Royal Charter number: RC000767

Charity number (England and Wales): 1073396

Charity number (Scotland): SC047057

The Landscape Institute

Report and financial statements

31 March 2022

SAYER | VINCENT

The Landscape Institute

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For the year ended 31 March 2022

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The Landscape Institute

Reference and administrative details

For the year ended 31 March 2022

Royal Charter number	RC000767
Charity number (England and Wales)	1073396
Charity number (Scotland)	SC047057
Registered office and operational address	85 Tottenham Court Road London W1T 4TQ United Kingdom
Trustees	Trustees who served during the year and up to the date of this report were as follows:

Adam White	Immediate Past President until 30 June 2021
Carolin Göhler	Vice President until 30 June 2021
Jane Findlay	President until 30 June 2022 Immediate past President from 01 July 2022
Brodie McAlister	President Elect from 01 July 2021 until 27 June 2022
Noel Farrer	Vice President from 01 July 2021
Mathew Haslam	Honorary Treasurer from 01 July 2021
Dr Keren Jones	Honorary Secretary
Niall Williams	Non-Chartered Trustee until June 2021
Adam Barker	Non-Chartered Trustee from December 2021
Christine House	Chair – Education &Membership Committee
Kate Bailey	Chair – Policy & Communications Committee until August 2022
Marc van Grieken	Chair – Technical Committee
Jane Clarke	Independent Trustee
Marc Norden	Independent Trustee
James Smyllie	Independent Trustee
Dr Wei Yang	Independent Trustee until June 2022

Principal staff	Sue Morgan	Chief Executive Officer from September 2021
	Jane Swift	Interim Chief Executive from February to August 2021
	Dan Cook	Chief Executive Officer until April 2021
	Amina Waters	Chief Operating Officer until June 2021
	Andrew Morris	Commercial Director
	Gideon Opaluwa	Head of Governance & Regulation
	Antonella Adamus	Head of Standards, Education & Engagement
	Ben Brown	Head of Policy & Insight
	Michael Lu	Head of Human Resources & Organisation Development
	Naomi Taylor	Head of Membership Services
	Donna Lawrence	Interim Head of Finance

Bankers	NatWest Bank	CAF Bank Ltd
	PO Box 2162	25 Kings Hill Avenue
	20 Dean Street	Kings Hill
	London	West Malling
	W1A 1SX	Kent ME19 4JQ

Solicitors	Russell Cooke
	2 Putney Hill
	London
	SW15 6AB

Auditors	Sayer Vincent LLP
	Chartered Accountants and Statutory Auditors
	Invicta House
	108-114 Golden Lane
	London EC1Y 0TL

FOREWARD TO THE ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2022

By Jane Findlay, CMLI, PPLI

2021-22 was another extraordinary period of change and challenge for the Institute and its members.

It was in many ways a transitional year for the Institute, following the departures of the previous Chief Executive in April, and the Chief Operating Officer in June. An interim CEO was in place from February to August 2021, and a new permanent CEO, Sue Morgan, was appointed at the beginning of September.

There was a sense of relief when Covid-19 restrictions were eased during the summer, and a level of normal service returned. Nevertheless, the pandemic gave us cause to reflect on our priorities and practices as we further embraced digital working. The Institute benefitted from its previous investment in digital platforms such as LI Campus, but as we continue to manage our way out of the pandemic, the return to hybrid/office working, and the current economic uncertainty, we must be careful to continue adapting and learning.

Our focus has been on stability, building resilience, and modernizing our services to ensure we are in the strongest possible position to deliver what our members need to thrive in a changing world.

We have worked hard to retain a strong and influential voice for landscape, to shape policy and the future of the profession, against the backdrop of a tumultuous year for the United Kingdom. Our focus has stayed true to our 2020 commitment to accelerate our sector's adaptation to the twin climate and biodiversity crises – and we have kept our delivery high against this objective.

We have continued to work hard to ensure the Institute remains in a robust and sustainable financial position. Our membership numbers are strong and this is reflected by our retention rate. We have started on the journey of widening our entry routes to attract new members of the profession but there is still a long way to go. The Institute has continued to implement the recommendations of the 2021 Independent Review to ensure it is a more effective organisation for the future. We continue to streamline and modernize the way we work, in order to provide better services for our members and improve the working environment for our staff.

In January 2022, we received a whistleblowing disclosure which contained serious allegations about the conduct and behaviour of the former President-Elect. After following the necessary regulatory processes and procedures under our by-laws and regulations, supported by professional legal advice, this process ended in the Advisory Council's unanimous decision to remove the President-Elect from this appointment.

This event, although necessary and properly undertaken, has cast a shadow through the landscape profession. It is important that our members understand why the action was taken; and why it is essential that the Institute follows its own – and others' – rules, without fear or favour. It is important too to note the harm that has been caused by the subsequent activity and behaviour of a small group of members, who have been determined to overturn the Advisory Council's decision. This has had a deleterious effect on our valued volunteers and staff team, without which the Institute cannot thrive and grow.

An outcome from the Independent Review was the need to address poor and non-inclusive behaviour. We are determined to do this, and we will be relentless in the defence of diversity, equality, and inclusivity throughout our industry. We will not tolerate the abuse of powers or workplace bullying no matter who the individual is and are determined to provide a safe and welcoming workplace.

We are living in a rapidly changing world and we know there will be more changes and challenges ahead. Therefore, in closing, I want to give a special thank you to our staff and volunteers, to the Board, Advisory Council, Branch and Committee members, and to all members who have contributed towards the Institute and profession's success in the last year. We are indebted to them for their commitment during these uncertain times.

Jane Findlay

President -21/22
Immediate Past President -22/23

The Board of Trustees present their annual report and the financial statements of the Landscape Institute for the year ended 31 March 2022. Reference and administrative information on pages 2 to 3 form part of this report. The financial statements comply with current statutory requirements, the Institute's governing documents and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS102.

Objects, purposes and aims

The trustees review the aims, objectives and activities of the Institute each year. This report looks at what the Institute has achieved and the outcomes of its work within the twelve months from April 2021 to March 2022. The trustees report the success of each key activity and the benefits the Institute has brought to its members, the landscape profession and the wider public. The review also helps the trustees ensure the Institute's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Institute's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Institute's main activities and beneficiaries are described below. All its charitable activities are aimed at delivering its charitable objectives for the benefit of the public.

The Landscape Institute is constituted under Royal Charter dated 01 September 1997, updated in 2008 and 2016. The main objects of the Institute are:

To protect, conserve and enhance the natural and built environment for the benefit of the public by promotingthe arts and sciences of Landscape Architecture and its several applications and for that purpose to foster andencourage the dissemination of knowledge relating to Landscape Architecture and the promotion of research and education therein, and in particular to establish, uphold and advance the standards of education, qualification, competence and conduct of those who practise Landscape Architecture as a profession, and to determine standards and criteria for education training and experience.

Achievements and performance

The Board adopted a five-year Corporate Strategy in March 2018, which sets out:

Our mission

The Landscape Institute aims to lead and inspire the landscape profession to ensure it is equipped to deliver its purpose under our Royal Charter for the benefit of people, place and nature, for today and forfuture generations.

Our strategic vision

To be a relevant, expert and trusted professional body, which develops the skills, knowledge and professional behaviours of its members. We will be agile, innovative and responsive in the face of environmental challenges and major social change, to help our members and the communities they servedeliver more sustainable ways for living and working in the future. As a self-regulating professional body we will continue to build public confidence by upholding the highest standards of conduct, and challenging conduct or behaviours that fall below the standard that members and the public should expect of a professional Institute.

Our values

The Institute will conduct itself, in accordance with sound ethical and professional behaviours. In enabling its members to give authoritative and independent advice we will work according to the following values of being: Caring and nurturing; creative and passionate; and socially and environmentally aware.

Our goals

1. Influence
2. Relevance
3. Inclusive Growth

The year under review is the fourth year of the Corporate Strategy, and our business plan for the year set out our planned progress towards our strategic goals. The Finance & Risk Committee monitors progress at each meeting, following performance indicators set out in the plan and updates the Board.

Despite the worst of the pandemic behind us, the year under review was one of change, reflection, aspiration for an Institute that would better serve its members today, tomorrow and the next generation; a place where staff wellbeing and development is recognized as important to our success. In March 2021 we recruited two new Independent Trustees, Marc Norden and Jane Clarke, who have brought decades of skills and experience in finance, investment, governance, and risk. Their expertise has made and continues to make significant contributions to the work of the Board and Finance & Risk Committee.

Our new Chief Executive Officer, Sue Morgan brought with her a breadth of experience and knowledge to the role, from her 25 years plus career in the built environment, urban renewal and placemaking as well as senior executive and CEO experience in similar organisations.

In our drive to improve the working environment for staff, volunteers, and members, we appointed two new members of the senior leadership team last autumn, Head of Membership Services and Head of Human Resources & Organisation Development. The extra staffing resources enable us to rightly channel the central role of volunteering and member contributions to the achievement of our strategy. We are grateful to all our staff for their resilience in the face of uncertainty and change.

Once again, much of what was achieved was made possible by the support of our many volunteers who hold governance roles, manage branch activities, contribute to committees, mentor, supervise and examine candidates for Chartership, Technician and Fellowship. The Board of Trustees would like to thank everyone (volunteers, members, and staff) who has contributed to the success of the year and helped the Institute in fulfilling its mission to protect and enhance the environment and to create thriving communities through the design and management of inspirational places.

We report on our activities for the year following the format of our Corporate Strategy and business plan, and we show charitable income and expenditure in the same categories in our financial statements. This year was a period of consolidation and building on our success during 2020 of a smooth transition to on-line support and services. We recognized that further work was required to ensure our digital platforms were fit for purpose and created the opportunity for infrastructure changes and cultural norms to make the Institute better equipped for the future. The recommendations in the Independent Review (IR) provided the framework, and the process will continue into the new financial year as business as usual.

Influence

1. Raise the profile of landscape and place with the public and decision markers

i. Influence relevant public policy and regulations

- Amidst a busy and uncertain public policy environment, we delivered a range of reactive and proactive policy work across our main priorities. Our strategy has remained to undertake fewer, more impactful policy intervention. The main policy agendas of the year were the English planning reforms (incl. Design Codes), the Environment Act (incl. Biodiversity net gain), the Green Infrastructure Standards, and the post-Glover designated landscapes review.
- We established two new Policy Advisory Groups (Biodiversity Net Gain and Embodied Carbon), which contributed to the creation of new policy and research activity, as well as advising on wider Institute activity. Our Biodiversity Net Gain Briefing paper was published March 2022.
- We strengthened our relationship with Central Government policymakers and were invited to Government roundtables and policy development workshops.
- We continued our many positive partnerships with other bodies and networks, and supported a number of high-profile reports and projects through peer review, shared promotion; example: the 'Build Better Now' COP26 Built Environment Virtual Pavilion, the Policy Exchange 'Nature in the City' report, and UK Green Building Council's Nature-Based Solutions programme.
- We maintained our positive engagement with networks such as the Environmental Policy Forum, the SUDS Leadership Group, and the Construction Industry Council (CIC). Through the CIC we co-led the publication of the CIC Climate Action Plan, again launched at COP26, taking on the workstream for Adaptation and Resilience.

ii. Influence clients and industry on the value of using landscape professionals

- First attendance at an international UN Conference – COP 26. The Institute secured a blue-zone observer status, 6 LI attendees, led by the President and CEO, joined the in- person two- week event in Glasgow.
- At COP26 we also launched a joint international declaration with fellow Institutes AILA and CSLA.
- First attendance at MIPIM, the world's leading real estate market, and held a joint round table dinner with Royal Town Planning Institute (RTPI).
- As part of our commitment to extending outreach within the Parks and Green skills sector we were successful in London Green Space Skills Hub bid (part of GLA Mayor's Academies funding) as a partner to Groundwork & Parks for London. This scheme will explore areas of increasing access to educational routes within the sector, particularly apprenticeships and creating a skills provision which is future fit.

- During this period, we continued to promote our CC&B Action Plan, as well as our Landscape for 2030 report (published March 2021).
- The Technical Committee GLVIA Panel commissioned the LVIA Masterclass in October 2021 and guest edit the IMEA Impact Assessment Outlook Journal.

iii. Improve member and customer experience

- Improved Awards entry system online to make the entry process and judging process more seamless. This was extremely well received with the entry process being rated by entrants and judges at an NPS score of 56. Comments included that the system was 'very intuitive & smooth.'

iv. Achieve net zero by 2029

- Alongside our 2020 commitment to do more as a professional body in meeting the climate crisis (as above) we also committed to reducing our own carbon footprint to net zero by 2029.
- During financial year 2021-22, Covid-19 continued to be the primary driver impacting this commitment – as lockdown restrictions continued to shape all of our operations and therefore our operational carbon. Our staff primarily worked from home and the majority of our Committee/Panel meetings, major events, and volunteer networks took place online.
- Our intention remains to undertake a full carbon audit of our organisational carbon and seek all ways to reduce this to zero.

Relevance

2. Build the resilience, confidence, and relevance of the landscape profession

i. Implement independent review, new governance, and regulation

- We provided support to members and non-members in key governance positions and delivered Board and Advisory Council induction/training in first two quarters of the year.
- New Disciplinary Regulations were published with clear journey maps for the management of complaints. The LI Adjudication Pool was refreshed, new volunteers were recruited, and training provided to support the management of conduct matters.
- We updated our Working Together Policy and created the following policies and regulatory documents:
    - Conflict-of-Interest Policy
    - Whistleblowing Policy for members and volunteers (separate Whistleblowing Policy for staff is in the Employee Handbook)
    - Trustees Code of Conduct
    - Vexatious Complaints Policy
- We also dealt with complaints and other conduct matters covering the previous members' Code of Conduct 2012, Code of Practice 2021 and the Disciplinary Regulations 2021 using the newly published complaints journey map.
- We had 1 initial query resolved without a formal complaint; 2 service complaints with recommendations made or clarifications provided; 2 Code of Conduct complaints closed with recommendations made and a Whistleblowing disclosure that led to a process for the removal of a trustee under our Regulations; decision was to remove the subject of the disclosure and sanctions were imposed.

- We appointed an Independent Trustee as the lead for whistleblowing in line with the Independent Review recommendation 22.
- We undertook the internal audit review in May 2021 as part of workstream five of the Independent Review and have made strides in improving financial processes with the appointment of a senior finance professional who is leading on embedding the recommendations from the report before the end of 2022/23.

ii. Embed new values and culture

- Launched the new LI Code of Practice approved by Advisory Council and Board on 01 December 2021, after years of member consultation.
- An outcome from the Independent Review in January 2021 was the need to address aspects around poor member behavior. We have remained determined and relentless in upholding our values by introducing and implementing relevant conduct policies in our pursuit of diversity, equality and inclusivity.
- A comprehensive organisational assessment in 17 areas in human resources, health & safety and GDPR identified 11 areas for improvement and proper processes/systems.
- Business Planning Framework introduced with 3-year forecast for 2021/22 to link initiatives to strategic goals and capture appropriate measurements.
- Introduction of Monday Morning Team meetings to inform, collaborate and plan for the week; Great Place to Work forum to improve engagement and social interaction.
- Launched a pay and grading system to provide a proper staff structure with benchmarked salary range to guide recruitment, salary adjustment and promotion.
- Trained the branch committees to deliver online events and webinars to their local networks.
- New Branches Handbook was launched after consultation and adopted by the branch committees.
- We now run our membership assessments with a hybrid model whereby our candidates can choose whether to do their oral assessments online or face to face.

iii. Launch new routes to entry

- We launched the Experienced Route to Technician grade of membership (E2T50), with our first cohort of 25 applicants on our pilot.
- The next phase of the Entry Standards membership roll out will be to map the Competency Framework over to the standard route to Fellowship (CMLI upgrades) and then, following the work of our operational infrastructure project and the rollout of a new pathway system, mapping over the competencies to our Pathways to Chartership, Technician and Fellowship.

iv. Deliver a quality membership pathway experience

- The delivery of a quality experience hinges on a CRM database that is designed to accommodate an integrated approach. The existing CRM cannot facilitate. This will be addressed as part of the digital transformation project.

v. Expand CPD and training offer to meet changing needs

- Delivered core competencies to a large cross section of the sector which included themes such as Inclusive environments, BIM basics, LVIA basics and intermediary levels, Planning reforms and Mitigating the Climate and Biodiversity Emergency. We had a plethora of excellent speakers outside of the sector including key government ministers and peers.

- Launched our first training partnership to give members access to professional skills training and announced a partnership with the BIM Alliance.
- The Journal includes regular sections on CPD training and events as well as updates on policy and technical matters. The summer edition of the Journal was 'The Landscape of Power', a technical oriented issue and autumn edition aligned to COP26. We continue to deliver a programme of up to date and relevant technical information to members and other landscape professionals.
- Continued to work with employers and educators to deliver apprenticeships and offer a wider range of routes into the profession. The Level 3 and Level 7 Apprenticeships in England has now commenced and 12 apprentices started their studies at Capel Manor College in May 2021.
- Work is underway with a number of universities to provide support for the development and delivery of the Level 7 Apprenticeship. The Institute is progressing plans to become the End Point Assessment Organisation across both landscape apprenticeships.

Inclusive Growth

3. Grow and be more inclusive as an organisation

i. Improve financial resilience

- We continued on-line delivery of events and working remotely which served our remit towards achieving net zero by 2029, it also provided an opportunity to control our costs.
- Diversification of income was at the centre of this year's plan. Development of our sponsorship offer continued to grow in the year.
- Opted in campaign for Landscape journal distribution, communications have continued to be circulated with readers of the journal regarding their reading preference. Further outreach campaigns are planned for next year. This will reduce the costs of the journal production.

ii. Improve 'business as usual'

- Improvement in human resources processes and policies - introduction of a competency-based performance management and development process linked to business planning and underlying cooperative objectives.
- Staff survey conducted in March 2022. Reported a staff engagement score of 62%, this was 10% points lower than membership organisations benchmark. We are taking these findings on-board to make improvements.
- Introduction of financial principles to promote sustainability and growth – growth and saving targets and adoption of full cost recovery for delivery of events and pricing models.
- Improvement in reporting and budgeting for better decision making.
- Move towards further automation to keep costs down and create greater efficiencies.
- Working towards standardized processes and procedures covering HR, Finance, IT, and general operation management to create a knowledge hub and a seamless induction process.

iii. Improve our offer to members and practices throughout their careers

- Introduced a new pricing model for individual membership subscriptions, the 'Universal Service', whereby all members receive access to most of our CPD events for free as part of their membership benefits.

iv. Grow membership numbers in target segments

- The Parks & Green Spaces Network launched last year met 4 times during this period. They focus on developing a syllabus based on core competency frameworks of the LI and strategic partners such as Natural England's Green Infrastructure standards and also, Green Flag and APSE competencies.
- Discussions began with devolved nations partners such as Natural Resources Wales and Nature Scot with a view of creating a wider MOU with them on the syllabus creation.
- Standards have now been mapped and work is due to begin on further curation of the syllabus, with MOUs being negotiated with key partners. Parks content continued to be embedded in the forward events programme.

v. Address equity, diversity and inclusion (EDI) challenges in our sector

- We contributed to the Open City 'Accelerate Programme' a free, pioneering, built environment education programme for young people from disadvantage and under-represented backgrounds.
- We completed our EDI strategy report and will be using it to inform our strategy for members and our internal work policies and processes.

vi. Grow our evidence and insight base

- We launched the Sector Skills Survey in the last quarter of the period. This report will provide a comprehensive review of the sector and will provide significant insights for future strategic plans with regards to gender, diversity, education, job market, and related professions.

Challenges we faced in the year

Under the shadow of the pandemic, the year had major challenges arising from staff changes, the implementation of the Independent Review recommendations Phase1 and a whistle-blowing conduct case which centered around adherence to the profession's Code of Practice expected of all members.

The loss of the CEO, and the Chief Operating Officer, and bringing in an interim CEO, resulted in an opportunity to re-assess the structure of the organisation and create additional savings. Responsibilities under the role were devolved to other senior leadership members which created additional workloads which on reflection was counter intuitive to the recommendations under the Independent Review. The appointment of a permanent CEO was confirmed in September, followed by a new Head of Human Resources & Organisation Development (October) which signaled the Institute commitment to staff welfare and development and aligns to the IR (Independent Review) recommendations. There also followed the recruitment of a new Head of Memberships Services (November), to provide a focus on the Membership services.

As we move forward to plan the next cycle of the corporate strategy, the structure of the organisation will be aligned with core needs as well as address operational infrastructure reform and inefficiencies through the digital transformation project.

As a self-regulatory professional body, the Institute must uphold its values and vision of a trusted professional body with members demonstrating the skills, knowledge and professional behaviours expected of its members. The whistle-blowing case was overseen by the Institute Whistle-blowing Officer, Independent Trustee, Jane Clarke. Given the seriousness of the allegations which included attempting to apply improper pressure to LI members and staff in relation to a number of issues and the seniority of the member involved the Board agreed that in order to ensure the integrity and impartiality of the process, that an external investigator be engaged to advise on whether the Institute had received an eligible whistleblowing disclosure; and if so set out available options and make recommendations on what substantive actions, if any, would be appropriate to address the concerns raised.

The options included taking no action; an informal resolution as envisaged by the Working Together Policy such as mediation; referring the report to the Advisory Council for further investigation and action or initiating a disciplinary complaint relating to potential misconduct as a member of the Institute.

This involved the investigator carrying out an evidence review and providing the subject with the opportunity to respond to the allegations. In the interests of the wellbeing of staff and members and to help protect confidentiality and mitigate the risk of allegations of victimisation of the whistleblower(s) the investigator was also asked to deal with all correspondence and communication.

The Senior Partner of Russell Cooke LLP was engaged as the external investigator. He concluded his report before the end of March 2022. The legal fees incurred for this exercise are noted below in the Financial Performance section of this report.

The recommendation of the external investigation was that the Advisory Council should set up a Committee of Inquiry to consider whether the subject of the disclosure should be removed as a trustee. A serious incident report was also lodged with the Charity Commissioners.

The adversarial and very public campaign adopted by the former President-Elect and the members supporting him has meant that we have incurred further costs in the new financial year (22/23) on legal advice to protect the standing of the Institute as a self-regulating professional body.

The Advisory Council issued their decision on the whistleblowing conduct case on 27 June 2022, this resulted in the President Elect being removed and the Vice- President acting as Chair for both Board and Council until the next June.

Despite the considerable challenges outlined above the Institute, which have had an impact on delivery and operational infrastructure change we have made in-roads in the delivery of the business plan initiatives as demonstrated earlier in the report.

Corporate Strategy 2018-2024

This is the penultimate year of the five-year corporate strategy.

The impact of Brexit is still being revealed and the pandemic has created economic and societal challenges. The ongoing impact of the invasion of the Ukraine has contributed to a level of uncertainty worldwide as the world economies undertake quantitative easing policies to prevent a global recession. We, like our members and registered practices, are all exposed to these challenges which call for greater resilience and innovative ways of meeting these head-on.

The workstreams of the Board sponsored Independent Review has laid the foundation for the new corporate strategy. The senior leadership team recognised that the IR delivery and staff changes has curtailed the delivery of its more ambitious plans for the year. However, we are satisfied with the key achievements under the 2021-22 Business Plan which is a step closer to delivering our strategic outcomes under the five -year strategy.

Governance

Charity Governance Code

A review of our governance arrangements was paused pending the results of the Independent Review. The Independent Review made some recommendations under 'Adjusting existing governance arrangements' which will now be taken forward under the new Corporate Strategy as part of a wider review of governance and ways of working to ensure that members views and priorities are at the heart of our planning and decision-making. This work will kick up in 2022/23 financial year.

We are generally compliant with the principles of the Code and as part of the review will be carrying out a charity governance code benchmarking exercise with the aim of fully adopting the Charity Governance Code.

Accountability and responsibility

We have continued work to define and set out accountabilities and responsibilities using a RACI (Responsible, Accountable, Consult, Inform) framework to ensure clear understanding of roles and responsibilities among members, staff, Board, Advisory Council and Standing Committees. This will improve our decision making and organizational effectiveness.

Financial performance

The 2021/22 period found us under the continued shadow of the pandemic. As with the year before, all our activities were on-line, the staff team working remotely with the odd visit to the office as needed while adhering to the necessary health and safety precautions. We had an approved operating budget deficit of (£181,038).

We have ended the year with an operating deficit of (£79,441). This was achieved due to income being up by £56,326 and expenditure being £45,271 down on budget, contributing to the £101,597 fall in the budget deficit. Despite the curtailment of in person events and the general state of the economy during the period sponsorship income and the LI job recruitment site exceeded their targets and accounts for the higher income than budget.

Expenditure savings arose from staff costs, planned expenditure delays, and prioritization of funds. There are costs that was not allocated in the original budget but was approved as additional expenditure such as the costs involving the whistle-blowing case. Professional fees for the period included £78,034 related to legal fees arising from the whistleblowing case; and a further £91,664 (FY22/23) due to the further aggravated activity of the members in relation to the whistleblowing case. It should be noted that expenditure around the Whistleblowing case has been managed as effectively as possible to reduce costs and resulting in considerable staff time being allocated to the process and significant volunteer time of the Advisory Council.

Other notable professional fees of £39,217 was incurred to deliver the Independent Review recommendations related to human resources, governance and internal audit; the balance of £60,533 represented general operating expenditure – statutory audit, business planning day and other contracted support related to human resources.

In addition to the routine operating budget there was expenditure funded from designated funds set aside for specific projects. This was primarily the Entry Standard project. This covered the implementation of the new Competency Framework delivered in December 2020; new routes to chartership and the integration of the third–party Pathway database system with the existing CRM. During this period the apprenticeship scheme Level 3 was delivered and Level 7 is anticipated for 2022/23; launch of the pilot Technician Member route and review of the accreditation programme in line with the new Competency Framework. The Pathway database integration project budget at a cost of £50,000 was delayed and included in the remaining balance on the Entry Standard fund. This will be delivered as part of the overarching digital transformation project.

Designated funds increased by £69,947 and restricted funds by £390. Disclosure notes 17 to the accounts provide an overview of the uses of these funds. Our general fund reduced by £42,606 from £301,861 to £259,261 which represents less than two months of operating expenditure. We will be reviewing our designated funds, and in particular the property fund, in the coming year to ensure that such funds align with our strategic priorities and release those no longer required.

Investment Policy

The investment objective is to generate a total return of inflation (measured by CPI) plus 3.5% per annum over the medium term, net of expenses. This will achieve the primary objective of maintaining the real value of the funds over the long term whilst permitting some moderate expenditure on an on-going basis. The Institute adopts a total return approach to investment, generating the investment return from income and capital gains or losses. Returns from investment, which may fluctuate, may be applied to meeting either regular or exceptional expenditure.

Our investment pooled investments with Cazenove and CCLA continued their positive returns for most of the year; in the last quarter of the year, we had the first downturn in the market since the pandemic arising from the invasion of Ukraine. Total return for the period was in excess on the 3.5% benchmark - Cazenove total return after fees was 7.5% and CCLA 11.6%. In light of the post year end turmoil in the market members of the Finance & Risk Committee met with the investment managers for an update on the mitigating actions they were taking to protect the return on the portfolios. They indicated that they will be making adjustments in the holding as appropriate but as the investments are for the medium to longer term, they expect to maintain the target benchmark over the longer term but will aim to maintain dividend income where possible. To mitigate the risk of continuing falling capital value, we increased our holdings in cash or near cash liquid assets.

The trustees have taken account of the Charity Commission's guidance on ethical and responsible investment.

The trustees aim to observe responsible investment principles and the charity's investment managers are expected to take into consideration the environmental, social and governance risk characteristics of existing and prospective investments. The investment managers are expected to engage with companies on social, environmental and business ethics issues and to exercise the LI's voting right. The trustees will monitor the implementation of this policy by asking investment managers to report regularly on their engagement and voting activities.

We are committed to an annual review with our investment managers which were curtailed for the last two years. This helps us ensure that they are in keeping with the underlying values held by the Institute given the diverse nature of the portfolios but also to be alerted to benchmarks and circumstances which may impact on them such as the recent market upheaval.

Fundraising practice

At present the Institute does not engage in public fundraising and does not use professional fundraisers or commercial participators. The Institute nevertheless observes and complies with the relevant fundraising regulations and codes where appropriate. During the year there was no non-compliance of these regulations and codes and the Institute received no complaints relating to its fundraising practice.

Reserves policy

Our business plan for the period 2019 to 2022 committed us to further necessary investment in the future growth of the Institute, particularly in the area of modernising our entry standards in order to offer a professional home for landscape professionals that we are not currently able to represent. During this period we anticipate that our free reserve (general fund) will reduce temporarily below our lower policy limit of three months operating expenditure.

The return on investment during this three- year period was impacted by COVID, the Independent Review, staff changes, which delayed delivery of the new routes to the profession, and a full review of members value proposition, coupled with the lack of full cost recovery in our business model. We plan to rebuild free reserves by controlling our costs through the implementation of full cost recovery, automation and improved budget and reporting processes. This will also include reviewing the requirements of current designated funds as mentioned earlier in this report.

Our total unrestricted reserves at the year-end were £2,056,447. This can be further broken between designated funds amounting to £1,797,186 and general fund (free reserve) of £259,261.

Principal risks and uncertainties

The Finance & Risk Committee reviews strategic and organisational risks at every meeting and highlights any new risks and recommends any actions needed to mitigate those risks to the Board. In the coming year the

Advisory Council will have an opportunity to discuss the key risks that we will face as part of the process to develop and agree the Business Plan and new 5 years corporate strategy.

The most serious risk currently is the state of the UK economy, risk of global recession and the continuing invasion of Ukraine impacting on rising energy and food prices. This will not only impact on our members and suppliers but our ability to weather a continuous period of uncertainty. This may mean the Institute prioritising or curtailing spend.

Operationally, our key risks are maintaining business as usual while we improve the governance and operating infrastructure and the challenges that that arise under a change management process. We are still facing significant staff churn and this could be further impacted by the threat of an outbreak from another variant of COVID as we enter autumn/winter. Limiting staff resources will curtail the effective delivery of activities. There is also the loss of knowledge arising from key staff members leaving, recruitment challenges in a competitive job market, lack of continuous maintenance and investment in our IT platforms which have resulted in inadequate data and information for effective business planning. Systems will be addressed by the digital transformation project but the longer-term process is to embed a new culture and way of working going forward.

Plans for the Future

Our key priorities for the coming year are:

- Drive profitable growth
- Enhance product and quality
- Engage members and volunteers
- Grow the membership and sector influence
- Enhance infrastructure and process improvement

Under our three strategic pillars we will:

Influence

- increase awareness and understanding of the landscape profession and its wider impact and cross overs with other sectors through a community of practice, sharing stories, insight and impact.
- embark in mid-October to mid- December a UK Campaign to 'Connect People Place and Nature' as part of stake-holders engagement exercise building on the virtual Strategy Day in January 2022 involving Board Advisory Council and the Institute staff.

Relevance

- put in place processes and mechanisms to support a continuous learning culture and develop the capacity to retain knowledge and share it as well.
- embed the new competency framework to maintain our status as a trusted profession and growing our membership across co-related and diverse groups.

Inclusive Growth

- create the conditions for financial sustainability through the development of streamlined, efficient process and digital platforms.
- appoint a senior programme manager to lead and oversee digital transformation project.
- put in place the right mechanisms and platforms to communicate with our members and users most effectively.
- develop a shared outcome culture where all teams take responsibility for continuous improvement.

Structure, governance and management

Under the provisions of its Royal Charter, the Landscape Institute has a Board of Trustees which meets at least

four times per year, and an Advisory Council which meets three times per year. The Institute has a wholly-

owned subsidiary, Landscape Services Limited, by nature of common control, which is registered in England and Wales. Its activities serve to generate income for the furtherance of the Institute's charitable objectives.

In early 2020 the decision was made to acquire The Parks Alliance (TPA) and transfer ownership to the Institute in order for the TPA to act as a vehicle to facilitate the Institute's work and expansion in the Parks sector. The effective date of the acquisition was 01 April 2021. In September 2021, the Board agreed that The Parks Alliance Company is made dormant as an entity, whilst activities around Parks carried forwards within the current Institute's charity structure as highlighted above. The company is to remain dormant during the 2023-2028 strategy planning period at which point the status of the company will be revisited.

The Institute has up to thirteen trustees. Six are directly elected by the membership of the Institute and seven are appointed by the Institute's elected Advisory Council. Four of the appointed trustees are not members of the Institute and are Independent Trustees, they are selected because of relevant expertise and to fill skills gaps identified from Board skills analysis, to benefit the organisation and its management. All trustees, whether directly elected or appointed by Advisory Council, sign up to a Trustees' Code of Conduct, commit themselves to working to a role description and to acting within the governing documents of the Landscape Institute. We conducted an induction/training for trustees and for members of Advisory in June and July 2021. Ongoing governance support was provided year-round to members of the Board and Advisory Council to enable them to discharge their functions effectively. This typically includes guidance on the LI's Royal Charter, By-Laws and Regulations. It is planned that trustees and relevant persons within our governance structure would be provided with appropriate training in the areas identified under the Independent Review Report Recommendations. For example, individuals with Chairing responsibilities on Board and Committees were provided training in December 2021.

The trustees delegate the day-to-day operations of the Institute to the Chief Executive Officer and other principal staff set out on page 4 and monitor performance against an agreed operational plan at intervals throughout each year.

Trustees give their time voluntarily. Any expenses reclaimed from the Institute are set out in note 6 to the accounts. A discretionary stipend provision is available for the office of the President subject to obtaining the requisite approval from the Charity Commission.

The Advisory Council plays an important role in monitoring the fulfilment by the Institute of its Objects as set out in the Charter and supporting the adopted business plan each year. They provide a wider member representation within the LI governance structure and a vital member input into future plans of the Institute through its joint sessions with the Board. This involves holding the Board to account through reviewing performance, accounts, corporate plans and business plans, maintaining the governance cycle for a healthy turnover of Board/Council positions. They also comment on proposals from the Board on the alteration of the Institute's Regulations. They are also responsible if necessary for removing members of the Board in accordance with the procedures set out in the Regulations. This is all reflected in the Advisory Council's Terms of Reference.

We have 12 branches with 9 in England and 1 in each of the devolved nations of Northern Ireland, Scotland, and Wales. They play an important role in providing representation for members, membership services, events and support to LI members at a regional or country level. The membership services cover professional development events, talks and seminars, workshops covering LI's Chartership route ('Pathway to Chartership') and numerous social events. They also support the LI on consultation responses to policy issues and promote the profession to a range of audiences. Each branch has a representative on the LI's Advisory Council and works to support the delivery of the Corporate Plan.

Remuneration policy for key management personnel

Remuneration of the Chief Executive Officer is set by the Board of Trustees, with regard to industry benchmarks, performance and financial resources. The remuneration of all other staff is set by the Chief Executive Officer using the same criteria.

Statement of responsibilities of the trustees

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period andof its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsiblefor safeguarding the assets of the charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' annual report was approved by the trustees on **20th** October and signed on their behalf by

Noel Farrer
Chair/Vice-President

Independent Auditor's Report

To the members of

The Landscape Institute

Opinion

We have audited the financial statements of The Landscape Institute (the 'parent charity') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011 and of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the trustees with respect to going concern are described inthe relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient and proper accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud andnon-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's/group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of the meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity/group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity/group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non- compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactionsreflected in the financial statements, as we will be less likely to become aware of instances of non- compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report

To the members of

The Landscape Institute

Use of our report

This report is made solely to the parent charity's trustees as a body, in accordance with section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005, section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the parent charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sayer Vincent LLP

Date: 4 November 2022

Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Landscape Institute

Consolidated Statement of Financial Activities

For the year ended 31 March 2022

	Note	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Unrestricted £	2021 Restricted £	2021 Total £
Income from:							
Charitable activities							
Raise the profile of Landscape and Place	2a	164,501	–	**164,501**	190,747	–	190,747
Build resilience and confidence	2b	340,776	–	**340,776**	303,581	–	303,581
Growth and inclusivity	2c	1,843,142	–	**1,843,142**	1,637,526	–	1,637,526
Investment income		62,479	–	**62,479**	63,199	–	63,199
Other income	3	20,025	390	**20,415**	19,762	–	19,762
Total income		2,430,923	390	**2,431,313**	2,214,815	–	2,214,815
Expenditure on:							
Charitable activities							
Raise the profile of Landscape and Place		800,117	–	**800,117**	738,195	–	738,195
Build resilience and confidence		961,380	–	**961,380**	859,174	–	859,174
Growth and inclusivity		749,257	–	**749,257**	754,186	–	754,186
Total expenditure	4	2,510,754	–	**2,510,754**	2,351,555	–	2,351,555
Net incoming/(outgoing) resources before transfers		(79,831)	390	**(79,441)**	(136,740)	–	(136,740)
Gross transfers between funds	17	–	–	**–**	5,000	(5,000)	–
Net incoming/(outgoing) resources before other recognised gains and losses		(79,831)	390	**(79,441)**	(131,740)	(5,000)	(136,740)
Net gain/(loss) on investments		107,172	–	**107,172**	284,872	–	284,872
Net income/(expenditure) for the year and net movement in funds	5	27,341	390	**27,731**	153,132	(5,000)	148,132
Reconciliation of funds							
Total funds brought forward		2,029,106	5,306	**2,034,412**	1,875,974	10,306	1,886,280
Total funds carried forward	17	2,056,447	5,696	**2,062,143**	2,029,106	5,306	2,034,412

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed above and in note 17 to the financial statements.

Landscape Institute

Balance sheets

as at31 March 2022

		The group		The Institute	
		2022	2021	**2022**	2021
	Note	**£**	£	**£**	£
Fixed assets					
Tangible assets	10	**-**	18,196	**-**	18,196
Investments	11	**1,823,497**	1,716,325	**1,823,504**	1,716,332
		1,823,497	1,734,521	**1,823,504**	1,734,528
Current assets					
Debtors	14	**297,283**	290,081	**345,246**	372,044
Short term deposits		**211,897**	297,152	**211,897**	297,152
Cash at bank and in hand		**529,948**	385,019	**308,920**	133,865
		1,039,128	972,252	**866,062**	803,061
Liabilities					
Creditors: amounts due within one year	15	**800,482**	672,361	**627,423**	503,177
Net current assets		**238,646**	299,891	**238,639**	299,884
Net assets	16	**2,062,143**	2,034,412	**2,062,143**	2,034,412
Funds	17				
Restricted income funds		**5,696**	5,306	**5,696**	5,306
Unrestricted income funds					
Designated Funds		**1,797,186**	1,727,239	**1,797,186**	1,727,239
General funds		**259,261**	301,867	**259,261**	301,867
Total Unresricted income funds		**2,056,447**	2,029,106	**2,056,447**	2,029,106
Total funds		**2,062,143**	2,034,412	**2,062,143**	2,034,412

-

Approved by the trustees on 20 October 2022 and signed on their behalf by

Noel Farrer - Chair/ Vice President

Landscape Institute

Consolidated statement of cash flows

For the year ended 31 March 2022

	Note	2022		2021	
		£	£	£	£
Net cash provided by / (used in) operating activities	18		**(2,806)**		(185,856)
Cash flows from investing activities:					
Dividends, interest and rents from investments		**62,479**		63,199	
Interest rolled over on short term deposits		**(744)**		(1,716)	
Net cash provided by / (used in) investing activities			**61,735**		61,483
Change in cash and cash equivalents in the year			**58,929**		(124,373)
Cash and cash equivalents at the beginning of the year			**385,019**		509,392
Reclassification from short term deposits			**86,000**		–
Cash and cash equivalents at the end of the year			**529,948**		385,019

1 Accounting policies

a) Statutory information

The Landscape Institute is a registered charity, incorporated by Royal Charter, with the Charity Commission in England and Wales and Office of the Scottish Charity Regulator in Scotland. The registered office address is 85 Tottenham Court Road, London W1T 4TQ.

b) Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

These financial statements consolidate the results of the Institute and its wholly-owned subsidiary Landscape Services Limited on a line by line basis. Transactions and balances between the Institute and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes to the accounts. A separate statement of financial activities, or income and expenditure account, for the Institute itself is not presented but the parent-only results are summarised in note 13 and the subsidiary results are provided in note 12. The Parks Alliance financial information has not been consolidated due to the immaterial nature of their net assets. The effective date of acquisition is 1 April 2021.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The Institute meets the definition of a public benefit entity under Charities SORP FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the Institute's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1 Accounting policies (continued)

e) Income

Income is recognised when the Institute has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Institute has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Subscription income is recognised for the period for which the services are provided.

Income from the sale of publications, advertising, and examinations is recognised in the period in which the activity occurs.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Institute; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of delivering and communicating membership, educational, policy, technical and professional services, undertaken to further the purposes of the Institute and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged in full to support costs.

1 Accounting policies (continued)

i) Allocation of support and governance costs

Resources expended are allocated to a particular activity where the cost relates directly to that activity. Support costs, being the salary and overhead costs of the central function, and governance costs, are apportioned to activities on the basis of staff time spent on those activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Furniture, fittings and office equipment	25% straight line
Computers	33 ⅓% straight line
Website and database	33 ⅓% straight line

l) Investments

(i) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading “Net gains/(losses) on investments” in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

(ii) Investment in subsidiary

Investment in the subsidiary Landscape Services Limited is included in the Institute's balance sheet at cost.

m) Short term deposits

Short term deposits include cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1 Accounting policies (continued)

o) Debtors

Trade or other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discount due.

Creditors and provisions are recognised where the Institute has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

q) Pensions

The Institute operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Institute in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the Institute to the fund. The Institute has no liability under the scheme other than for the payment of those contributions.

r) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Income from charitable activities

	Restricted £	Unrestricted £	2022 Total £	Restricted £	Unrestricted £	2021 Total £
Sector Skill Survey	–	–	**–**	–	–	–
High Street Task Force	–	6,650	**6,650**		26,425	26,425
Awards and Competitions events	–	157,851	**157,851**	–	164,322	164,322
a Sub-total for Raise the Profile of Landscape and Place	–	164,501	**164,501**	–	190,747	190,747
Examination and Pathway fees	–	105,357	**105,357**	–	93,252	93,252
Branch event income	–	1,291	**1,291**	–	7,410	7,410
University accreditation fees	–	33,665	**33,665**	–	39,366	39,366
Journal advertising	–	51,800	**51,800**	–	44,059	44,059
Publication sales and royalties	–	15,165	**15,165**	–	12,038	12,038
Income from training activities	–	133,499	**133,499**	–	107,456	107,456
b Sub-total for Building Resilience and Confidence	–	340,776	**340,776**	–	303,581	303,581
Member subscriptions	–	1,480,816	**1,480,816**	–	1,367,283	1,367,283
Practice fees	–	179,073	**179,073**	–	188,422	188,422
Grant income	–	2,500	**2,500**	–	500	500
Website advertising	–	180,753	**180,753**	–	81,321	81,321
c Sub-total for Growth and Inclusivity	–	1,843,142	**1,843,142**	–	1,637,526	1,637,526
Total Income from charitable activities	–	2,348,419	**2,348,419**	–	2,131,854	2,131,854

3 Other income

	Restricted £	Unrestricted £	Total £	Restricted £	Unrestricted £	Total £
Insurance commission	–	18,178	**18,178**	–	17,027	17,027
Other income	390	1,847	**2,237**	–	2,735	2,735
	390	20,025	**20,415**	–	19,762	19,762

4a Analysis of expenditure (current year)

	Raise the profile of landscape and place with the public and decision makers	Build the resilience and confidence of the Landscape Profession	Grow and be more inclusive as an organisation	Governance Costs	Support Costs	2022 Total
	£	£	£	£	£	£
Staff costs (note 6)	324,239	334,499	379,630	185,700	253,436	1,477,504
Branch and member group activities	–	25,259	–	–	–	25,259
Direct member communications	32,445	95,897	–	10,672	6,515	145,530
Information costs	–	17,895	48,440	–	56,000	122,335
Pathway examinations and supervision	–	36,788	–	–	–	36,788
Event and Conference costs	–	7,721	–	–	–	7,721
Awards and competition costs	55,886	1,184	2,442	1,376	1,558	62,447
Consultants and other direct costs	44,092	47,900	13,348	23,880	14,117	143,337
Legal & professional	–	89,474	3,769	36,100	48,441	177,784
Depreciation	–	–	18,196	–	–	18,196
Committee and Leadership expenses	–	–	–	46,467		46,467
Premises costs	–	–	–	–	132,214	132,214
Other costs	–	–	24,651	–	90,520	115,171
	456,663	656,617	490,476	304,195	602,803	2,510,754
Support costs	204,953	180,841	156,728	60,281	(602,803)	
Governance costs	138,501	123,922	102,053	(364,476)	–	
Total expenditure 2022	**800,117**	**961,380**	**749,257**	–	–	2,510,754

4b Analysis of expenditure (prior year)

	Raise the profile of landscape and place with the public and decision makers	Build the resilience and confidence of the Landscape Profession	Grow and be more inclusive as an organisation	Governance Costs	Support Costs	2021 Total
	£	£	£	£	£	£
Staff costs (note 6)	308,819	317,465	399,369	128,946	248,868	**1,403,467**
Branch and member group activities	–	19,841	–	–	–	**19,841**
Direct member communications	2,318	102,255	–	–	28,747	**133,320**
Information costs	–	10,200	18,880	–	70,313	**99,393**
Pathway examinations and supervision	–	28,245	–	–	–	**28,245**
Event and Conference costs	22,123	–	–	–	–	**22,123**
Awards and competition costs	44,619	12,572	–	–	10,901	**68,092**
Consultants and other direct costs	17,195	53,985	–	104,931	7,365	**183,476**
Legal & professional	385	9,410	–	54,425	21,654	**85,874**
Depreciation	–	–	63,293	–	1,689	**64,982**
Committee and Leadership expenses	–	–	–	34,266	–	**34,266**
Premises costs	–	–	–	–	128,007	**128,007**
Other costs	–	996	14,586	–	64,887	**80,469**
	395,459	554,969	496,128	322,568	582,431	**2,351,555**
Support costs	198,027	174,729	151,431	58,244	(582,431)	**–**
Governance costs	144,709	129,476	106,627	(380,812)	–	**–**
Total expenditure 2021	**738,195**	**859,174**	**754,186**	–	–	**2,351,555**

5 Net income/(expenditure) for the year

This is stated after charging

	2022	2021
	£	£
Depreciation	18,196	64,982
Trustees'expenses	9,503	-
Auditors' remuneration (net of VAT):		
• Audit	18,350	19,350
• Other services	13,320	870
Operating lease rentals:		
• Property	114,312	111,353
• Office equipment	6,952	6,952

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	1,016,430	1,006,358
Redundancy and termination costs	-	75,331
Social security costs	106,642	102,428
Employer's contributions to defined contribution pension scheme	59,457	66,905
Other staff related costs including travel and agency staff	294,975	152,445
	1,477,504	1,403,468

The redundancy and termination costs accrued at the balance date and paid post year end amounted to nil (2021: £65,000)

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2022	2021
	No.	No.
£60,000 - £69,999	2	1
£70,000 - £80,000	-	-
£80,001 - £90,000	-	1
£90,001- £100,000	-	-
£180,000 - £190,000	-	1

The total employee benefits including employer's National Insurance, pension contributions and termination costs of the key management personnel were £582,702 (2021: £584,098).

Jane Findlay, President, received combined honorarium from the charity of £27,734 (2021: £28,984; present and past president) plus national insurance and pension payments of £3,716(2021: £4,509; as before). No other Trustees were paid and no other Trustees received any other benefits from employment with the Institute in the year (2021: nil). The payment of this salary is in accordance with clause 9.1(b) of our Royal Charter.

During the year, 1 trustee (2021: nil), received remuneration in respect of professional services provided, totalling £4,715 (2021: £nil). Related party income transactions with Hardcape Ltd, a company which the Honorary Treasurer, Mathew Haslam is a director, amounted £29,650.

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £9,053 (2021:£nil) incurred by 3 trustees (2021: nil) relating to attendance at meetings of the trustees, meetings with members and external representation of the Institute.

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2022 No.	2021 No.
Raise the profile of Landscape and Place	**7.0**	7.0
Build the resilience and confidence of the profession	**8.2**	8.8
Inclusive Growth	**5.2**	5.2
Support	**2.0**	2.2
Governance	**2.6**	2.4
	25.0	25.6

8 Taxation

The Institute is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The Institute's trading subsidiary Landscape Services Ltd gift aids any available profits to the Institute.

9 Related party transactions

Other than those disclosed in note 6, there were no other related party transactions during the year.

In particular, there were no donations from related parties which were outside the normal course of business and no restricted donations from related parties.

10 Tangible fixed assets

The group and the charity	Fixtures, fittings, office equipment £	Computers £	Database and website £	Totals £
Cost				
At the start of the year	–	14,628	275,501	**290,129**
Less: disposals during the year	–	–	–	**–**
At the end of the year	–	14,628	275,501	**290,129**
Depreciation				
At the start of the year	–	14,628	257,305	**271,933**
Charge for the year	–	–	18,196	**18,196**
Less: depreciation on disposals	–	–	–	**–**
At the end of the year	–	14,628	275,501	**290,129**
Net book value				
At the end of the year	**–**	**–**	**–**	**–**
At the start of the year	–		18,196	18,196

The tangible fixed assets of the Institute are the same as those of the group and, therefore, have not been stated separately.

All of the above assets are used for charitable purposes.

11 Investments

	The group		The Institute	
	2022	2021	**2022**	2021
	£	£	**£**	£
Listed Investments				
Fair value at the start of the year	**1,716,325**	1,431,453	**1,716,325**	1,431,453
Net gain/(loss) on change in fair value	**107,172**	284,872	**107,172**	284,872
Fair value of listed investments at the end of the year	1,823,497	1,716,325	**1,823,497**	1,716,325
Investment in subsidiary undertkaing	**-**	-	**7**	7

Investments comprise

	The group		The charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
UK Common investment funds	**1,823,497**	1,716,325	**1,823,497**	1,716,325
Unlisted shares in UK registered companies	**-**	-	**7**	7
	1,823,497	1,716,325	**1,823,504**	1,716,332

12 Subsidiary Undertaking

The Institute owns the whole of the issued ordinary share capital of £7 in Landscape Services Limited, a company registered in England. Activities of the subsidiary include events management and sales of advertising and publications. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed to the Institute through a gift aid donation. A summary of the results of the subsidiary is shown below:

	2022 £	2021 £
Turnover	**691,172**	595,605
Cost of sales	**(352,110)**	(338,273)
Gross profit	**339,062**	257,332
Administrative expenses	**(134,307)**	(99,476)
Profit on ordinary activities before taxation	**204,755**	157,856
Taxation on profit on ordinary activities	**-**	-
Profit for financial year	**204,755**	157,856
Retained earnings		
Retained earnings brought forward	**-**	-
Profit for the financial year	**204,755**	157,856
Distribution to parent entity	**(204,755)**	(157,856)
Retained earnings carried forward	**-**	-

The aggregate of the assets, liabilities and funds was:

Assets	**345,974**	345,974
Liabilities	**(345,967)**	(345,967)
Funds	**7**	7

During the year, the institute recharged the subsidiary management and overhead costs of £128,961 (2021: £93,887)

13 Parent charity

The parent Institute's gross income and the results for the year are disclosed as follows:

	2022 £	2021 £
Gross income	**2,073,856**	1,872,320
Results for the year	**(79,440)**	(136,738)

14 Debtors

	The group		The Institute	
	2022	2021	**2022**	2021
	£	£	**£**	£
Trade debtors	**135,748**	115,400	**75,401**	53,561
Due from group undertakings	**–**	–	**142,579**	186,512
Sundry debtors	**18,422**	49,096	**18,422**	49,096
Prepayments and accrued income	**143,113**	125,585	**108,843**	82,875
	297,283	290,081	**345,246**	372,044

15 Creditors: amounts due within one year

	The group		The Institute	
	2022	2021	**2022**	2021
	£	£	**£**	£
Trade creditors	**119,309**	58,198	**118,730**	49,444
Due to group undertakings	**–**	–	**–**	–
Deferred income (please see below)	**467,023**	383,845	**304,646**	247,644
Taxation and social security	**26,851**	30,012	**26,851**	30,012
VAT creditor	**8,916**	32,149	**()**	10,170
Other creditors	**56,411**	59,184	**56,195**	59,183
Accruals	**121,972**	108,973	**121,002**	106,724
	800,482	672,361	**627,423**	503,177
Deferred income comprises:				
Membership fees received in advance	**251,639**	224,092	**251,639**	224,092
Registered practice fees in advance	**137,276**	136,201	**–**	136,201
Examination fees in advance	**53,007**	23,552	**53,007**	23,552
Competition and other income in advance	**25,100**	–	**–**	–
	467,022	383,845	**304,646**	383,845

All 2021 Deferred Income was released in the financial year.

16a Current year analysis of group net assets between funds

	Restricted funds	Designated funds	General funds	**Total funds**
Tangible fixed assets	–		–	
Investments	–	1,702,115	121,382	**1,823,497**
Net current assets	5,696	95,071	137,880	**238,647**
Net assets at the end of the year	**5,696**	**1,797,186**	**259,262**	**2,062,144**

16b Prior year analysis of group net assets between funds

	Restricted funds	Designated funds	General funds	**Total funds**
	£	£	£	**£**
Tangible fixed assets	–	18,196	–	**18,196**
Investments	–	1,555,818	160,507	**1,716,325**
Net current assets	5,306	153,225	141,360	**299,891**
Net assets at the end of the year	**5,306**	**1,727,239**	**301,867**	**2,034,412**

17a Current year movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
Restricted funds:					
Travel award	5,306	–	–	–	**5,306**
The Parks Alliance		390			**390**
Total restricted funds	5,306	390	–	–	**5,696**
Unrestricted funds:					
Designated funds:					
Fixed assets funds	18,196	–	(18,196)	–	**–**
Branch funds	34,600	–	–	(1,111)	**33,489**
Entry Standards Modernisation Fund	109,320	–	(57,043)		**52,277**
Policy Development Fund	9,305	–	–	–	**9,305**
Property Fund	1,555,818	107,172	–	39,125	**1,702,115**
Total designated funds	1,727,239	107,172	(75,239)	38,014	**1,797,186**
General funds	301,867	2,430,923	(2,435,515)	(38,014)	**259,261**
Total general funds	301,867	2,430,923	(2,435,515)	(38,014)	**259,261**
Total unrestricted funds	2,029,106	2,538,095	(2,510,754)	–	**2,056,447**
Total funds	**2,034,412**	**2,538,485**	**(2,510,754)**	**–**	**2,062,143**

17b Prior year movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
Restricted funds:					
Travel award	5,306	–	–	–	**5,306**
Playground Project	5,000	–	–	(5,000)	**–**
Total restricted funds	10,306	–	–	(5,000)	**5,306**
Unrestricted funds:					
Designated funds:					
Fixed assets funds	83,178	–	(64,982)	–	**18,196**
Branch funds	39,676	–	–	(5,076)	**34,600**
Entry Standards Modernisation Fund	30,000	–	(74,980)	154,300	**109,320**
Policy Development Fund	15,000	–	(5,695)	–	**9,305**
Property Fund	1,270,946	284,872	–	–	**1,555,818**
Total designated funds	1,438,800	284,872	(145,657)	149,224	**1,727,239**
General funds	437,174	2,214,815	(2,205,898)	(144,224)	**301,867**
Total general funds	437,174	2,214,815	(2,205,898)	(144,224)	**301,867**
Total unrestricted funds	1,875,974	2,499,687	(2,351,555)	5,000	**2,029,106**
Total funds	**1,886,280**	**2,499,687**	**(2,351,555)**	**–**	**2,034,412**

General funds

General Funds are funds available for the purposes of the Institute to be spent as the Board of Trustees sees fit within the stated objectives of the charity. The Board of Trustees are free to set priorities and decide how and when to spend these funds, and they are not earmarked in any way.

17 Movement in funds - descriptions of funds

Purposes of restricted funds

The Travel Award Memorial fund originated from a donation to provide travel awards to members, and typically make three or four awards per year.

The Playground Project is an educational competition where primary schools in the London Borough of Tower Hamlets are matched with a landscape architect to re-design an aspect of their playground through partaking in design-based activities. Seven schools took part in the project and funding was provided by the Canary Wharf Group. The general fund dispense the wining prize of £5,000 in prior year hence the transfer back to the fund.

Purposes of designated funds

The net value of fixed assets is reflected in a designated fund. There was no transfer at year end as all assets are fully depreciated.
Funds in branch bank accounts are intended for use in the relevant branch.

The entry standards modernisation fund was designated for major investment in our future growth. During the year work continued with new routes to entry. Work continued on the apprentice scheme, notable Level 7; a pilot scheme was launched before the year end for the experienced Technician Member. Improvement to the Pathway Chartership and its link to the new competency framework is delayed due to IT challenges.

The policy development fund is set aside to provide our new larger policy and influencing team with resources to help make a greater impact more quickly. During the year it funded consultancy fees on Climate Change activities.

The Property fund comprises net proceeds of the sale of the Institute's former investment property. The Board agreed to invest the fund for a period of three to five years in accordance with the Institute's Investment Policy, described in the Trustees' report. Dividend income and movement on revaluation is allocated to the fund in the portion of 80:20 split with the general funds.

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

	2022 £	2021 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	**27,731**	148,132
Depreciation charges	**18,196**	64,982
(Gains)/losses on investments	**(107,172)**	(284,872)
Dividends, interest from investments	**(62,479)**	(63,199)
(Increase)/decrease in debtors	**(7,202)**	(133,770)
Increase/(decrease) in creditors	**128,121**	82,871
Net cash provided by / (used in) operating activities	**(2,806)**	(185,856)

19 Operating lease commitments

The group's and the Institute's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	The group		The Institute	
	2022	2021	**2022**	2021
	£	**£**	£	£
Within 1 year	**122,953**	121,263	**120,887**	121,263
2 - 5 years	**210,800**	333,753	**81,267**	333,753
	333,753	455,016	**202,154**	455,016

20 Contingent liabilities

The group and the charity had no contingent liabilities at the balance sheet date or the date of approval of these financial statements.

21 Legal status of the Institute

The Institute is a registered charity, number 1073396 and incorporated by Royal Charter, registration number RC000767.