

2018

Annual Report

For the year **2018–2019** to include
summary financial accounts for 2018

The 2019 AGM will take place in the Alumni Auditorium
(lower front section only)

**University of Exeter, Streatham Campus,
Northcote House, Exeter, EX4 4QJ**

On Monday 9th September 2019 at 6:00pm
(please bring these papers with you)



Your contacts at the AA

Volunteers (members not remunerated);

All contacts details can be found on the AA website www.trees.org.uk

Arboricultural Association Directors and Charity Trustees:

- **Chairman** – Jaime Bray
- **Vice Chairman** – Ian Murat
- **Treasurer** – Laurence Vine-Chatterton
- **Other Directors:** Alastair Durkin, Simon Holmes, Jenny Long, Ian Murat, Michelle Ryan, Michael Sankus and Navin Sehmi

Arboricultural Association Trading Ltd Directors (AATL):

- All Association Trustees are Directors of the AATL

The Committee Chairs, as of 1st July 2019:

- **Education and Training Committee**
Chair – Stephen Westmore
- **Media and Communications Committee**
Chair – Jenny Long
- **Professional Committee**
Chair – Michael Sankus

Specialist Working Groups:

- **Arborists' Working Group (AWG)**
Chair – Navin Sehmi
- **Consultants' Working Group (CWG)**
Chair – Nick Bolton
- **Utility Arboriculture Group (UAG)**
Chair – Andy Gardner
- **Women in Arboriculture Working Group (WIA)**
Chair – Michelle Ryan

The Branches:

Contact details of all branches can be found on the AA website – www.trees.org.uk

- **Cornwall**
- **East Anglia**
- **Ireland**
- **Midland**
- **Northern**
- **Scotland**
- **South East**
- **Thames and Chiltern**
- **Wales**
- **Western**



Arboricultural Association

The Malthouse, Stroud Green, Standish, Stonehouse,
Gloucestershire, GL10 3DL, United Kingdom

Tel: **+44 (0)1452 522152**

Email: admin@trees.org.uk

AA Representation and Liaison, as of 1st July 2019:

- **Arboriculture Liaison Group**, Simon Richmond
- **British Standards Institution – B/213 Trees**, Simon Pryce
- **European Arboricultural Council**, Jonathan Cocking and Keith Sacre
- **GB & NI Tree Health Advisory Group**, Stewart Wardrop
- **Fund4Trees** (*fundraising activity Ride for Research*), Andy Hirons and Mick Boddy
- **Highways Authority National Highway Sector Scheme 18**, Simon Rotheram
- **HSE Arboriculture and Forestry Advisory Group (AFAG)**, Simon Richmond and Andy Gardner (*UAG*)
- **Lantra SSC (Trees and Timber Industries Group)**, Andy Gardner for UAG Development
- **National Tree Safety Group**, Simon Richmond, John Parker and Michael Sankus
- **Scottish Tree Health Advisory Group**, William Hinchliffe and Fiona Melville
- **Society for the Environment**, Peter Holloway
- **Trees and Design Action Group**, Keith Sacre
- **Tree Council**, Stewart Wardrop
- **Woodland Trust Charter for Trees**, Jeremy Peirce
- **Apprenticeships**, Simon Richmond
- **All Party Parliamentary Gardening Horticulture Group**, Stewart Wardrop and Stephen Hodsman
- **Ornamental Horticulture Roundtable Group**, Stewart Wardrop and Stephen Hodsman
 - **OHRG Education Group**, Stephen Westmore and Simon Richmond
 - **OHRG Research Group**, Glynn Percival and Stewart Wardrop
 - **OHRG Commercial Group**, Stewart Wardrop
- **Greener UK**, Stewart Wardrop and Stephen Hodsman
- **Tree Champion Roundtable Group**, Stewart Wardrop and Keith Sacre
- **Plant Health Biosecurity Alliance Steering Committee**, Stewart Wardrop and Keith Sacre
- **Ash Dieback (Defra liaison)**, Michael Sankus and John Parker

Staff

(Staff listing as of 5th August 2019)

(All staff email contacts are firstname@trees.org.uk)

(PT = Part-time position)

- **Kate Beamish**, Administration Officer – Finance (PT)
- **Hanif Bhula**, Financial Manager
- **Sophie Chappell**, Administration Officer – Events
- **Emma Hall**, Administration Officer – Training (PT)
- **Stephen Hodsman**, Marketing Manager
- **Jack Hutchings**, Marketing Assistant
- **Jim Mullholland**, Technical Officer (PT)
- **Jess Palfreyman**, Membership and Systems Officer (PT)
- **John Parker**, Senior Technical Officer
- **Simon Richmond**, Senior Technical Officer
- **Paul Smith**, Technical Officer – ARB Approved Contractor Scheme Manager
- **Polly Stone**, Administration Officer – Accreditation Schemes
- **Jane Stuart**, Administration Officer – Publications
- **Stewart Wardrop**, Chief Executive Officer

Reports of the Board of Directors for the period AGM 2018–AGM 2019



Report of the Association Chairman for the period AGM 2018 – AGM 2019

It has been another successful year for the Arboricultural Association. In an era where membership organisations are struggling to grow, the AA continues to thrive. Our numbers of paid members are at a record high and early indications are that this is set to continue throughout the year and into 2020.

In addition to membership growth the ARB Approved Contractor's Scheme is continuing to grow, a clear sign of the value industry places on the Scheme. This further demonstrates the appetite from the contracting sector for continuous professionalism. With the launch of the Utility Approved Contractor Scheme going from strength to strength, the outreach of the Arboricultural Association continues. The ongoing development and investment into our Registered Consultants' Scheme continues with the recent implementation of an industry leading reassessment process to ensure it maintains its quality and prestige. Further developments of all our schemes will ensure they remain relevant and fit for purpose. We continue to actively promote the schemes to primary decision makers and the general public with the recent investment into marketing resource starting to pay dividends. However, we must not be complacent as there will always be more promotional activity that can be done.

Since 2014 the Association has significantly changed the manner in which we engage with Parliament. We now contribute to several groups, APPGHG, OHRG, Action Oak initiative to name but a few. Increasingly we are being invited to comment or offer advice and/or opinion on various issues facing the UK's urban landscape. We are seen as an active and effective partner on such groups – witness the response on the OHRG industry skills survey – and more recently engaging with DEFRA on work regarding ash dieback guidance, which has changed the advice DEFRA will be publishing. The work continues and demands are high – a sure sign of our success in raising the profile of the Association.

In order to further support arboriculture the Association continues to develop the staff we employ. As part of the need to bolster our senior technical team, so that we can increase our engagement and influence, we welcome the arrival of John Parker, a clear demonstration of the Association's desire to grow and promote the good work of our urban forest practitioners. It is our intention that, funds allowing, we continue to develop our technical resource and crucially our technical output in coming years. Later this year we intend to publish five technical guides (currently being written) to support the Industry Code of Practice (ICoP). Through this, the Association continues to support UK arboriculture in accordance with UK legislation. Further afield we have been contributing partners in an EU funded project called VETCERT which will be pivotal in helping us manage the UK's valuable veteran tree resource in years ahead. The Association's contribution in leadership is increasingly being recognised further afield and we will continue to develop our relationships with partner groups as we assist each other with advice and guidance at every opportunity.

A key to the success of the Association is the engagement with our branch network. Increasingly supported by HQ team, the branches continue to engage with their local membership and partner groups with real success. We wish to express our sincere thanks on behalf of the Association to the Branch Chairs and volunteers that help this network deliver such great events and activities in support of our industry. Our vibrant branches, in conjunction with the AA HQ delivered training and course activity, ensures we continue to meet the needs of our membership and partners. We are now seeing the benefits of the investment into our CRM system as we are able to keep a track on course numbers with ease now – crucially important given the changing nature of course bookings. This has resulted in more activity with very few planned courses being cancelled.

The Association's Marketing Manager Stephen Hodsman and appointment of our first apprentice, Jack Hutchings, have significantly changed the outward facing presence of the Association, especially in the vital areas of social and digital media. This year has seen the delivery of our first training webinar, a clear sign that the Association is adapting and moving with the times.

During 2018 we saw record numbers attend the Association's two key events, the ARB Show and Amenity Conference. The 2019 ARB Show, whilst having a record number of exhibitors, did suffer with some bad weather on the Saturday, meaning that we were not able to break last year's record attendance. In 2018 we held the Association's first ever student conference which was held at Merrist Wood College. In 2019 we have two one-day student conference events being planned, one at Capel Manor College, and the other at Myerscough College. Our Amenity Conference reputation as a 'world-class' event continues to grow and 2019, with its theme of '*Crown & Canopy Management*' promises to deliver yet another superb line up.



So, to conclude, with Britain's potential departure from the European Union looming, there is uncertainty in the market place. One thing for certain is that through the growing strength of the Arboricultural Association, we will continue to serve arboriculture, and we thank you for your continued support and participation in helping to do this.

Jaime Bray

Chairman of the Trustees 2018/2019

Financial Performance

for the period 2018 and AGM 2018 – AGM 2019

After an improved performance in 2017 we had another financially sound year in 2018. Total income was £1,357,000 (£1,349,000 in 2017) with subscriptions accounting for 30% of our total income (27% in 2017) due partly to increasing membership. ARB Approved Contractors amounted to 19% of income (same as 2017).

Once again, we had success with our two main events with the annual conference contributing 12% and the ARB Show 9% of income in both years.

The AA is continuing to strengthen all sources of income helping to provide a stable financial situation which allows us to provide ever improving service to members and increased activities in line with our charitable objectives.

The surplus for the year was £44,000 (£47,000 in 2017), another good result which helps us to build up our reserves.

The AA's balance sheet is sound with cash in hand at £195,000 as at December 31, 2018. The previous year it was £384,000 which was better due to the timing of payments to creditors. Net assets increased from £709,000 to £754,000. The mortgage secured on The Malthouse was £105,373 with monthly repayments scheduled to be completed within three years.



We expect to realise another surplus in 2019 enabling us to further improve our reserves and to continue expanding our activities.

Laurence Vine-Chatterton
Treasurer

Report of the Professional Committee (PC) Chairman

for the period AGM 2018 – AGM 2019

In November 2018 I took over from Simon Holmes as Chair of Professional Committee. Simon had done a fantastic job in this role for three years and I am envious of the fact that he managed to do so with relative ease.

Since September 2018 the committee, which has ten members and is attended by Stewart Wardrop and one other member of staff, has been busy supporting HQ. Amongst other things, the committee regularly reviews membership and accreditation scheme numbers and assists with the determination of complaints as well as the assessment of applications to become a Fellow of the Arboricultural Association. The committee has also supported the activities of the various working groups and I have, in collaboration with the working groups, written their Terms of Reference – most of which have now been approved by Trustees which is great news.

The Code of Conduct and Ethics, as well as the Whistle-Blowing Policy, were approved and adopted shortly after the previous Annual Report went to print. The Code of Conduct and Ethics has since been used when considering complaints made against members of the Association.

The work of the Consultants Working Group (CWG) has focused on three main areas, all of which have been discussed at length during meetings of the Professional Committee. These areas include the use of a forum for aspiring Registered Consultants, the AARC quality assurance process, and a root and branch review of the methodology for determining the competency, skills and experience of applicants to become Registered Consultants – there are more details of this below.

With the arrival of summer, it quickly became apparent that ash dieback was taking a stronger grip than ever. Both the Tree Council and the Forestry Commission were busy drafting new guidance for non-woodland ash trees – Jon Stokes and Clare Bowen were kind enough to join the Professional Committee in June to present their emerging guidance. It was evident that the management of ash will not be 'business as usual' in future years, but the Committee aired their concerns about balancing the message. By the time you read this report it is likely that the Association's own concise guidance for householders, land managers and contractors will have been approved by the Professional Committee and Trustees of the Association.

The relatively new Utility Arboriculture Contractor (UAC) scheme has also been discussed at the Professional Committee. This scheme is going from strength to strength and the Professional Committee are pleased to have had a part to play in reviewing and signing it off.



A short report on the activity of Working Groups (WIA, AWG, and CWG) can be seen below.

Finally, I'd like to thank members of the Professional Committee and the Working Groups for their continued support and willingness to progress a wide range of projects.

Michael Sankus
Chair of Professional Committee

Arborists' Working Group (AWG)

The AWG continues to grow as a source of valuable information for arborists and company owners alike. There is a small core group of committed volunteers that regularly pledge their time to the group's projects and provide further assistance to UK arborists. There are numerous projects on the radar for the AWG, several of which include the production and/or review of crucial industry facing guidance. Some are due for completion imminently; others are in the initial assessment phase and will be addressed as time permits. These will eventually be published in the Help for Arborists section on the ever improving and updated AA website.

As the Association continues to improve its social media presence, the AWG will be working with other committees to produce a series of topical podcasts and a toolbox talk video series over the next 12 months.

The group has completed the process of re-evaluating/creating new terms of reference and core values. These will help focus the next 12 months of AWG work. As always, the group will benefit from enthusiastic, motivated and driven people. Please do not hesitate to contact AA HQ to express an interest in getting involved with the AWG. May we take this opportunity to thank the membership for its ongoing support in the continued professionalisation of the industry.



Navin Sehmi
Chair AWG

Consultants' Working Group (CWG)

The Consultants' Working Group has continued work on delivering two projects this year, both relating to the Registered Consultants Scheme.

As with the ARB Approved Contractor Scheme, it was recognised that a factor playing a key role in increasing numbers within the Registered Consultants Scheme was the demystification of what is required through the application process. To that end, CWG have assisted with the delivery of the two Aspiring Registered Consultant Day that took place in 2018. These free-to-attend events helped explain the precise requirements, the application process, the expectations of the Assessors of the Scheme, and help to define where potential applicants might find help and support. A forum has been put in place to support aspiring applicants. Two of these days have now been held with further ones taking place in 2019; positive feedback has been received from attendees and application numbers are rising.

The second task that CWG has completed over the year is the preparation work for the delivery of the Quality Assurance Scheme to monitor and ensure the standard of work being prepared by existing members of the Registered Consultants Scheme. This process

has started with the first group of Registered Consultants having now undertaken and completed the process, successfully. This QA process is industry leading and will play its part in ensuring the scheme remains current and in line with best practice.

During 2019 the CWG will continue to work to further improve and develop the Registered Consultant Scheme.



Nick Bolton
Chair CWG

Utility Arboriculture Group (UAG)

Utility Arboriculture Group (UAG) saw the number of members increase significantly in the year. Much improved communication, publicity and the provision of regular Health and Safety updates are driving this increased engagement. These can all be seen and accessed on the regularly updated UAG page of the AA website.

The Utility Arb Approved Contractor Scheme was launched in the spring of 2018 with the first assessments being carried out towards the end of July. The Scheme is now growing and has been designed to mirror the ARB Approved Contractor Scheme, but with more of a focus on the utility sectors and the compliance and standards that apply to these areas more specifically.

More companies have been signing up to be assessed under the new scheme and it is a great addition to help improve the standards across our sector. I am pleased to confirm that the new Utility Arboricultural qualifications, which the UAG helped shape, have been trialled and rolled out in the year.



The UAG continue to publish its safety data, promote and share safety best practice with this messaging and sharing of information now extending overseas.

Andy Gardner
Chair UAG

Women in Arboriculture Working Group (WIA)

Following on from an informal meeting at the 2018 ARB Show, the Women in Arboriculture Working Group was set-up with the inaugural meeting taking place on 12th June 2018. During the meeting, the attendees volunteered to be on the Managing Committee. I was elected as Chair and Sally Shuck Vice Chair.

The aim of the group is to encourage and promote diversity and inclusion with the industry. Possible projects included a mentoring scheme, promoting careers in arboriculture by visiting schools and colleges and reaching out to people looking for a career change.

The focus for 2018 was getting the group up and running. The key objectives included setting up the landing page and forum. The Terms of Reference were produced, the landing page was set up and options for the forum were explored and tested.

At the Amenity Conference I gave a speed briefing about the aims and progress of the group.

Towards the end of 2018 work began on the 12 Faces of Arb project. This series was created to showcase a range of different jobs within arboriculture. Each month throughout 2019 an article will be released by a different woman for each of the job roles identified by the group.



Since the group was launched it has been really well received, with support and interest from people all over the world.

Michelle Ryan
Chair WIA

Report of the Education and Training Committee (E&T) Chairman for the period AGM 2018 – AGM 2019

It has been a busy year for the E&T Committee. One of the main focuses has been to build on last years' work, by strengthening links with the key awarding bodies within the industry. This has been to ensure that E&T has a proactive input into the development and delivery of courses for arboriculturists. This has ensured that the courses truly reflect the needs of the industry as well as providing reassurance to the awarding bodies that the AA will support the course when they are live.

Another aspect of the Committee's work has been to revitalise the careers leaflet which, while serving an excellent purpose, was often too complex and unwieldy for new entrants (particularly school leavers) into the industry. As such, E&T worked with AA HQ to develop a more streamlined 'postcard' leaflet to promote the industry. The aim of this leaflet is to spark the interest of new entrants and then guide them to the necessary information they need. In conjunction with this work, input into the careers section of the website has been vital, to ensure continuity for those looking to obtain information about the sector. The next phase will be an overhaul of the existing careers leaflet to coincide with the updated website information.

The Committee have also instigated a full analysis of the current training provision offered by the AA. This research has enabled a detailed understanding of current trends, shortfalls and opportunities for further training provision, as well as potential membership initiatives. This information has fed into the creation of more realistic targets for future years and will also allow a more robust monitoring system to be developed.

E&T are also proud that the number of applicants for the Research Grant was the highest number to date, with all applications being of an excellent calibre and two applicants being awarded grant money. Due to the number and standard of applicants E&T have revisited the scope of the application process and expectations of successful bids, to guarantee the process is more robust in anticipation of increased applications in future years.

Members of the Committee are also working closely with the Ornamental Horticultural Roundtable Group (OHRG) to develop a cross-sector initiative to help combat the declining numbers of entrants. This has, in part been driven by the membership survey results identifying that recruitment is one of the biggest concerns, as well as concerns raised by Committee members. This is an ongoing process so further updates will be provided later in 2019.

The Committee has always endeavoured to provide a true reflection of the industry. This is often achieved by having members from a diverse range of occupations. It was acknowledged that a few specific roles were not represented within the group and therefore select individuals were approached to provide input. E&T would urge AA members to put themselves forward if they believe that their occupation may be under-represented, so as to guarantee that the diverse needs of the sector are truly reflected.



Finally, E&T would like to thank AA HQ for all their support, as well as acknowledge the time and effort afforded by all of the Committee's members.

Stephen Westmore

Chair Education and Training Committee

Report of the Media and Communications Committee (M&C) Chairman for the period AGM 2018 – AGM 2019

In the last year the M&C Committee has developed a new remit to ensure that our small, but enthusiastic team are able to focus on key areas that support the wider strategic goals of the Association. Our current priority is to promote the activities of the AA within the industry, particularly engaging more contractors and to promote the arboricultural profession as a whole to the UK public, both to increase public awareness of the value of using professionals and to help address the skills gap in the industry.

Working in partnership with local branches and the HQ Marketing Team, the M&C Committee aims to lead the way for branches and Association members in communicating with partners in the industry and the media, as well as maximising any PR and networking opportunities that help promote arboriculture and the aims of the Association.

We are working hard to develop a committee of volunteers who have a good understanding of PR and marketing strategy and we are seeking to have in place a range of professionals from both within and out of the industry to ensure different stakeholders are considered and represented.

Public awareness campaign

The Association now has a social media following of over 30,000 people across all platforms and with the help of the new HQ Marketing Team member Jack Hutchings (who started in January 2019), is reaching out in new ways and on a new scale to the public to share our activities and gain their interest and investment on the Association's work. By February 2019, Jack's increased activity on social media had already contributed to a year on year increase of 20,000 more website page views.

The Help and Advice section on the website had 227,000 page views in 2018 and has since had a big revamp to make it more relevant, concise and up-to-date. The HQ team have worked hard on the content and design to ensure we meet the needs of the public visitors and work towards becoming the 'go to' public resource for amenity tree care.

Working with the press, the M&C Committee have had a number of articles published this year to help advise the public about the importance of using a qualified professional for their tree care. We are also working on a number of schemes to see what would be useful for our ARB Approved Contractors to buy into to further promote themselves as trusted traders and promote the ARB Approved Contractor scheme in the wider public domain.

As well as promoting the AA via social and traditional media, we have also gone back to good old-fashioned leaflets and made the 'Choosing Your Arborist' free-of-charge. M&C Committee members have been getting these out to any public spaces, where we can get the message out about the importance and value of professional arboriculture.



Engagement with members

The renaming of the Ordinary membership grade to Foundation, has helped us to communicate the message that there is nothing "ordinary" about our Foundation level members and we are delighted to see that in 2018/19 membership has continued to increase. Paid memberships grew by 8% for the 2nd year running in 2018 and, with the advent of the free student membership, we added 500 new members and have now achieved over 3,000 members for the first time in our history.



As well as social media being a powerful platform to communicate with current and potential future memberships, we have recognised that our members need help with their own social media campaigns, which helps us add value to AA membership and promote the industry as a whole. The very first Social Media Webinar took place in July and offered participants real help and advice on managing their social media and engaging with the public.

Our most successful and powerful way to engage with members is surely through our network of incredible branches, where volunteers run events that bring benefits and connections to their current members and attract new members to the AA. Branches have run a huge range of events this year from talks on Tree Forks and Species Selection through to visiting a project to re-introduce Otters. M&C, along with the HQ team provided branches with a whole new range of support materials this year to help them promote the AA, their branch and run and promote events. The M&C team are all working to collaborate more with their local branches to see where we can support them and learn from them as we all work together to promote the AA.

Addressing the skills gap

It is exciting to see so much political activity taking place to address the skills gap that we face in the industry and we were delighted that within the recent Horticulture Skills Survey, commissioned by the APPGHG, the arb businesses contacted were all very forthcoming with ideas and feedback. Knowing that we have wide support and understanding across the industry and plenty of energy and drive to speak up about what needs to be done is heartening and when we talk to the Government as a wider and joined up sector, we can make them sit up and take action to help make the changes we need.

As well as the long-term work going on to help us address the skills gap, in the short term the M&C Committee are working to communicate with young people who are at school now to share with them what opportunities exist in Arboriculture. A schools presentation pack has been developed and is available for any arb professional who is prepared to go and talk to youngsters and we are currently investigating a schools membership scheme to engage schools on a national level and link them up with Approved Contractors who can visit and talk to pupils.

We were also invited by the RHS to speak to 200 young horticulturalists at the RHS Chelsea Flower Show, inspiring them about how to engage with the wider world as they embark on their careers and not just stay within the bounds of their field. I was impressed at their enthusiasm, not just for their chosen field of study/work but at how they are open to embracing the bigger picture of promoting horticulture/arboriculture as a profession to be valued, respected and admired in the UK, as it is in other countries.

The future

As we move forward into 2019/20 we still have much work to do to promote the activities of the AA and raise the profile of arboriculture, but with the dedication, energy and enthusiasm of the M&C Committee and the branch volunteers; the never ending creativity and drive from the HQ Marketing Team and the appetite from the AA members to continue to raise the profile of arboriculture, I approach the next 12 months with great positivity and optimism.



Our thanks to Paul Jenks for his commitment to the Association and work on the M&C Committee (he stood down as Chair in February 2019).

Jenny Long

Chair Media & Communications Committee

Report of Arboricultural Association Trading Ltd (AATL) for the period AGM 2018 – AGM 2019

The accounts have been approved by the company's auditors and, being wholly owned by the Association, are incorporated within the Association's annual accounts. The company's accounts have been approved by the Trustees who are all Directors of the AATL.

In accordance with the Association's published Strategic Plan covering 2018–2020, the Association's Trustees set targets and review the performance of each Accreditation Scheme to ensure continued relevance, and that effective public and member value are being delivered.



As ever, the AATL Directors wish to express thanks to and recognition of the continued commitment and enthusiasm of the team at The Malthouse headquarters.

Jaime Bray

Chairman of the Trustees 2018/2019

Receipt of the Accounts of the Association for Financial Year 2018

Trustees' Statement

The accounts have been audited and given an unqualified report. Copies of the accounts have been filed with Companies House and will be filed with the Charity Commission by the due date.

A full copy of the audited accounts for 2018 is available on the website www.trees.org.uk/About-Us/Policies-and-Reports or may be obtained from the Registered Office at The Malthouse, Stroud Green, Standish, Stonehouse, Gloucestershire, GL10 3DL, United Kingdom.

A summary for 2018 is provided with a comparison to 2017.

During 2018 the Trustees put in place a 1-year business plan that aids the implementation of the 3-year rolling strategy.



These plans are communicated with all Committees, Working Parties and Branch Chairs. Respective objectives and work streams are agreed. A budget was implemented for 2018 based on the Business Plan. Details of the actual performance and re-forecast for 2019 follow.

Jaime Bray
Chairman of the Trustees 2018/2019

Independent Auditors' Report to the Members and Trustees of the Arboricultural Association

The summary financial accounts for the year ended 31st December 2018 included in this report do not constitute statutory financial statements. The summary financial accounts are extracted from the Group's consolidated statutory financial statements for the year ended 31st December 2018. The auditor has reported on those consolidated financial statements; their report was unqualified and did not contain statements under s498(2) or (3) Companies Act 2006 or equivalent preceding legislation.

Scott Lawrence

Senior Statutory Auditor

For and on behalf of Hazlewoods LLP, Statutory Auditor

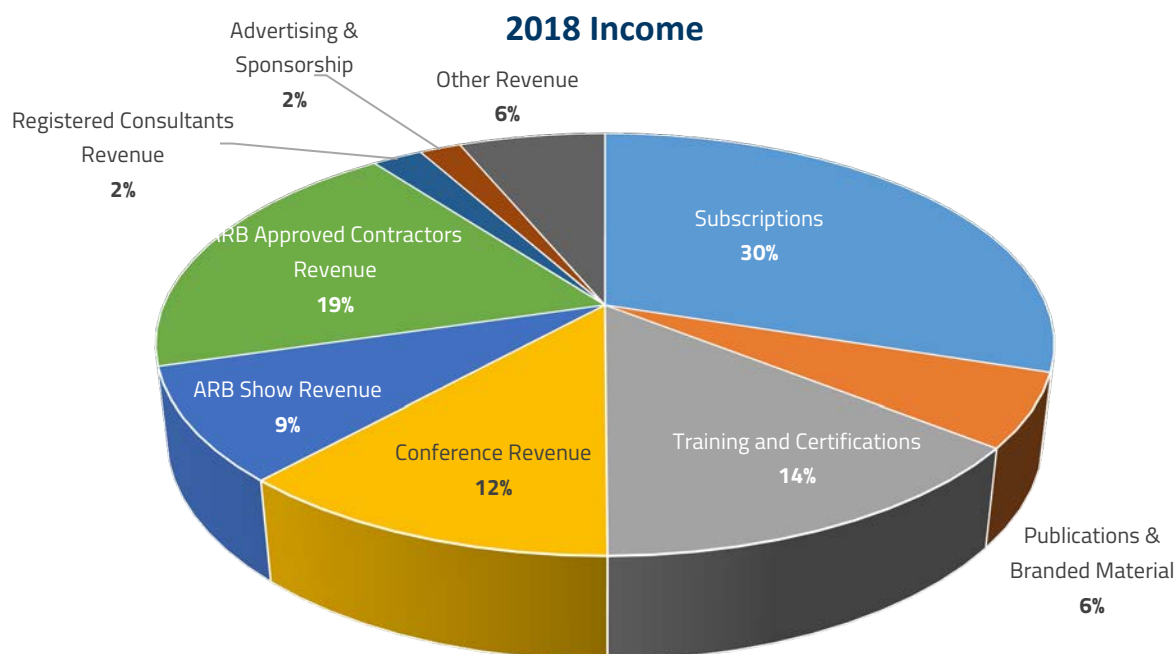
Arboricultural Association Summary Financial Information

1 January 2017 to 31 December 2018

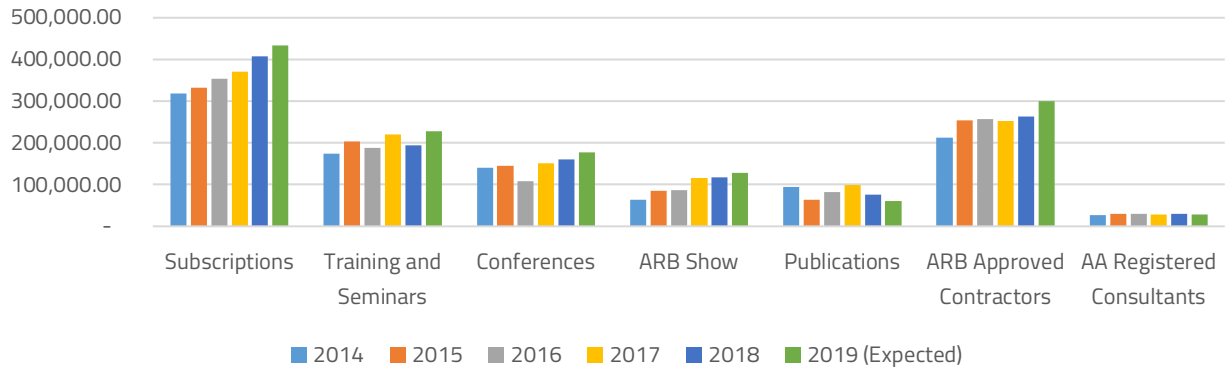
| SUMMARY CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT | 2018 | | | 2017 | | |
|--|-----------------------|-------------------------|---------------------|-----------------------|-------------------------|---------------------|
| | Income £'000 | Expense £'000 | Total £'000 | Income £'000 | Expense £'000 | Total £'000 |
| Activities to further the charity's objectives: | | | | | | |
| Subscriptions | 407.7 | (79.5) | 328.2 | 370.7 | (77.1) | 293.6 |
| Publications | 76.0 | (78.5) | (2.5) | 98.5 | (78.4) | 20.1 |
| Conferences | 159.9 | (163.4) | (3.5) | 150.8 | (158.9) | (8.1) |
| Workshops and seminars | 193.5 | (221.5) | (28.0) | 220.2 | (225.2) | (5.0) |
| ARB Show | 117.7 | (149.4) | (31.7) | 115.3 | (136.9) | (21.6) |
| Meeting costs | - | (76.2) | (76.2) | - | (75.1) | (75.1) |
| ARB Magazine and Journal | - | (96.6) | (96.6) | - | (90.0) | (90.0) |
| Political expenditure | - | (17.7) | (17.7) | - | - | - |
| Grants | - | (2.8) | (2.8) | - | (7.4) | (7.4) |
| | <u>954.8</u> | <u>(885.6)</u> | <u>69.2</u> | <u>955.5</u> | <u>(849.0)</u> | <u>106.5</u> |
| Activities to generate funds: | | | | | | |
| Consultants and contractors | 292.1 | (242.2) | 49.9 | 281.1 | (266.4) | 14.7 |
| Marketing and advertising | 7.9 | (13.3) | (5.4) | 5.2 | (12.9) | (7.7) |
| Promotion | - | (94.7) | (94.7) | - | (90.8) | (90.8) |
| Management and administration | - | (12.4) | (12.4) | - | (12.3) | (12.3) |
| Technical support | - | (63.9) | (63.9) | - | (70.9) | (70.9) |
| Interest received | 0.1 | - | 0.1 | 7.6 | - | 7.6 |
| Sponsorship | 16.3 | - | 16.3 | 16.5 | - | 16.5 |
| Other activities | 85.4 | - | 85.4 | 83.0 | - | 83.0 |
| | <u>401.8</u> | <u>(426.5)</u> | <u>(24.7)</u> | <u>393.4</u> | <u>(453.3)</u> | <u>(59.9)</u> |
| Totals: | <u><u>1,356.6</u></u> | <u><u>(1,312.1)</u></u> | | <u><u>1,348.9</u></u> | <u><u>(1,302.3)</u></u> | |
| Surplus of income over expenditure: | | | <u><u>44.50</u></u> | | | <u><u>46.60</u></u> |

| SUMMARY CONSOLIDATED BALANCE SHEET | 2018 | | 2017 | |
|---------------------------------------|----------------|---------------------|----------------|---------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Fixed assets: | | 824.5 | | 839.0 |
| Current assets: | | | | |
| Stock | 20.6 | | 18.1 | |
| Debtors | 119.4 | | 112.7 | |
| Cash at bank and in hand | 194.7 | | 384.3 | |
| | <u>334.7</u> | | <u>515.1</u> | |
| Creditors due within one year: | <u>(340.7)</u> | | <u>(538.4)</u> | |
| | | (6.0) | | (23.3) |
| Creditors due after one year: | | (64.7) | | (106.3) |
| | | <u>753.8</u> | | <u>709.4</u> |
| Funds: | | | | |
| Restricted fund | | 6.1 | | 6.1 |
| Unrestricted fund | | 742.8 | | 698.4 |
| Non-charitable reserves | | 4.9 | | 4.9 |
| | | <u>753.8</u> | | <u>709.4</u> |

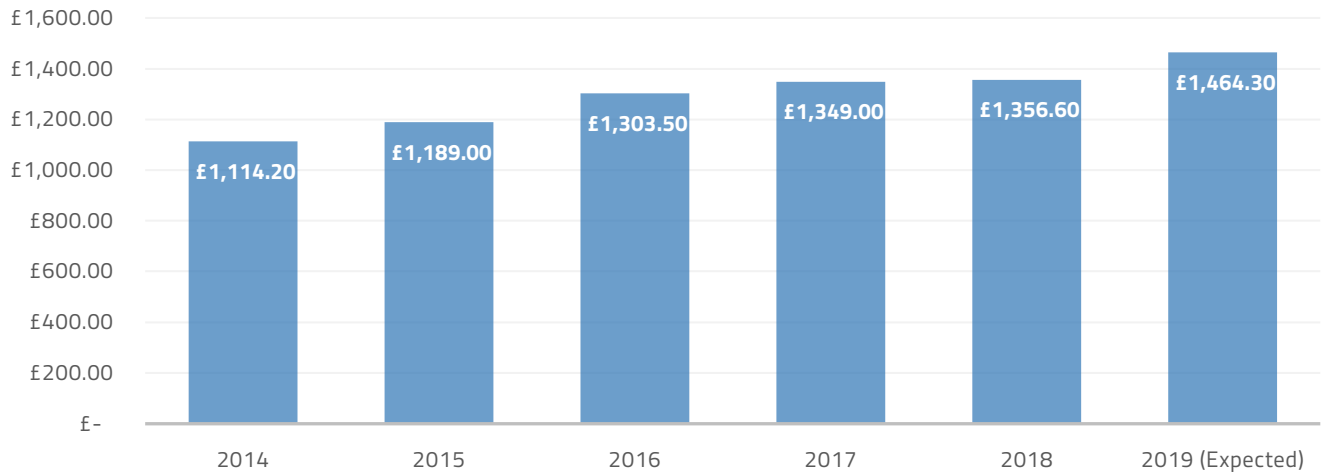
Graphical representation of 2018 income



Income per year for Subscriptions, Training, Conference, ARB Show, Publications, ARB Approved Contractors and AA Registered Consultants



Total Income per year £'000



SUMMARY CONSOLIDATED MOVEMENT IN RESERVE FUNDS

| 31 December | Unrestricted Funds £ | Restricted Funds £ | Total £ | Movement on previous year £ |
|-------------|-------------------------|-----------------------|------------|-----------------------------------|
| 2013 | 510,389 | 8,345 | 518,734 | 21,193 |
| 2014 | 620,940 | 6,069 | 627,009 | 108,275 |
| 2015 | 637,873 | 6,080 | 643,953 | 16,944 |
| 2016 | 656,608 | 6,086 | 662,694 | 18,741 |
| 2017 | 703,264 | 6,086 | 709,350 | 46,656 |
| 2018 | 747,738 | 6,086 | 753,824 | 44,474 |

MOVEMENT IN RESERVE FUNDS HELD IN BRANCH ACCOUNTS

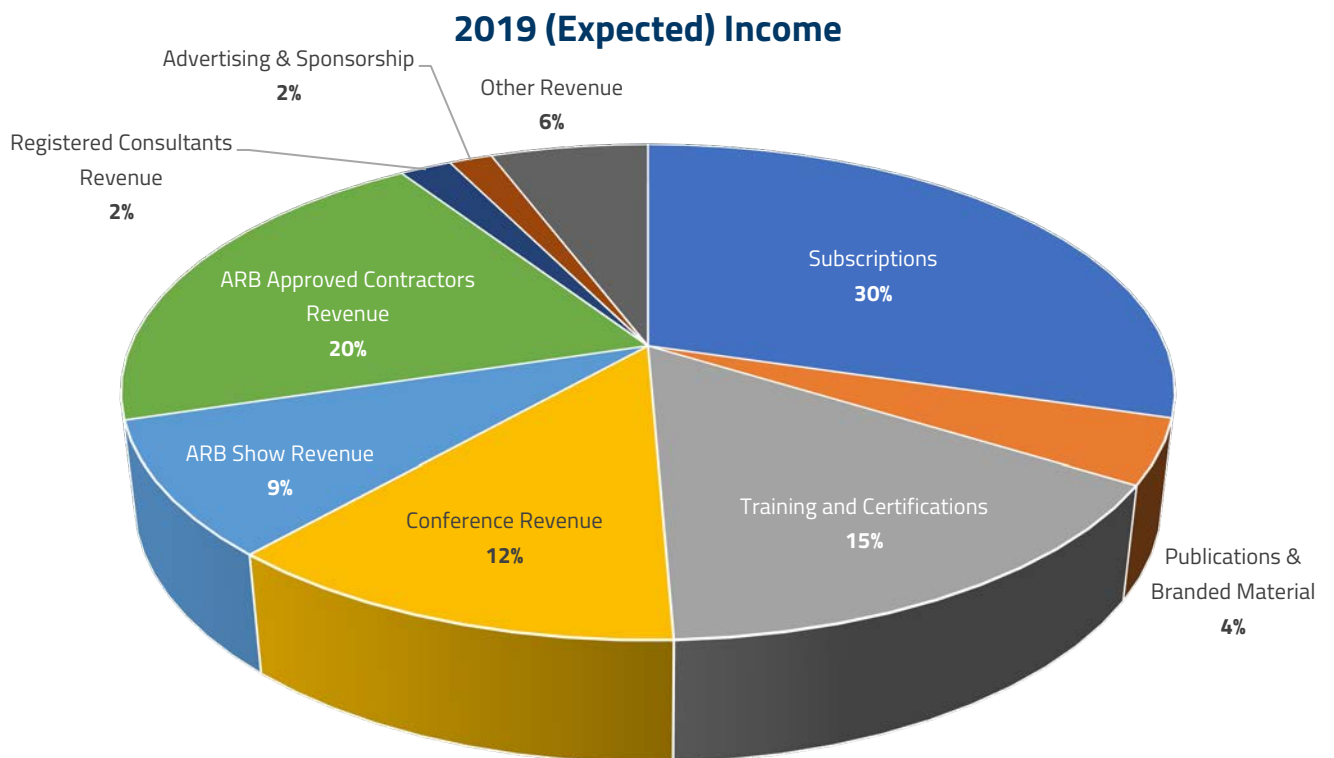
| 31 December | Total £ | Movement on previous year £ |
|-------------|------------|-----------------------------------|
| 2013 | 32,171 | 3,940 |
| 2014 | 19,999 | (12,172) |
| 2015 | 22,328 | 2,329 |
| 2016 | 18,434 | (3,894) |
| 2017 | 23,317 | 4,883 |
| 2018 | 22,898 | (419) |

Presentation of the Budget and Performance for 2019 and Re-forecast Data as at 30 June 2019

In accordance with the Association's established practice, a Business Plan and a Budget for 2019 were approved by the Board of Trustees at the start of the financial year. Performance against Budget is monitored regularly. At the present time – July 2019 – there is no reason to believe that the final outcome for the year will be materially at variance to Budget.

| | Actual | Budget | Actual/Forecast |
|---------------------------------------|------------------|------------------|------------------|
| | 2018 | 2019 | June 2019 |
| Sales | | | |
| Subscriptions | 407,684 | 450,000 | 433,750 |
| Branch Training Income | 9,739 | 10,000 | 9,914 |
| Publications & Branded Materials | 76,085 | 75,000 | 61,353 |
| Training & Certifications | 193,547 | 210,000 | 227,587 |
| Advertising Revenue | 7,913 | 20,000 | 23,149 |
| Conference Revenue | 159,937 | 175,000 | 175,000 |
| Student Conference Revenue | - | 3,000 | 3,000 |
| ARB Show Revenue | 117,757 | 130,000 | 128,026 |
| 3ATC | 5,417 | 6,000 | 5,017 |
| Approved Contractors Revenue | 262,759 | 280,000 | 299,980 |
| Registered Consultants Revenue | 29,350 | 29,000 | 27,912 |
| ISA Income | 7,597 | 10,000 | 10,888 |
| Sponsorship | 16,300 | - | - |
| Other Revenue | 62,554 | 65,000 | 58,789 |
| Total - Sales | 1,356,639 | 1,463,000 | 1,464,365 |
| Purchases | | | |
| Membership Expenses | 17,653 | 18,000 | 15,092 |
| Publications Expenses | 34,747 | 50,000 | 48,905 |
| Editor's Expenses | 14,487 | 15,000 | 14,720 |
| Sponsorship and Marketing Expenditure | 18,282 | 22,000 | 20,356 |
| Conference Expenditure | 95,461 | 100,000 | 99,247 |
| Student Conference Expenditure | - | 3,000 | 3,000 |
| Training Expenses | 103,670 | 105,000 | 106,219 |
| ARB Show Expenses | 73,011 | 79,000 | 78,741 |
| Branch Expenses | 17,258 | 15,000 | 15,982 |
| 3ATC Expenses | 5,226 | 6,000 | 5,819 |
| Approved Contractors Expenditure | 94,740 | 107,000 | 116,000 |
| Registered Consultants Expenditure | 6,872 | 15,000 | 16,140 |
| ISA Expenditure | 2,646 | 10,000 | 10,000 |
| APPGHG/OHRG | 17,654 | 15,000 | 16,281 |
| Research Grant | - | 5,000 | 5,000 |
| Partner Sponsorship | 9,043 | 5,000 | 5,000 |
| Other Purchases | 1,665 | 3,000 | 4,542 |
| Total - Purchases | 512,415 | 573,000 | 581,044 |
| Gross Profit | 844,224 | 890,000 | 883,321 |

| Overheads | | | |
|--|----------------|----------------|----------------|
| Member Publications Expenses | 64,506 | 65,000 | 69,773 |
| Trustees Expenses | 10,141 | 10,000 | 9,247 |
| Committees & Other Meetings | 10,646 | 10,000 | 9,561 |
| Staff meeting, Travel and Subsistence | 24,481 | 25,000 | 18,700 |
| Staff Overheads | 488,665 | 533,000 | 524,969 |
| Establishment Costs | 16,874 | 18,000 | 19,003 |
| Administration Expenses (less system costs) | 78,868 | 75,000 | 76,558 |
| Internet Expenditure | 3,556 | 4,000 | 4,812 |
| Web design | 28,106 | 24,000 | 27,586 |
| Legal & Professional Fees | 16,450 | 16,500 | 17,364 |
| Finance Expenses | 16,366 | 17,500 | 17,262 |
| Depreciation, Disposal & Bad Debt | 35,428 | 33,000 | 33,000 |
| Malthouse Loan Interest | 5,663 | 5,000 | 4,390 |
| Total - Overheads | 799,750 | 836,000 | 832,225 |
| Net Profit before Contingency expenditure | 44,474 | 54,000 | 51,096 |
| Contingency Expenditure | - | 10,000 | 5,000 |
| Net Profit | 44,474 | 44,000 | 46,096 |



Appointment of Auditors for the 2019 Accounts

Recommendation that the following be re-appointed as auditors for the coming year:

Hazlewoods LLP

Business Advisors and Chartered Accountants
Windsor House, Bayshill Road, Cheltenham, GL50 3AT

To Report the Retirement of Trustees during the term AGM 2018–AGM 2019

As a result of the AGM 2018 there were nine elected Trustees of the Arboricultural Association.

| Year of Election | Name | Current post |
|------------------|------------------------|--------------|
| (17) | Jaime Bray | Chair |
| (17) | Simon Holmes | |
| (17) | Navin Sehmi | |
| (16) | Ian Murat | Vice Chair |
| (16) | Michael Sankus | |
| (18) | Alastair Durkin | |
| (18) | Jenny Long | |
| (18) | Michelle Ryan | |

(Brackets show year of election)

In addition to the above, two members were co-opted to become Trustees after the 2018 AGM.

| Year of Election | Name | Current post |
|------------------|---------------------------------|--------------|
| (18) | Laurence Vine-Chatterton | Treasurer |
| (18) | Keith Sacre | |

Co-opted Trustees only hold office until next AGM (9th September 2019).

At each general meeting, all Directors who have served a term of three years shall retire from office, except any Director who is in mid-term of office as the Chairperson.

From 9th September 2019, we have four Trustee vacancies as a result of two retirements, one resignation and one additional vacancy:

| | |
|------|-----------------------|
| (16) | Michael Sankus |
| (16) | Ian Murat |
| (17) | Simon Holmes |

Honorary Titles: President and Vice Presidents

The current position is as follows:

| | |
|-------------------------|--|
| President: | Vacant |
| Vice Presidents: | Mr Robin Harper Mr Robert Hillier, OBE Sir Joseph Alan Meale Mr Henry Girling |

Election of Association Trustees for the period AGM 2018–AGM 2019

Any member of the Association is entitled to nominate themselves for election to the role of Trustee, including those retiring, unless they have served three consecutive terms of three years in office.

The following are entitled to retain Trusteeship without having to stand for election:

| Year of Election | Name |
|-------------------------|---|
| (17) | Jaime Bray |
| (17) | Simon Holmes <i>(Resigning as of AGM 2019)</i> |
| (17) | Navin Sehmi |
| (18) | Alastair Durkin |
| (18) | Jenny Long |
| (18) | Michelle Ryan |

Nominations have been received from:

Robin **Harper**
Ian **Murat**
John **Price**
William **Rolph**
Keith **Sacre**
Michael **Sankus**
Alan **Simson**
Robert **Widd**

A vote will be taken at AGM in order to elect up to four Trustees from the above nominees to serve for the period AGM 2019–AGM 2022.