the auditor is unaware; and
- they have taken all the steps they ought to ensure the auditor is aware of all relevant audit information.



Marcus Agius
Chairman of the Board of Trustees
25 June 2010



Professor Stephen D. Hopper FLS
Director
25 June 2010

Statement of Trustees' and Accounting Officer's responsibilities

Under Schedule 1 Part IV subsection 39(2) National Heritage Act 1983 the Board of Trustees of the Royal Botanic Gardens, 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 the Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the Royal Botanic Gardens, Kew's and the group's state of affairs at the year end and of the group's incoming resources, application of resources 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; and**
- **prepare the financial statements on a going concern basis.**

The Accounting Officer for the Department for Environment, Food and Rural Affairs has designated the Director of the Royal Botanic Gardens, Kew as the Accounting Officer for the Royal Botanic Gardens, Kew. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Royal Botanic Gardens, Kew's assets, are set out in the Accounting Officers Memorandum issued by the Treasury and published in *Managing Public Money*.

Statement on internal control

1_Scope of responsibility

The Director, as Accounting Officer, and the Chairman, as representative of the Board of Trustees, have joint responsibility for maintaining a sound system of internal control that supports the achievement of RBG Kew's policies, aims and objectives, whilst safeguarding the public funds and assets for which the Director is responsible in accordance with the responsibilities assigned to him in Managing Public Money. In addition, the Director is accountable to the principal Accounting Officer of the Department for Environment, Food and Rural Affairs (Defra) to enable her to discharge her overall responsibility for ensuring that RBG Kew, as a Defra Non-Departmental Public Body, has adequate financial systems and procedures in place.

2_The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of RBG Kew's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in RBG Kew for the year ended 31 March 2010 and up to the date of the approval of the Annual Report and Accounts, and accords with Treasury guidance.

3_Capacity to handle risk

Strategic leadership on risk management comes from the Corporate Executive with oversight by the Audit Committee which is able to draw on the expertise of Trustees with experience of the private sector and other government bodies. The Risk Policy is available to all staff on the intranet along with a copy of the Corporate Strategic Risk Register and other guidance on risk management. This policy, *inter alia*, sets out a hierarchy of risk documentation including operational and project risks which sit beneath the Corporate and Strategic Risk Register. Organisation-wide quarterly reviews of the main risks facing Kew and mitigation actions as set out in the Corporate Strategic Risk Register are carried out and risk is considered as a standing item at the Corporate Executive fortnightly meetings. The Corporate Strategic Risk Register is reviewed by the Audit Committee at each of their meetings and was endorsed during 2009/10.

4_The risk and control framework

Governance

RBG Kew embraces the principles and requirements of good corporate governance. The Board consists of 12 trustees, 11 appointed by Defra and 1 by the Queen. There are three sub-

committees of the Board – the Audit Committee, the Finance Committee, and the Remuneration Committee. On the Audit Committee there are 3 trustees, on the Finance Committee 3 trustees and on the Remuneration Committee 3 trustees. Each of the Committees has written terms of reference and minutes of the Finance and Audit Committee meetings are provided to the full Board and discussed as necessary. The Board of Trustees meets 5 times a year, the Audit and Finance Committees three times a year and the Remuneration Committee annually. The members of the Board and Committees are detailed in the Annual Report and there is a written Code of Conduct for them.

Defra is the sponsor Department for RBG Kew and there is an agreed Management Statement and Financial Memorandum which governs the relationship between the two organisations. Formal quarterly meetings take place between Defra officials and Kew management and there is regular contact at other times. Defra is consulted during the development of the Corporate Plan each year and after final approval by the Trustees it is submitted to Defra for approval by the Minister. Monthly returns of income and expenditure are submitted to Defra and the Annual Report and Accounts are approved by the Secretary of State prior to laying before Parliament. During 2009/10 an independent review of RBG Kew has been carried out for Defra. The resulting report praises Kew's achievements and concludes that Kew is meeting its statutory obligations. The report sets out recommendations to help Kew to maintain and improve on its success in years to come. During 2010/11 Kew will be developing and implementing responses as appropriate to the recommendations made.

RBG Kew has an internal audit function which operates to the standards defined in the Government Internal Audit Standards. The annual internal audit plan is set within a three year rolling plan approved by the Audit Committee. To ensure that assurance is provided on the full range of internal controls, the internal audit plan has been extended beyond the major financial controls to include reviews of the activities of the whole organisation. The internal auditors submit regular reports which include the Head of Internal Audit's annual, independent opinion on the overall adequacy and effectiveness of RBG Kew's system of internal control together with recommendations for improvement. The Audit Committee reviews all the reports and approves the management responses and action plans to deal with the issues raised. The internal auditors update the Audit Committee on progress on all action plan points not yet completed.

The Comptroller and Auditor General is the external auditor for RBG Kew as required by the National Heritage Act 1983.

Risk strategy and risk management

With the wide range and complex network of stakeholders interested in RBG Kew, it is essential that Kew's approach to, and appetite for, risk is carefully assessed. The individual objectives of Kew are interconnected and, as a result, the achievement of each of the objectives can be influenced by the actions needed to deliver the other objectives. RBG Kew's approach to this has been to adopt a policy of well thought through risk-taking to ensure an appropriate balance of inputs and a successful record of outputs against each objective.

In this context Kew has ensured that the risk management arrangements have been kept under constant review in recognition that good risk management will deliver better services, improve efficiency, help the reliability of decisions and support innovation. Strategically, RBG Kew concentrates its assessment of risks on a small number of key risks that provide a focus for the Board and Corporate Executive. The main actions and controls that help to mitigate the risks are detailed in the Corporate Strategic Risk Register along with clear responsibility and ownership for each of the controls.

Beneath the Corporate Strategic Risk Register, Kew is reinforcing the risk policy at an operational level by carrying out a programme of risk workshops and training on the benefits of risk management at departmental level. The aim will be to have a full hierarchy of operational risk registers in place and substantial progress has been made in this financial year. The best methods to embed risk management more thoroughly throughout the organisation are currently being considered.

The Corporate Executive has responsibility for the strategic risk arrangements and implementation of mitigating actions with oversight by the Audit Committee. The Audit Committee reviews the strategic risks in summary form at each meeting, and at one meeting each year does a full review of all risks and mitigating actions and controls. The Committee also reviews RBG Kew's risk appetite and has agreed the level of risk appetite for all the key risks. Additionally, each year, Internal Audit carries out a review to establish the extent to which a robust risk management approach has been adopted and applied as planned by management across the organisation, to identify, assess, decide on responses to, and report on the opportunities and threats that affect the achievement of Kew's objectives. Internal Audit have concluded that Kew is risk 'defined', i.e. that risk management strategies and policies are in place and communicated across Kew.

Financial management and control

The organisation maintains systems of internal financial control which are overseen by the Finance Department and guidance is available to all staff on the intranet. Financial management is supported through monthly management accounts, quarterly financial reporting to the Corporate Executive and summary reporting to the Finance Committee and Trustees. In addition, finance is a standing item on the fortnightly Corporate Executive meetings. Financial information is available to all budget holders so that they are able to monitor their performance against budgets at any time.

Fraud risk management

RBG Kew maintains a Fraud Management Policy and Response Plan which details how to manage the threat of fraud and corruption, how to respond to fraud and the action to be taken if fraudulent activity is discovered or suspected.

This document is supported by a Whistleblowers Procedure and a Fraud Response Log.

Strategy and planning

RBG Kew has a Corporate Plan which covers three years but which is updated on an annual basis. The plan sets out the objectives and key performance measures of the organisation as well as the specific actions that will be taken to achieve them. The plan is available to all staff on the intranet and is also available in full to the public on Kew's internet site www.kew.org. Staff are encouraged to contribute to the development of the plan through their head of department. The plan is reviewed by the Trustees, shared with Defra and submitted to Ministers for approval.

The Director has led the organisation in further developing Kew's Breathing Planet Programme. Each of the seven strategies of the Breathing Planet Programme has been defined and the primary objectives, key activities and main outcomes for each have been shared with staff, volunteers and Trustees in December 2009, with a timetable for implementing the next stages including mapping activities to the Breathing Planet Programme to help identify priorities and resource needs.

Performance management

The staff performance management process within RBG Kew ensures that the organisation's goals are reflected by individual staff members' objectives and training plans. At the beginning of each year all staff meet with their line manager to agree their work and objectives for the year and identify any training needs, referring to the Corporate Plan to ensure their plans will contribute to RBG Kew's targets that are relevant to them. In 2010/11 individual staff objectives will be specifically linked to the Breathing Planet Programme and the seven strategies within it. Regular contact between staff and line managers is encouraged throughout the year and a formal review takes place after 6 months as well as at the end of the year.

The Performance Targets and Results for the organisation are reviewed each year to ensure they remain critical and relevant and are monitored throughout the year. The final results are set out in the Management commentary in the Annual Report and Accounts.

Project management

During 2009/10 RBG Kew has progressed several major projects, including the Herbarium and Library Extension, the restoration of the Marianne North Gallery and the implementation of the first stages of the IT and Digital Media Strategy. A post project evaluation report on the Shirley Sherwood Gallery of Botanical Art was completed and the lessons learnt are being assimilated into future project planning.

A project management system has been developed for Kew, based on best practice principles, and guidance and training will be rolled out to embed this methodology throughout the organisation. It includes the further development of risk registers on projects, enhancing the current practice of risk registers which are maintained for major projects. This methodology is being codified in a project management manual which has been promoted via workshops and will be reinforced via the training programme noted above.

Information management

RBG Kew takes the management of the information it holds very seriously and is not aware of any personal data related incidents in 2009/10. In view of this the new post of Chief Information Officer was recruited in November 2009 and a high priority is control of information. He will be helping the organisation to focus on developing the systems it has, including working with Defra and using their expertise.

5_Review of effectiveness

As Accounting Officer, the Director has responsibility for reviewing the effectiveness of the system of internal control. His review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the senior managers within RBG

Kew who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports.

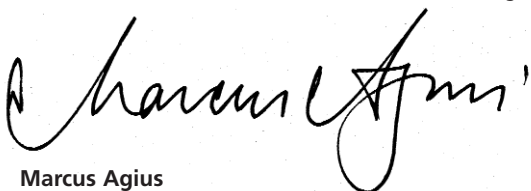
As described above, Kew has a comprehensive Internal Audit function and their work in 2009/10 included ten key control audit areas, two advisory reviews and follow ups of previous recommendations. Of their reports, two provided substantial assurance on internal control, five adequate assurance and three limited assurance. In all cases responses to their recommendations have been agreed and are being progressed. Substantial assurance was obtained on Income and Cash Collection (see below) and on the IT & Digital Media Strategy. Limited assurance was on the following three areas:

- Procurement: a new position of Procurement Manager is being recruited and this additional resource, along with the implementation of new financial systems over the next 18 months, should lead to significant improvements in this area;
- Trademark Licensing: a five year strategy is being developed and guidance implemented to carry out regular, formal reviews of contract performance. This should lead to better control and increased income from licences which support our corporate objectives;
- Use of Agency Staff: a policy is being developed on the use of agency staff across the organisation and a competitive tender will be carried out for Visitor Services agency staff, which is one of the main areas where they are used.

Overall the Internal Audit annual report concluded that RBG Kew has an adequate system of internal controls.

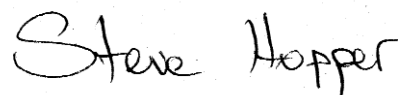
During the year a fraud perpetrated by a member of staff involving cash collected in relation to visitor admissions was identified as a result of the application of RBG Kew's whistle-blowing procedures. It is not considered that the amounts involved were material to the accounts. Appropriate disciplinary action has been taken. The internal auditors have undertaken a specific review of the area involved and their suggestions for improvements to controls are being considered and implemented where appropriate. They have also reviewed cash collection controls generally and provided substantial assurance that appropriate controls are in place. In addition the current strategy and policy on fraud covering prevention, detection and reporting of fraud and the recovery of assets is being reviewed with a view to documenting formally the fraud risk assessment.

The Director and the Chairman of the Board of Trustees have been advised on the implications of the result of the Director's review of the effectiveness of the system of internal control by the Board and the Audit Committee. A plan to address weaknesses and ensure continuous improvement of the system is in place.



Marcus Agius
Chairman of the Board of Trustees

25 June 2010



Professor Stephen D. Hopper FLS
Director

25 June 2010

Remuneration report

Remuneration Policy

The remuneration of the Director is set by the Remuneration Committee, a sub-committee of the Board of Trustees. The members are identified on page 12.

The Director's salary 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 (less than 5%) and affordability.

The Remuneration Committee reviews the Director's recommendations on the remuneration packages of Corporate Executive members on individual contracts on an annual basis. Corporate Executive members not on individual contracts are part of Kew's collective pay agreements applicable to all other staff.

Service Contracts

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

The Director's appointment is open-ended until he reaches retirement age. Early termination, other than for misconduct,

would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme. The notice period in the Director's contract is one year.

Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the current Kew Corporate Executive, except Angela McFarlane who is seconded from the University of Bristol. £83,000 was paid for her services in 2009/10 (2008/09 £80,000); this covers 80% of the salary and employer social security and pension costs incurred by the University.

The Director waived his bonus entitlement for the year.

Salary

'Salary' includes gross salary; performance pay or bonuses; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. The post holders are not entitled to overtime.

This report is based on payments made by the Royal Botanic Gardens, Kew and RBG Kew Enterprises Limited and thus are recorded in these accounts in full.

Remuneration (audited)	2009/10	2009/10	2008/09	2008/09
	Salary £	Benefits in kind £	Salary £	Benefits in kind £
Stephen Hopper	139,116	0	142,803	0
Andrew Burchell	108,536	0	105,060	0
Mark Chase	78,240	0	76,510	0
Andrew Jackson	70,685	0	70,485	0
David Mabblerley	73,742	0	72,100	0
Michael Murphy	39,450	0	0	0
Eimear Nic Lughadha	72,223	0	70,611	0
Simon Owens	63,821	0	62,373	0
Jill Preston*	100,358	0	97,046	0
Monique Simmonds	61,910	0	61,710	0
Paul Smith	65,424	0	63,871	0
Nigel Taylor	75,555	0	73,877	0

Pension benefits (audited)	Accrued pension at age 60 as at 31/3/10	Accrued pension at age 60 as at 31/3/10 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/3/10	CETV at 31/3/09 **	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Stephen Hopper	6	6	2	123	84	31	N/A
Andrew Burchell	45	181	5	964	887	26	N/A
Mark Chase	17	68	4	402	360	22	N/A
Andrew Jackson	18	71	3	277	247	12	N/A
David Mabblerley	3	3	2	56	27	20	N/A
Michael Murphy	1	1	1	8	0	7	N/A
Eimear Nic Lughadha	25	25	1	313	280	12	N/A
Simon Owens	31	126	3	726	708	17	N/A
Jill Preston*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Monique Simmonds	19	76	3	448	418	17	N/A
Paul Smith	11	45	6	181	150	15	N/A
Nigel Taylor	30	121	4	626	571	18	N/A

* employed by RBG Kew Enterprises Limited and not a member of the Civil Service Pension Scheme.
Royal Botanic Gardens, Kew_Annual Report and Accounts_2009/10

** CETV values at 31/3/09 have been changed to reflect an update to the actuarial factors used.

Benefits in kind

The post holders do not receive any benefits provided by the employer and treated by HM Revenue & Customs as a taxable emolument. Under the terms of his employment contract the Director is entitled to two return air flights to Australia each year. The Trustees do not receive any remuneration for their services to Kew. Note 12 details their expenses.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of three statutory based 'final salary' defined benefit schemes (classic, premium, and classic plus) or a 'whole career' scheme (nuvos). The schemes are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with changes in the Retail Prices Index.

New entrants after 1 October 2002 may choose between membership of a defined benefit arrangement or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' 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 (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly in the same way as in classic. In nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with RPI. In all cases members may opt to give up (commute) pension for 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 3% and 12.5% (depending on the age of the

member) into a stakeholder pension product chosen by the employee from a selection of approved products.

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 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service pension arrangements can be found at the website

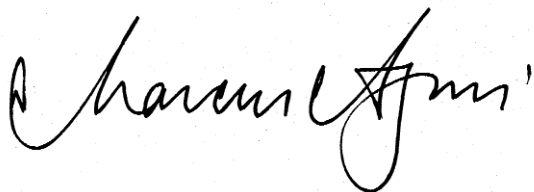
www.civilservice-pensions.gov.uk

Cash Equivalent Transfer Values

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 CETV figures, and from 2003/04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements and for which the CS Vote has received a transfer payment commensurate with the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

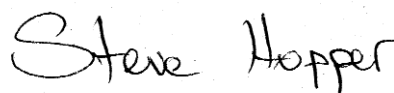
Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, 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.



Marcus Agius
Chairman of the Board of Trustees

25 June 2010



Professor Stephen D. Hopper FLS
Director

25 June 2010

Auditor's Certificate and Report

Royal Botanic Gardens, Kew

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of Royal Botanic Gardens, Kew for the year ended 31 March 2010 under the National Heritage Act 1983. These comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Board of Trustees, Accounting Officer and Auditor

The Board of Trustees and Director as Accounting Officer are responsible for preparing the Annual Report, which includes the Remuneration Report, and the financial statements in accordance with the National Heritage Act 1983 and Secretary of State directions made thereunder and for ensuring the regularity of financial transactions funded by Parliament. These responsibilities are set out in the Statement of Trustees' and Accounting Officer's Responsibilities.

My responsibility is to audit the financial statements and the part of the remuneration report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the National Heritage Act 1983 and Secretary of State directions made thereunder. I report to you whether, in my opinion, the information, which comprises the management commentary, included in the Annual Report, is consistent with the financial statements. I also report whether in all material respects the incoming and outgoing resources funded by Parliament have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if Royal Botanic Gardens, Kew has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by relevant authorities regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects Royal Botanic Gardens, Kew's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls,

or form an opinion on the effectiveness of Royal Botanic Gardens, Kew's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This information comprises the Chairman's letter, the Director's review and Corporate information. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Trustees and Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Royal Botanic Gardens, Kew's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the incoming and outgoing resources funded by Parliament have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinions

In my opinion:

- the financial statements give a true and fair view, in accordance with the National Heritage Act 1983 and directions made thereunder by Secretary of State, of the state of Royal Botanic Gardens, Kew's and the group's affairs as at 31 March 2009 and of the group's incoming resources, application of resources and cash flow of the group for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the National Heritage Act 1983 and Secretary of State directions made thereunder; and
- information, which comprises the management commentary, included within the Annual Report, is consistent with the financial statements.

Opinion on Regularity

In my opinion, in all material respects, the incoming and outgoing resources funded by Parliament have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

Amyas C E Morse

Comptroller and Auditor General
National Audit Office
157 – 197 Buckingham Palace Road
Victoria
London
SW1W 9SP
8 July 2010

Royal Botanic Gardens, Kew_statement 1

Consolidated Statement of Financial Activities for the year ended 31 March 2010

	Notes	Unrestricted £'000	Restricted £'000	Endowment £'000	2009/10 Total £'000	2008/09 Total £'000
Incoming resources						
Incoming resources from generated funds						
Grant-in-aid – operating	3	17,650	–	–	17,650	17,850
– capital		10,900	–	–	10,900	8,750
Grants & donations	4	21	6,608	–	6,629	14,566
Activities for generating funds – trading	5	5,362	–	–	5,362	5,162
Investment income	6	55	12	–	67	415
Income resources from charitable activities	7	8,350	–	–	8,350	8,301
Total incoming resources		42,338	6,620	–	48,958	55,044
Costs of generating funds – trading	9	(4,341)	–	–	(4,341)	(4,230)
Net incoming resources available for charitable applications		37,997	6,620	–	44,617	50,814
Charitable activities						
Research and conservation	9	31,059	6,224	–	37,283	36,707
Visitor activities	9	8,863	–	–	8,863	6,713
Governance costs	9	158	–	–	158	157
Total charitable costs		40,080	6,224	–	46,304	43,577
Notional cost of capital	2	(3,855)	–	–	(3,855)	(4,029)
Net (outgoing)/incoming resources after notional cost of capital		(5,938)	396	–	(5,542)	3,208
Reversal of notional cost of capital		3,855	–	–	3,855	4,029
Net (outgoing)/incoming resources		(2,083)	396	–	(1,687)	7,237
Revaluation of tangible assets		(3,113)	17	34	(3,062)	(9,019)
Net movement in reserves		(5,196)	413	34	(4,749)	(1,782)
Reserves at 1 April		112,639	11,071	134	123,844	125,626
Reserves at 31 March	18	£107,443	£11,484	£168	£119,095	£123,844

All activities arise from continuing operations.

All recognised gains and losses have been included in the Statement of Financial Activities.

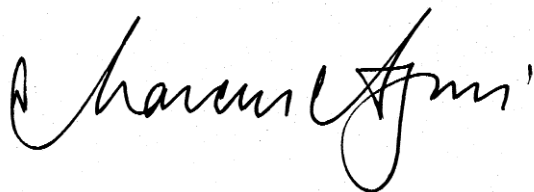
The Notes on pages 27 to 33 form part of these accounts.

Royal Botanic Gardens, Kew_statement 2

Balance Sheets 31 March 2010

	Notes	Royal Botanic Gardens, Kew		Consolidated	
		2010 £'000	2009 £'000	2010 £'000	2009 £'000
Fixed assets					
Tangible assets	13	112,634	117,023	112,634	117,023
Investments	14	580	527	255	202
		113,214	117,550	112,889	117,225
Current assets					
Stocks of goods for sale		–	–	463	602
Debtors	16	4,688	8,277	3,647	7,241
Cash at bank and in hand		7,576	4,793	9,339	6,406
		12,264	13,070	13,449	14,249
Creditors: amounts falling due within one year	17	(6,383)	(6,776)	(7,243)	(7,630)
Net current assets		5,881	6,294	6,206	6,619
Total assets less current liabilities		£119,095	£123,844	£119,095	£123,844
Reserves					
Unrestricted	18	107,443	112,639	107,443	112,639
Restricted	18	11,484	11,071	11,484	11,071
Endowment	18	168	134	168	134
		£119,095	£123,844	£119,095	£123,844

The Notes on pages 27 to 33 form part of these accounts.

 Steve Hopper

Marcus Agius
Chairman of the Board of Trustees
25 June 2010

Professor Stephen D. Hopper FLS
Director
25 June 2010

Royal Botanic Gardens, Kew_statement 3

Consolidated Cash Flow Statement for the year ended 31 March 2010

	2009/10 £'000	2008/09 £'000
Net cash inflow from operating activities	5,798	10,151
Returns on investments	67	415
Capital expenditure and financial investment	(2,932)	(12,555)
Increase/(decrease) in cash at bank	£2,933	£(1,989)

The Notes on pages 27 to 33 form part of these accounts.

a_Reconciliation of net incoming resources to net cash inflow from operating activities

	2009/10 £'000	2008/09 £'000
Net outgoing resources	(1,687)	7,237
Depreciation	2,668	2,391
Loss on sale of tangible fixed assets	2	56
Loss on revaluation of fixed assets	1,536	220
Decrease in stock	139	68
Decrease/(increase) in debtors	3,594	(1,399)
(Decrease)/increase in creditors	(387)	1,993
Less investment income	(67)	(415)
	£5,798	£10,151

b_Analysis of cash flows

Capital expenditure and financial investment

Payments to acquire tangible fixed assets	(2,970)	(12,573)
Receipts from sales of tangible fixed assets	38	18
	£(2,932)	£(12,555)

Management of liquid resources

Decrease in short term cash deposits	£-	£-
--------------------------------------	----	----

c_Reconciliation of net cash flow to movement in net funds

	2009/10 £'000	2008/09 £'000
Increase/(decrease) in cash in period	2,933	(1,989)
Cash inflow from decrease in liquid resources	-	-
Movement in net funds in the period	2,933	(1,989)
Net funds at 1 April	6,406	8,395
Net funds at 31 March	£9,339	£6,406

d_Analysis of net funds

	1 April 2009 £'000	Cash Flow	31 March 2010
Cash at bank and in hand	6,406	2,933	9,339
Liquid resources	-	-	-
Net Funds	£6,406	£2,933	£9,339

Notes to the accounts_year ended 31 March 2010

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. 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 Statement of Recommended Practice, Accounting and Reporting by Charities 2005.

2_Accounting policies

Accounting convention

The accounts are prepared under the modified historical cost convention and fixed assets and investments are shown at their value to the business by reference to current costs.

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 2010.

Expense allocation

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

Government grants

Grant-in-aid including capital grant is credited to income in the year in which it is received. Grant for the purchase of capital items is transferred to a capital grants reserve from which it is released as the assets are depreciated.

Income from activities and generated funds

Income is accounted for on a receivable basis, net of VAT.

Gifts in kind

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

Land and buildings

The Board of Trustees does not hold title to the land and buildings used by the Royal Botanic Gardens, Kew except for the Wellcome Trust Millennium Building and the land it is situated on. The remaining land and buildings are owned by the Crown. As required by the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP) revised

in 2005, existing buildings and their associated land used for fundraising or administration purposes plus the Wellcome Trust Millennium Building, were valued and capitalised on the Balance Sheet (see Note 13).

Land and buildings are revalued every 5 years by professionally qualified valuers, on the basis of either open market value for existing use or depreciated replacement cost. The first professional revaluation was carried out during 2001/02 and a new revaluation was carried out in 2006/07. In between professional revaluations, values are updated using indices provided by the professional valuers.

RBG Kew has not capitalised heritage assets acquired before 2001/02. Under accounting standards 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 buildings over £250,000 is capitalised.

Collections

The Board of Trustees consider that the cost of obtaining valuations for all existing collections would be onerous compared to the benefit to the readers of the Accounts and therefore no values have been placed on these as allowed by the SORP. New items to the collections costing more than £2,000 are capitalised, except for additions to the living collections which are written off in the year of acquisition. 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 will be undertaken on a five year basis.

Other fixed assets

Other fixed assets are stated at their value to the business by reference to current costs. Historic costs are not disclosed as required by the SORP as, in accordance with Treasury Financial Reporting Manual, in the view of the Accounting Officer and the Board of Trustees, this adds no information of value to the Accounts. Capital items costing less than £2,000 are written off to other direct costs (Note 12) in the year of purchase. All other capital expenditure is capitalised as fixed assets.

2_Accounting policies *continued*

Depreciation

Depreciation is provided on all fixed assets, except land and collections, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Buildings between 20 and 80 years

Gardens equipment between 5 and 20 years

Scientific equipment:

Laboratory equipment over 10 years

Computer and photographic equipment
between 4 and 10 years

Office equipment over 5 years

Motor vehicles over 5 years

Copyrights year of purchase

Notional cost of capital

Notional cost of capital is calculated at 3.5% of the average government funded capital employed by RBG Kew in the year.

Pensions

Pension arrangements are described in Note 22 to the accounts. Pension contributions payable by RBG Kew are expensed as incurred.

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. As explained in the fixed asset accounting policy note, historical cost disclosures have not been provided.

Stocks

Stocks are valued at the lower of cost and net realisable value which is considered to be equivalent to their value to the business.

Net liquid resources

Liquid resources comprise short term cash deposits.

Reserves

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

Restricted funds

These are funds which have been given to RBG Kew for specific purposes by donors.

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.

Accumulated 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 RBG Kew, but excluding Grant-in-aid, are taken to the Accumulated Reserves. These funds may be used at the Board's discretion within the terms of section 24 of the National Heritage Act 1983.

Revaluation reserve

This represents the cumulative difference between historic and current costs of fixed assets.

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.

3_Grant-in-aid

Grant-in-aid of £28,550,000 was received from Defra in 2009/10 (2008/09 £26,600,000) of which £10,900,000 was for capital (2008/09 £8,750,00).

4_Grants and donations

	Unrestricted £'000	Restricted £'000	2009/10 £'000	2008/09 £'000
Income received from RBG Kew Foundation	–	1,877	1,877	3,911
Millennium Seed Bank Project income	–	153	153	3,953
Defra Evidence grant	–	–	–	2,000
Other project income	21	4,045	4,066	3,943
EU project income	–	395	395	553
Contribution in kind (i)	–	–	–	85
Grant for maintaining Wakehurst Place	–	85	85	79
Donations	–	53	53	42
	£21	£6,608	£6,629	£14,566

(i) The Contribution in kind in 2008/09 was delivery of Great Plant Hunt chests to schools throughout the country.

5_Activities for generating funds – trading

	2009/10 £'000	2008/09 £'000
Retailing	3,440	3,210
Commercial development (i)	1,922	1,952
	£5,362	£5,162

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

6_Investment income

	2009/10 £'000	2008/09 £'000
Interest receivable	56	404
Charities Official Investment Fund	11	11
	£67	£415

All interest receivable is from cash at bank and short term cash deposits.

7_Incoming resources from charitable activities

	2009/10 £'000	2008/09 £'000
Admissions	5,765	5,548
Catering contracts	1,097	1,077
Education charges	192	208
Rents receivable	93	100
Sale of fixed assets	38	18
Other income from third parties (i)	1,165	1,350
	£8,350	£8,301

(i) Other income from third parties consists of supplies made of goods and services from, amongst other things, consultancies, provision of photographs, reproduction fees and identification services.

8_Key performance target – total revenue generated

RBG Kew had a Key Performance Target for Total Revenue Generated in 2009/10 of £55.0m. Actual Revenue Generated, as defined for this target, was £46.0m. The main difference to Total incoming resources in Statement 1 is that the net profit of RBG Kew Enterprises is included rather than gross income. The decrease is due to less Grant from Defra than targeted and re-phasing of capital projects resulting in funding not being drawn down from the Foundation.

9_Resources expended

	Staff Costs £'000	Depreci- ation £'000	Other Direct Costs £'000	Allocated Support Costs £'000	2009/10 Total £'000	2008/09 Total £'000
Trading costs	1,634	62	2,645	–	4,341	4,230
Research and conservation	15,816	1,876	7,968	11,623	37,283	36,707
Visitor activities	2,688	730	3,951	1,494	8,863	6,713
Governance costs	63	–	95	–	158	157
Support costs	5,464	–	7,653	(13,117)	–	–
	£25,665	£2,668	£22,312	£–	£50,645	£47,807
Note	11	13	12	10		

10_Support costs

	Staff Costs £'000	Other Direct Costs £'000	Total 2009/10 £'000	Total 2008/09 £'000
Estates	1,099	5,818	6,917	6,169
IT	2,028	1,109	3,137	1,980
HR	501	357	858	753
Directorate	710	263	973	791
Finance	548	55	603	619
Other support	578	51	629	275
	£5,464	£7,653	£13,117	£10,587

11_Trustees' remuneration and staff costs

a_Trustees' remuneration

Trustees do not receive any remuneration for their services.

Travelling and subsistence expenses of 2 Trustees (2008/09 2) have been charged at cost as part of other direct costs – Note 12.

b_Employees with earnings above £60,000

Number of employees at:	2009/10	2008/09
£60,000 – 69,999	5	6
£70,000 – 79,999	7	6
£90,000 – 99,999	–	1
£100,000 – 109,999	2	1
£130,000 – 139,999	1	–
£140,000 – 149,999	–	1

c_Staff salaries and social security, including the Director

	2009/10 £'000	2008/09 £'000
Salaries	21,022	19,881
Social security costs	1,468	1,428
	22,490	21,309
Staff pensions – Note 22	3,175	3,115
	£25,665	£24,424

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

	2009/10	2008/09
Botanical science	255	264
Horticulture and public experience	230	220
Visitor services and marketing	63	53
Information services	56	47
Support services and estates management	71	62
Directorate	19	13
RBG Kew Enterprises Ltd	60	56
	754	715

The numbers in 2009/10 include full time equivalent numbers of agency staff. This information is not available for 2008/09.

12_ Other direct costs

	2009/10 £'000	2008/09 £'000
Cost of sales	1,862	1,782
Materials	3,925	3,786
Direct project costs	1,647	2,171
Repairs and maintenance	4,224	3,353
Minor new building works	949	1,622
Hire charges	259	324
Rates and utilities	1,595	1,475
Trustees' travel and subsistence	2	1
Staff travel and subsistence	523	544
General services	3,329	3,963
Movement in bad debt provision	31	26
Audit fees	36	36
Professional fees	2,394	1,689
Revaluations	1,536	220
	<u>£22,312</u>	<u>£20,992</u>

Unrecovered VAT for the year of £449,000 has been charged against these accounts (2008/09 £479,000). £35,500 (2008/09 £35,500) was paid to the external auditors for audit fees. No other fees were paid to the external auditors.

13_Tangible assets_Royal Botanic Gardens, Kew and Consolidated

	Land	Dwellings	Buildings	Collections	Gardens Equipment	Scientific Equipment	Office Equipment	Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Valuation									
At 1 April 2009	26,858	11,384	88,790	31	3,809	7,871	192	691	139,626
Additions	–	–	1,561	–	149	1,139	102	19	2,970
Disposals	–	–	–	–	(112)	(481)	(4)	(39)	(636)
Revaluation	(548)	948	(6,248)	–	(165)	(54)	(7)	(44)	(6,118)
At 31 March 2010	<u>26,310</u>	<u>12,332</u>	<u>84,103</u>	<u>31</u>	<u>3,681</u>	<u>8,475</u>	<u>283</u>	<u>627</u>	<u>135,842</u>
Depreciation									
At 1 April 2009	–	2,498	12,169	–	1,742	5,587	120	487	22,603
Charge for the year	–	190	1,204	–	297	877	16	84	2,668
Disposals	–	–	–	–	(100)	(457)	(4)	(35)	(596)
Revaluation	–	208	(1,127)	–	(58)	(390)	(11)	(89)	(1,467)
At 31 March 2010	<u>–</u>	<u>2,896</u>	<u>12,246</u>	<u>–</u>	<u>1,881</u>	<u>5,617</u>	<u>121</u>	<u>447</u>	<u>23,208</u>
Net book value									
At 31 March 2010	<u>£26,310</u>	<u>£9,436</u>	<u>£71,857</u>	<u>£31</u>	<u>£1,800</u>	<u>£2,858</u>	<u>£162</u>	<u>£180</u>	<u>£112,634</u>
At 31 March 2009	<u>£26,858</u>	<u>£8,886</u>	<u>£76,621</u>	<u>£31</u>	<u>£2,067</u>	<u>£2,284</u>	<u>£72</u>	<u>£204</u>	<u>£117,023</u>

(a) Fixed assets with a net book value of £40k were disposed of during the year for £38k.

(b) As explained in Note 2 existing buildings at 31 March 2001 that were not used for fundraising or administration purposes have not been capitalised. There are over 250 buildings on the Kew site including the magnificent public glasshouses – The Palm House, The Temperate House and the Princess of Wales Conservatory. The age range of the buildings is also extensive, stretching from the 19th Century and throughout the 20th Century.

(c) The valuations of the land and buildings were carried out by Powis Hughes & Associates, Chartered Surveyors, and Fanshawe, Chartered Quantity Surveyors. The valuations were made on an existing use basis at 31 March 2007 and were prepared in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual. The land was valued at £28,770,000 and the buildings at £63,145,000.

14_ Investments

	Royal Botanic Gardens, Kew		Consolidated	
	2010	2009	2010	2009
	£'000	£'000	£'000	£'000
Valuation				
At 1 April	527	602	202	277
Revaluation	53	(75)	53	(75)
At 31 March	£580	£527	£255	£202

Investments at 31 March are analysed as follows:

	Royal Botanic Gardens, Kew		Consolidated	
	2010	2009	2010	2009
	£'000	£'000	£'000	£'000
RBG Kew Enterprises Limited	325	325	–	–
Charities Official Investment Fund	255	202	255	202
	£580	£527	£255	£202

RBG Kew has a small level of funds which are invested in the Charities Official Investment Fund. The Trustees consider this gives an adequate balance between risk and reward for the amounts involved.

15_ Trading subsidiary**The subsidiary undertaking is as follows:**

Name_RBG Kew Enterprises Limited

Registered in_England & Wales Company Number 2798886

Registered address_Royal Botanic Gardens, Kew,
Richmond, Surrey, TW9 3AB

Activity_Retailing and commercial development

Proportion of shares held_Ordinary shares 100%
_Redeemable shares 100%

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

	2009/10	2008/09
	£'000	£'000
Turnover	5,315	4,913
Cost of sales	(1,995)	(1,869)
Gross profit	3,320	3,044
Net other expenses	(2,471)	(2,378)
Interest receivable	5	30
Net profit	854	696
Gift Aid paid to RBG Kew	(854)	(696)
Profit for year	£–	£–

	2010	2009
	£'000	£'000
Balance sheet		
Current assets	2,483	2,380
Current liabilities	(2,158)	(2,055)
	£325	£325
Share capital and reserves	£325	£325

16_ Debtors

	Royal Botanic Gardens, Kew		Consolidated	
	2010	2009	2010	2009
	£'000	£'000	£'000	£'000
Trade debtors	1,380	718	1,520	842
Prepayments and accrued income	929	3,427	1,046	3,498
Owed by subsidiary	1,298	1,230	–	–
Owed by the Foundation	531	427	531	426
Owed by Central Government Departments	79	2,095	79	2,095
Travel advances to staff	15	25	15	25
Staff loans	13	13	13	13
Value added tax	443	342	443	342
Total debtors	£4,688	£8,277	£3,647	£7,241

17_ Creditors: Amounts falling due within one year

	Royal Botanic Gardens, Kew		Consolidated	
	2010	2009	2010	2009
	£'000	£'000	£'000	£'000
Trade creditors	232	201	240	249
Accruals	3,554	4,523	3,726	4,646
Provisions	195	–	195	–
Other	2,402	2,052	3,082	2,735
Total creditors	£6,383	£6,776	£7,243	£7,630

Other creditors includes £1,474,000 of deferred income (2008/09 £1,291,000) in respect of project funds received by RBG Kew which it is not yet entitled to claim as income.

Provisions have been made for early retirement costs following a restructure within the organisation.

18_ Statement of reserves_Royal Botanic Gardens, Kew and Consolidated

	At 1 April 2009 £'000	Income £'000	Expenditure £'000	Revaluation £'000	At 31 March 2010 £'000
Unrestricted					
Government Capital Grants	41,358	2,432	(4,051)	–	39,739
Capital Revaluation Reserve	64,872	–	(3)	(3,113)	61,756
General	6,409	39,906	(40,367)	–	5,948
Total Unrestricted	112,639	42,338	(44,421)	(3,113)	107,443
Restricted					
Capital Grants	10,787	538	(188)	–	11,137
Capital Revaluation Reserve	6	–	(4)	–	2
Donations	278	65	(15)	17	345
Projects	–	6,017	(6,017)	–	–
Total Restricted	11,071	6,620	(6,224)	17	11,484
Endowment					
Scott-Marshall	131	–	–	34	165
Robin Spare Book Fund	3	–	–	–	3
Total Endowment	134	–	–	34	168
Total Reserves	£123,844	48,958	(50,645)	(3,062)	£119,095

The Capital Grants fund represents monies given by third parties for specific projects which are used to purchase capital equipment. It is released as the assets are depreciated or are disposed of.

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 8 different accounts within Donations.

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. There were over 70 such projects this year.

The income from the Scott-Marshall endowment is to be used to provide travel scholarships for horticultural staff at RBG Kew.

The income from the Robin Spare Book Fund is to be used to purchase books for the School of Horticulture library at RBG Kew.

19_ Analysis of net assets between reserves

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Reserves balances at 31 March are represented by:				
Tangible assets	101,495	11,139	–	112,634
Investments	–	87	168	255
Current assets	12,056	1,393	–	13,449
Creditors	(6,108)	(1,135)	–	(7,243)
	£107,443	£11,484	£168	£119,095

20_ Analysis of reserves

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Capital Grants				
– Government	39,739	–	–	39,739
– Other capital grants	–	11,137	–	11,137
Accumulated Reserves	5,948	323	110	6,381
Revaluation Reserve	61,756	24	58	61,838
	£107,443	£11,484	£168	£119,095

The Accumulated Reserves are for use at the Trustees' discretion and the main priority is support for the capital programme.

21_ Capital grants

	Other Grants £'000	Government Grants £'000	Total £'000
Historic net book value of fixed assets at 1 April 2009	10,787	41,358	52,145
Acquired during the year with Grant-in-aid	–	2,432	2,432
Acquired during the year with capital grants	538	–	538
	11,325	43,790	55,115
Less historic depreciation			
– Tangible assets	(178)	(1,559)	(1,737)
Release on assets disposed of during the year	(10)	(24)	(34)
Devaluations	–	(2,468)	(2,468)
Historic net book value of fixed assets at 31 March 2010	£11,137	£39,739	£50,876

22_Pension commitment

The staff of the Royal Botanic Gardens, Kew are employed by the Trustees and they are eligible to be members of the Principal Civil Service Pension Scheme, PCSPS. This is an unfunded multi-employer defined benefits scheme to which the conditions of the Superannuation Acts 1965 and 1972 and subsequent amendments apply.

RBG Kew's contributions to the PCSPS are affected by a surplus or deficit in the scheme but as it is a multi-employer scheme RBG Kew is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. A full actuarial valuation was carried out by the Scheme Actuary, Hewitt Bacon Woodrow, in March 2007 and details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk). For 2009/10 contributions of £2,899,000 were paid to the Paymaster General at rates which ranged from 16.7% to 24.3% depending on salary. In addition £195,000 has been provided for early retirement costs, Note 17. The Scheme Actuary reviews employer contributions every four years following a full scheme valuation.

RBG Kew Enterprises operates a Group Personal Pension Plan for its employees, which is a defined contribution scheme. It made pension contributions of £81,000 to this scheme during the year. 53 staff were members of the defined contribution scheme at 31 March 2010 and the remaining staff were members of the PCSPS.

23_Commitments

There were no major capital commitments at 31 March 2010.

24_Contingent liabilities

There were no contingent liabilities at 31 March 2010.

25_Related party transactions

RBG Kew has dealings with the Department for Environment, Food and Rural Affairs and its sponsored bodies, and other Government Departments and their sponsored bodies.

As stated in the Statutory Information the purpose of the Foundation and Friends of the Royal Botanic Gardens, Kew is to provide support for Kew and, as shown in Note 4, £3.9m was received in 2009/10 (2008/09 £3.9m). RBG Kew provides services and facilities to the Foundation and Friends which are made on an arms length basis. Marcus Agius was a Trustee of the Foundation and Friends throughout the year. John Selborne was a Trustee until 12 October 2009. Henry Keswick

and George Loudon were appointed Trustees on 1 November 2009. Stephen Hopper is also Chief Executive of the Foundation and Friends.

Enquiries about the Trustees' Register of Interests should be sent to the Head of Legal and Governance, Royal Botanic Gardens, Kew, Richmond, Surrey, TW9 3AB.

26_Financial instruments

FRS 29 – Financial Instruments: Disclosures, is applicable for the first time and requires disclosure of the role financial instruments have had during the period in creating and changing the risks an entity faces in undertaking its activities. 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. The majority of financial instruments relate to contracts to buy non-financial items in line with RBG Kew's expected purchase and usage requirements and RBG Kew is therefore exposed to little credit, liquidity or market risk. However, the following points should be noted.

- RBG Kew is exposed to credit risk of £1.4m of trade debtors – however this risk is not considered significant as major customers are familiar to RBG Kew.
- RBG Kew has recovered 98% of trade debtors over the last years.
- Cash is held by RBG Kew's bankers and Kew has not suffered any loss in relation to cash held by bankers.
- RBG Kew cash deposits have floating interest rates. Were LIBOR to decrease by 1%, interest income would decrease by approximately £60k.
- The movement on the investment funds has been allocated to the Restricted and Endowment Reserves.

27_Post balance sheet events

It was announced in the Budget on 22 June 2010 that the Government intends to adopt the Consumer Price Index (CPI) for the indexation of public service pensions from April 2011. This will have an impact upon the future operation of the pension schemes that RBG Kew provides to employees.

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.

Royal Botanic Gardens, Kew_Five year financial summary

Summary Statement of Financial Activities

	2005/06	2006/07	2007/08	2008/09	2009/10
	£'000	£'000	£'000	£'000	£'000
Incoming resources					
Grant-in-aid	25,537	25,200	25,204	26,600	28,550
Grants and donations	9,321	8,666	16,389	14,566	6,629
Income from activities	13,363	12,423	13,785	13,463	13,712
Investment income	617	549	582	415	67
Total incoming resources	48,838	46,838	55,960	55,044	48,958
Resources expended					
Charitable expenditure	38,620	41,571	41,686	43,577	46,304
Cost of generating funds	4,707	3,810	4,064	4,230	4,341
Total resources expended	43,327	45,381	45,750	47,807	50,645
Net incoming resources	5,511	1,457	10,210	7,237	(1,687)
Unrealised movements on investments	50	14	–	–	51
Revaluation of tangible assets	3,346	3,764	4,472	(9,019)	(3,113)
Net movement in reserves	8,907	5,235	14,682	(1,782)	(4,749)
Reserves at 1 April	96,802	105,709	110,944	125,626	123,844
Reserves at 31 March	£105,709	£110,944	£125,626	£123,844	£119,095

Summary Balance Sheet

	2006	2007	2008	2009	2010
	£'000	£'000	£'000	£'000	£'000
Fixed assets	96,248	102,069	116,356	117,225	112,889
Current assets	14,917	14,824	14,907	14,249	13,449
Creditors	(5,456)	(5,949)	(5,637)	(7,630)	(7,243)
Total assets less current liabilities	£105,709	£110,944	£125,626	£123,844	£119,095
Unrestricted	102,424	107,661	116,515	112,639	107,443
Restricted	3,095	3,084	8,928	11,071	11,484
Endowment	190	199	183	134	168
Total reserves	£105,709	£110,944	£125,626	£123,844	£119,095

Corporate information

Health and safety statement

The Royal Botanic Gardens, Kew recognises the importance of managing Health and Safety (H&S) risks – both on its sites at Kew Gardens and Wakehurst Place and as part of the work carried out by its employees wherever that may be.

To drive ongoing improvement in standards and adoption of best practice, the H&S team are currently working on an Improvement Programme with an agenda to take H&S towards best practice in all that it does. As part of the Improvement Programme an H&S Steering Group (SG) has been set up, chaired by the Director to manage the strategy of the Improvement Programme. The SG currently meets every two months.

Kew has a current and up to date statement on H&S intent, which is available on the intranet. A copy of the policy is included in the induction pack for all new starters issued by the Human Resources Department and a copy can be found on each departmental notice board. The statement makes clear the commitment of the Trustees, as the employers, to ensure a safe workplace for their employees and visitors, and any other person who may be affected by their undertaking.

All other H&S policies and procedures are available to staff on the intranet, and as part of the Improvement Programme are in the process of being revised and updated. A number of new policies are also being produced. Responsibility for day to day activity rests with the Director and Heads of Department.

The external audit, carried out by Sypol Ltd for the whole organisation, is now complete. The results from the audit produced three items for each of the twelve departments; the audit itself, a departmental H&S action plan and a departmental H&S risk register. The documents have been through a thorough consultation process and will be issued as working documents by July 2010. An organisation wide H&S risk register has been produced and will be used as a working tool to monitor progress and success against the Improvement Programme. A set of Corporate H&S Objectives has also been produced and will be used by the Director as the basis of his annual reviews with the Heads of Departments.

Activities identified as involving the most significant risks to staff include working at height (notably in arboriculture, work on fragile roofs and working from scaffolds and ladders), manual handling, slips, trips and falls, use of field machinery and equipment, use and storage of chemicals and field work in remote places. All of these activities are currently under review as part of the Improvement Programme.

The visitors to Kew most likely to have an accident are children under the age of 10, playing in the popular Climbers and Creepers play area and the newly opened Treetop Towers play area. The design and management of the area is set up to reduce risk and the majority of incidents are minor bumps. We continue to be mindful of visitors who may be senior in years and those with disabilities so that we also match our procedures and risk mitigation techniques to their needs and safety requirements.

Staff receive health and safety training when appointed, but the induction process is under review to ensure consistency across site. Specialist training is provided for first aiders, fire wardens and other key competencies. These courses are arranged centrally by the H&S team.

Kew's Health and Safety Committee meets twice a year and is the forum where the Safety Representatives of the three recognised Trade Unions and the Director can openly discuss issues or concerns. A representative from the Departmental Health and Safety Co-ordinators also attends these meetings. The Trade Union Safety Representatives (TUSRs) have the opportunity to raise issues with the Director at other times without undue restriction or delay. The TUSRs are consulted on all new policies and procedures. The TUSRs have access to information about accidents so they can carry out their own investigations.

In the reporting year April 2009 to March 2010, there was 1 Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995, RIDDOR, reportable incident at Kew involving a member of staff. At Wakehurst Place there have been 3 RIDDOR reportable incidents, 2 involving staff and 1 involving a visitor.

No enforcement notices have been served on RBG Kew, nor were there any convictions for H&S offences.

Customer care statement

As public servants we have a duty to serve the public well and, as a leading visitor attraction with two important sites at Kew and Wakehurst Place, we must also meet the needs of an increasingly competitive and demanding market. We monitor customer needs and feedback and set customer service standards for the most critical aspects of our front of house operation from maintenance of the gardens to the standard of our catering, retail and toilet facilities. We track customer feedback in a number of different ways including:

- a customer comment form which is made available to at every gate and at the catering outlets;
- independent market research on every aspects of our customer service with quarterly reports on our key indicators and detailed reviews every 6 months;
- annual bench marking research on key aspects of our service against competitors and peers;

We employ an independent market research company to track visitor satisfaction and value for money. The latest survey shows that 96% of visitors rate a visit to Kew as excellent or good and 70% of people rate Kew as excellent or good value for money. 85% of people questioned would definitely recommend a visit to Kew to family or friends. These standards compare favourably to the best visitor attractions in London.

During the year we have continued a feedback and training programme with a view to involving front-line staff in setting improved visitor care standards.

Corporate information continued

Kew is possibly the world's leading centre for information on plant diversity and we respond to an astonishingly wide variety of enquiries from many different sources. We have standards for the timeliness and content of responses and conduct a monthly review of customer complaints to assess areas for improvement.

Kew is a member of the Association of Leading Visitor Attractions (ALVA), a body that represents organisations which attract more than one million visitors a year. ALVA has developed robust bench-marking surveys to monitor, and thus improve, quality. Kew has played an active role in this process. Kew has also continued to participate in the ALVA 'mystery guest' scheme.

Diversity and equality statement

"We are determined to promote and safeguard equality and diversity for all. This year we have focused on the full involvement of disabled people amongst our staff and stakeholders, including our visitors, we are identifying priorities for change in both policy and operations. An evolving, effective and transparent Disability Equality Scheme continues to enrich our institution and our engagement with the wider community." Professor Stephen D. Hopper – Director

Kew has a duty to nurture equality and diversity for all. To meet this goal, Kew has concentrated on promoting equality for disabled people and published its first Disability Equality Scheme and Action Plan in March 2009.

The implementation and development of the three-year scheme is led by the Disability Equality Group, chaired by Andy Burchell, Director, Corporate Operations and Finance, with 25 members drawn from Departments across the organisation.

Legal compliance and good practice

One requirement of the Disability Equality Duty is to involve actively disabled people in the implementation of the Disability Equality Scheme. A key achievement in the scheme's first year has been the establishment of an interim Disability Equality Forum at Kew. Forum members represent diverse experience of disability, and meet to scrutinise new projects and policies to ensure that we maximize accessibility. This group has advised on the design of the new Quarantine House; the new website; and the Summer Swing 2010 leaflet. Funding has been secured for the next financial year to recruit a permanent Disability Equality External Forum. Wakehurst Place has established links with the Chichester Access Group which will carry out an audited programme of independent access assessments to help provide a better working and visitor environment for all users at Wakehurst.

Training and culture change

A commitment to diversity and equality brings with it a need for appropriate training and culture change. Advocacy sessions have been staged at Kew and Wakehurst to explain the Disability Equality Scheme; with training from local organisation Richmond AID, the Disability Equality Group has developed workshop materials to cascade disability equality awareness training to their colleagues.

Kew's Marketing Department gained valuable advice from the External Forum on the Summer Swing 2010 leaflet. An action plan to improve accessibility of Kew and Wakehurst Place venues and commercial events is under development.

The Kew Explorer has run tours for Stepping on Out (younger people with special needs), Berkshire Blind Group, three tours for people with special needs, and four Sunshine Ramblers tours. Through the Discovery Programme, 143 bus tours made Kew accessible for over 1,600 visitors with mobility impairments, while 27 sensory walking tours brought Kew to 180 people with limited mobility and/or sight impairments.

Accessibility is at the heart of the redesign of the Kew website. This year eight sections of www.kew.org have been redesigned and classified as conforming to the W3C AA accessibility standard. Our Estates Department has appointed a consultant to carry out a Disability Discrimination Act access audit of Kew, to ensure legal compliance and best practice. Reviews of 15 policies and procedures are complete and ready for consultation. Human Resources has reviewed the current recruitment Equality and Diversity questionnaire and processes to ensure legal compliance and best practice. Horticultural staff have replaced stiles with gates on the public footpath through Wakehurst Place. Positive recruitment policies mean that 10 per cent of the horticultural volunteering community have either a disability or special educational needs.

Andy Burchell, Director, Corporate Operations and Finance, says:

"While we are proud of our progress towards disability equality, Kew recognises the importance of continuing to strive to achieve best practice. In the forthcoming year, our plans include the expansion of the remit of the Disability Equality Group to include all aspects of diversity covered by the Equality Bill 2010 (race, gender, disability, age, religion or belief, sexual orientation, gender identity) and become the Diversity and Equality Group; the development of a powerful system to assess the impact of policy and procedure on equality and diversity; and a comprehensive review of our Equal Opportunity Policy."



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