

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS for the year ended 31 January 2008
FOR
THE HERB SOCIETY LIMITED

THE HERB SOCIETY LIMITED

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for the year ended 31 January 2008

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THE HERB SOCIETY LIMITED

REPORT OF THE TRUSTEES
for the year ended 31 January 2008

The trustees who are also directors of the charity for the purposes of the Companies Act 1985, present their report with the financial statements of the charity for the year ended 31 January 2008. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

3616880 (England and Wales)

Registered Charity number

1071779

Registered office

Sulgrave Manor
Sulgrave
Banbury
Oxfordshire
OX17 2SD

Trustees

A J Baylis	
J Broome	
D Butterworth	- resigned 26.9.2007
A Chevallier	
A Lakin	- resigned 13.2.2008
A Walker	
C L Waller	
A P Worthington	
J A Jones	- appointed 13.2.2008
D K Cook	- appointed 13.2.2008
S Minter	- appointed 15.5.2008
L F Harrold	- appointed 15.5.2008
G C Raybould	- appointed 15.5.2008

A J Baylis is the Chairman

A P Worthington is the Treasurer

Company Secretary

A J Baylis

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 1985.

The trust deed was dated 1959, the company was incorporated on 17 August 1959 and the liability of each member, in the case of the company being wound up, is limited to £1.

Recruitment and appointment of new trustees

To enhance the potential pool of trustees the charity advertises in its members' magazine and also through Reach, a charitable organisation that seeks to match the skills of volunteers to voluntary organisations.

Medical, culinary and horticultural skills, along with business experience, are well represented on the Council. In the event of particular skills being lost through retirement, individuals are approached to offer themselves for election to the council.

Induction and training of new trustees

The Company Secretary advises new trustees about their duties as trustees. Whenever possible they will work alongside the retiring trustee to experience the duties required and to become familiar with the range of work undertaken by the Society.

During the year Vicki Brown resigned as administrator to be replaced by F J (Flick) Kingston. The Council thank Vicki for her work for the Society and to wish Flick every success in her new role.

THE HERB SOCIETY LIMITED

REPORT OF THE TRUSTEES
for the year ended 31 January 2008

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The directors of the company are also the Charity's trustees for the purposes of charity law. Under the Memorandum and Articles of Association the directors are known as the Council and elected to serve for a period of three years, at the end of which they must offer themselves for re-election at the Annual General Meeting.

A Walker retires by rotation and, being eligible, offers herself for re-election.

S Jones and D Cook were seconded to the Council on 13th February 2008 and S Minter, L Harrold and G Raybould were seconded to the Council on 15th May 2008. In accordance with the Memorandum and Articles of Association they are required to offer themselves for election.

On 13th February 2008 Dr Alan Lakin resigned from the Council due to ill health. The Council thanks him for all his efforts and valuable help in all matters pertaining to the Society, and wishes him a speedy recovery.

David Butterworth resigned from the Council to pursue other charity interests. The Council thanks him for all his hard work particularly as regards the pioneering development of the website.

John Baylis has decided to stand down as chair of the Society because of private commitments but has agreed to remain as Company Secretary. We are delighted that the Society will not lose John's expertise. In his stead it is planned to offer the position of chair to Sue Milner, a previous member of the Council who rejoined in May. Sue has considerable knowledge and understanding of herbs.

Related parties

None known.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Internal risks are minimised by the maintenance of procedures for the authorisation of all transactions and projects.

A strategic plan was produced in 2007 to give direction to the Charity over the next five years. This is updated from time to time and identifies educational projects and opportunities to maximise membership. In the coming year the opportunity will arise to re-examine the Plan to ensure that it continues to meet the current needs and aspirations of the Society.

THE HERB SOCIETY LIMITED

REPORT OF THE TRUSTEES **for the year ended 31 January 2008**

OBJECTIVES AND ACTIVITIES

Objectives, aims and significant activities

Objectives and aims: The Society was founded in 1927 to promote, improve and increase the appreciation and use of herbs within the community and the prevention of disease. The Council seeks to ensure that these aims are reflected in the diversity of the trustees. The objectives and principal activities are to:

- increase the understanding and use of herbs for health and well being; and
- provide information, knowledge and news on all aspects of herbs; and
- bring together all those with an interest in herbs from amateur to professional; and
- provide a world wide forum for the interchange of ideas and information.

The activities for the year continued to focus upon education and providing information about the uses of herbs. The strategies employed by the Charity to achieve this include the following:

- the quarterly publication of the journal "Herbs",
- maintaining and developing an informative website at www.herbsociety.org.uk,
- an educational activities website for primary school teachers and pupils,
- seminars and workshops covering most aspects of using herbs,
- attendance at horticultural shows to promote interest in herbs,
- raising our profile through press releases, talks and interviews with the media,
- providing and maintaining a library.

Sarah Raven, known for her appearances on TV particularly in relation to gardening, has accepted the invitation to become the Society's President. She has written many best-selling books and lectures on cooking with herbs and vegetables. In her honour a President's day is to be held on 7th July 2008, where she will be the main speaker.

The position of President is an initiative, introduced by the Council, intended to enhance the image of the Society by inviting high profile people with the aim of raising the status of the Society attracting media attention and membership.

The Society was fortunate that Sophie Grigson, the well-known food writer and broadcaster, accepted the Council's invitation to become the Society's first president. She has now agreed to become a Vice-President and thereby continue her connection with the Society.

The magazine "Herbs", under the editorship of Hilary Paviour continues as the flagship and presents the image of the Society in a well-defined, colourful and prestigious manner. Regrettably Hilary is to resign as editor in the latter part of the year and the process of recruiting a replacement is underway.

Despite success in attracting new members, numbers have declined since the last report, in part thought to be linked to demographics. The Council is keen to attract all sections of the community and is giving particular attention to this area. It is expected that the strengthened of the Council will reverse this trend. Members were invited to give their views and these are incorporated into the Strategic Plan but a reappraisal of the Society's approach is intended.

Volunteers

Volunteers represent an important additional resource that makes a significant contribution to the work of the Society. It is intended to make volunteers the responsibility of a Council member and to hold an event dedicated to them.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Throughout the year there was a full agenda of events, shows and workshops allowing access to members around the country.

The Society attended the Wholly Herbs Festival at Chichester (May). The President's Day with Sophie Grigson was held in Ryton, Coventry (June) and the Society took part in BBC Gardeners' World at the NEC Birmingham (June). The conference and AGM were held at Sulgrave Manor (September) with a workshop at Denton, Manchester (October).

Following the resignation of David Butterworth, management of the website has been taken over by Debs Cook. This has been revitalised and the Society has seen an increase in the numbers visiting the site to over 13,000 visitors per week from 89 countries. The website continues to provide a source of wider public interest and access to information.

THE HERB SOCIETY LIMITED

REPORT OF THE TRUSTEES
for the year ended 31 January 2008

ACHIEVEMENT AND PERFORMANCE

Investment performance

The Council considers that a specialised fixed interest fund, allied with equities, gives a level of income with capital security that is the most appropriate with the charity's requirements. The Council feels that a return on investment of 5.58% during the year is satisfactory.

The value of the investments has again fallen and this year the accounts show a net unrealised loss of £1,198 (2007 - £5,381). This is caused by a net fall in the value of equities, offset by a modest rise in the fixed interest holdings. This is due to a mixed effect of the rise in the bank rate and the well publicised credit squeeze.

Because of the pressures on the cash flow it was necessary for the Society to realise part of its holding of equities. These raised £3,249 and produced a gain against the book value of £327. The need to do this was forecast in the previous Report.

FINANCIAL REVIEW

Reserves policy

The policy established by the Council is to hold unrestricted funds equivalent to between 3-6 months expenditure, which is forecast at £15,000-£30,000 for the year to 31 January 2009. The present level of funds is significantly short of this figure and there is no expectation that adequate funds will be available for some time.

The Society is experiencing annual cash shortfalls (outflows), which bring pressure on the resources and limits the scope for development. It is essential that the Society generate cash (inflow) to ensure the long-term future of the Society. A continued shortfall in the net movement of funds and significant expenditure of cash (outflow) for the current year will require further realisation of its investments to maintain its activities.

In an effort to ease the situation costs are closely monitored and expenditure shows a reduction over the previous year. The new part time administrator, Flick Kingston, is working from home and consequently, with the co-operation of Sulgrave Manor, the use of office space has been changed with a significant reduction in the rent paid.

Economies are being pursued, as are attempts to increase membership levels and other revenues. Event budgets and buying procedures have been introduced to ensure that cash is conserved and all activities contribute. Also it is planned to introduce a legacy scheme. The Council is considering which existing activities could be curtailed if necessary.

Principal funding sources

Over 64% (2007 - 53%) of the Society's gross income is generated from members' subscriptions, with 13% (2007 - 12%) from dividends and interest. A disappointment is the reduction in advertising in the magazine down to £2,252 (2007 - £5,198) that now represents 5% (2007 - 10%) of the gross income. The balance of the income arises from the profit from sales of herbal products, books and other items and events/ seminars with the balance coming from miscellaneous income.

A marketing specialist was formally appointed in June 2007 but the contract was terminated by mutual agreement in April 2008.

FUTURE OBJECTIVES

The Charity plans a more active role to achieve its objectives in response to the more competitive and challenging public service environment. The Society's objectives are:

- Develop a new children's garden at Sulgrave,
- Actively promote groups nationwide to stimulate the interest in herbs and gain membership,
- Enlarge the website to include on-line sales and the payment of subscriptions using Paypal,
- Continue to expand the schools educational activities,
- Increase the appeal of membership to a wider section of the population,
- Continue to enhance the Charity's profile by appointing a celebrity as president,
- Maintain the improvement and development of its financial reporting procedures,
- Increase the number of Council members to improve the range of skills available to the Society,
- Seek additional sources of income.

ON BEHALF OF THE BOARD:

.....
A J Baylis - Trustee

Date:

**REPORT OF THE ACCOUNTANTS TO THE TRUSTEES OF
THE HERB SOCIETY LIMITED**

We report on the financial statements for the year ended 31 January 2008 set out on pages six to thirteen.

Respective responsibilities of trustees and reporting accountants

As described on pages seven to eight the charitable company's trustees are responsible for the preparation of the financial statements, and consider that the charitable company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the charitable company, and making such limited enquires of the officers of the charitable company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the charitable company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - (ii) the charitable company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).

Upstone Blencowe
15 High Street
Brackley
Northamptonshire
NN13 7DH

Date:

THE HERB SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 January 2008

		Unrestricted funds	Restricted funds	31/1/08 Total funds	31/1/07 Total funds as restated
	Notes	£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	30,053	-	30,053	29,214
Activities for generating funds	3	10,275	-	10,275	16,755
Investment income	4	<u>6,224</u>	<u>-</u>	<u>6,224</u>	<u>6,439</u>
Total incoming resources		46,552	-	46,552	52,408
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	5	28,488	-	28,488	35,840
Fundraising trading: cost of goods sold and other costs	6	26,492	-	26,492	24,727
Governance costs		<u>2,079</u>	<u>-</u>	<u>2,079</u>	<u>1,115</u>
Total resources expended		57,059	-	57,059	61,682
NET INCOMING/(OUTGOING) RESOURCES					
		(10,507)	-	(10,507)	(9,274)
Other recognised gains/losses					
Gains/losses on investment assets		<u>(1,198)</u>	<u>-</u>	<u>(1,198)</u>	<u>(5,381)</u>
Net movement in funds		(11,705)	-	(11,705)	(14,655)
RECONCILIATION OF FUNDS					
Total funds brought forward		115,206	-	115,206	129,861
TOTAL FUNDS CARRIED FORWARD		<u>103,501</u>	<u>-</u>	<u>103,501</u>	<u>115,206</u>

The notes form part of these financial statements

THE HERB SOCIETY LIMITED

BALANCE SHEET
At 31 January 2008

		Unrestricted funds	Restricted funds	31/1/08 Total funds	31/1/07 Total funds as restated
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	11	1,197	-	1,197	879
Investments	12	<u>111,589</u>	<u>-</u>	<u>111,589</u>	<u>116,036</u>
		112,786	-	112,786	116,915
CURRENT ASSETS					
Stocks		1,105	-	1,105	3,996
Debtors: amounts falling due within one year	13	1,942	-	1,942	1,910
Cash at bank		<u>520</u>	<u>-</u>	<u>520</u>	<u>9,639</u>
		3,567	-	3,567	15,545
CREDITORS					
Amounts falling due within one year	14	<u>(12,852)</u>	<u>-</u>	<u>(12,852)</u>	<u>(17,254)</u>
NET CURRENT ASSETS/(LIABILITIES)					
		<u>(9,285)</u>	<u>-</u>	<u>(9,285)</u>	<u>(1,709)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>103,501</u>	<u>-</u>	<u>103,501</u>	<u>115,206</u>
NET ASSETS					
		<u>103,501</u>	<u>-</u>	<u>103,501</u>	<u>115,206</u>
FUNDS					
Unrestricted funds	15			103,501	115,206
Restricted funds				<u>-</u>	<u>-</u>
TOTAL FUNDS					
				<u>103,501</u>	<u>115,206</u>

The notes form part of these financial statements

THE HERB SOCIETY LIMITED

BALANCE SHEET - CONTINUED

At 31 January 2008

The charitable company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 January 2008.

The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31 January 2008 in accordance with Section 249B(2) of the Companies Act 1985.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Section 221 of the Companies Act 1985, and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
A J Baylis -Trustee

THE HERB SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2008

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2007), the Companies Act 1985 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Library	-not provided
Furniture, equipment and slides	-25% on cost

Expenditure in respect of landscaping and library is written off to expenses.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular limited purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Comparative figures

The trustees have changed the classification of some of the incoming resources and resources expended for the 2008 accounts. The 2007 comparative figures have been reclassified accordingly. This did not affect the reported results for either year.

2. VOLUNTARY INCOME

	31/1/08		31/1/07 as restated
	£		£
Donations	172		83
Subscriptions	29,881	27,633	
Education website fund	<u>-</u>		<u>1,498</u>
	<u>30,053</u>		<u>29,214</u>

THE HERB SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 January 2008

3. ACTIVITIES FOR GENERATING FUNDS

	31/1/08		31/1/07 as restated
	£		£
Advertising revenue	2,252		5,198
Sales and commissions (gross)	2,172	7,384	
Events and seminars (gross)	5,701		3,923
On-line filing incentive	<u>150</u>		<u>250</u>
	<u>10,275</u>		<u>16,755</u>

4. INVESTMENT INCOME

	31/1/08		31/1/07 as restated
	£		£
Dividends rec'd (net of tax)	897		877
Deposit account interest	<u>5,327</u>	5,562	
	<u>6,224</u>		<u>6,439</u>

5. COSTS OF GENERATING VOLUNTARY INCOME

	31/1/08		31/1/07 as restated
	£		£
Staff costs	16,466		19,391
Redundancy payment	-	3,915	
Payment in lieu of termination of employment	-		500
Bursary	150		200
Telephone, postage and stationery	3,042		3,582
Premises costs	2,485		3,332
Sundry expenses	236		291
Internet services and computer requisites	1,057		286
Bad debts	(295)		805
Travelling & subsistence costs	1,112		1,625
Bank charges	349		324
Advertising and promotions	2,147		728
Sulgrave herb garden costs	1,529		723
Depreciation	<u>210</u>		<u>138</u>
	<u>28,488</u>		<u>35,840</u>

6. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	31/1/08		31/1/07 as restated
	£		£
Purchases	8,673		6,148
Publication & distribution costs	<u>17,819</u>	18,579	
	<u>26,492</u>		<u>24,727</u>

THE HERB SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 January 2008

7. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31/1/08	31/1/07 as restated
	£	£
Depreciation - owned assets	<u>210</u>	<u>138</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 January 2008 or for the year ended 31 January 2007.

Trustees' Expenses

The trustees are reimbursed for reasonable travelling costs in accordance with the mileage allowance scale laid down by the Council. The basis of payment applied was unchanged for both the years ended 31 January 2008 and 31 January 2007.

9. STAFF COSTS

	31/1/08	31/1/07 as restated
	£	£
Wages and salaries	15,297	17,761
Social security costs	<u>1,169</u>	<u>1,630</u>
	<u>16,466</u>	<u>19,391</u>

10. PRIOR YEAR ADJUSTMENT

In the year ended 31/01/2007 the trustees carried out an impairment review of the Society's fixed assets and decided that the capitalised cost of landscaping had no value at the beginning of that financial year. Accordingly they wrote off the net book value as a prior year adjustment.

11. TANGIBLE FIXED ASSETS

	Landscaping £	Library £	Furniture, equipment and slides £	Totals £
COST				
At 1 February 2007	8,551	800	6,670	16,021
Additions	<u>-</u>	<u>-</u>	<u>528</u>	<u>528</u>
At 31 January 2008	<u>8,551</u>	<u>800</u>	<u>7,198</u>	<u>16,549</u>
DEPRECIATION				
At 1 February 2007	8,551	-	6,591	15,142
Charge for year	<u>-</u>	<u>-</u>	<u>210</u>	<u>210</u>
At 31 January 2008	<u>8,551</u>	<u>-</u>	<u>6,801</u>	<u>15,352</u>
NET BOOK VALUE				
At 31 January 2008	<u>-</u>	<u>800</u>	<u>397</u>	<u>1,197</u>
At 31 January 2007	<u>-</u>	<u>800</u>	<u>79</u>	<u>879</u>

THE HERB SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 January 2008

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 February 2007	116,036
Disposals	(2,922)
Revaluations	<u>(1,525)</u>
At 31 January 2008	<u>111,589</u>
 NET BOOK VALUE	
At 31 January 2008	<u>111,589</u>
At 31 January 2007	<u>116,036</u>

There were no investment assets outside the UK.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/1/08 £		31/1/07 as restated £
Trade debtors	1,069		521
Other debtors	386	404	
Prepayments	<u>487</u>		<u>985</u>
	<u>1,942</u>		<u>1,910</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/1/08 £		31/1/07 as restated £
Bank loans and overdrafts	238		153
Trade creditors	956	74	
Social security and other taxes	1,092		2,107
Accrued expenses and deferred income	1,604		3,481
Subscriptions received in advance	<u>9,162</u>		<u>11,439</u>
	<u>12,852</u>		<u>17,254</u>

THE HERB SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 January 2008

15. MOVEMENT IN FUNDS

	At 1.2.07 £	Net movement in funds £	Transfers between funds £	At 31.1.08 £
Unrestricted funds				
General fund	(7,720)	(16,501)	16,363	(7,858)
Designated fund	<u>122,926</u>	<u>4,796</u>	<u>(16,363)</u>	<u>111,359</u>
	115,206	(11,705)	-	103,501
	-----	-----	-----	-----
TOTAL FUNDS	<u>115,206</u>	<u>(11,705)</u>	<u>-</u>	<u>103,501</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	40,328	(57,059)	230	(16,501)
Designated fund	<u>6,224</u>	<u>-</u>	<u>(1,428)</u>	<u>4,796</u>
	46,552	(57,059)	(1,198)	(11,705)
	-----	-----	-----	-----
TOTAL FUNDS	<u>46,552</u>	<u>(57,059)</u>	<u>(1,198)</u>	<u>(11,705)</u>

THE HERB SOCIETY LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 January 2008

	31/1/08	31/1/07
	£	as restated £
INCOMING RESOURCES		
Voluntary income		
Donations	172	83
Subscriptions	29,881	27,633
Education website fund	<u>-</u>	<u>1,498</u>
	30,053	29,214
Activities for generating funds		
Advertising revenue	2,252	5,198
Sales and commissions (gross)	2,172	7,384
Events and seminars (gross)	5,701	3,923
On-line filing incentive	<u>150</u>	<u>250</u>
	10,275	16,755
Investment income		
Dividends rec'd (net of tax)	897	877
Deposit account interest	<u>5,327</u>	<u>5,562</u>
	<u>6,224</u>	<u>6,439</u>
Total incoming resources	46,552	52,408
RESOURCES EXPENDED		
Costs of generating voluntary income		
Wages	15,297	17,761
Social security	1,169	1,630
Redundancy payment	-	3,915
Payment in lieu of termination of employment	-	500
Bursary	150	200
Telephone, postage and stationery	3,042	3,582
Premises costs	2,485	3,332
Sundry expenses	236	291
Internet services and computer requisites	1,057	286
Bad debts	(295)	805
Travelling & subsistence costs	1,112	1,625
Bank charges	349	324
Advertising and promotions	2,147	728
Sulgrave herb garden costs	1,529	723
Depreciation of tangible fixed assets	<u>210</u>	<u>138</u>
	28,488	35,840
Fundraising trading: cost of goods sold and other costs		
Costs of products sold	3,920	4,249
Events & seminars	4,753	1,899
Publication & distribution costs	<u>17,819</u>	<u>18,579</u>
	26,492	24,727

This page does not form part of the statutory financial statements

THE HERB SOCIETY LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 January 2008

	31/1/08	31/1/07 as restated
	£	£
Governance costs		
Accountancy & payroll fees	1,600	850
Legal and professional fees	<u>479</u>	<u>265</u>
	<u>2,079</u>	<u>1,115</u>
Total resources expended	<u>57,059</u>	<u>61,682</u>
Net income/(expenditure) before gains and losses	(10,507)	(9,274)
Realised recognised gains and losses		
Realised gains/losses on fixed asset investments	<u>327</u>	<u>-</u>
Net income/(expenditure)	<u>(10,180)</u>	<u>(9,274)</u>