

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

***REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019***

Charity Number: 232986

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Trustee's Annual Report and Financial Statements for the year ended 31 March 2019

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HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Trustee's Annual report for the year ended 31 March 2019

1. Reference and Administration Details

Charity Name:	Highgate Wood and Queen's Park Kilburn
Registered Charity Number:	232986
Principal Address:	Guildhall, London EC2P 2EJ
Trustee:	The City of London Corporation
Chief Executive:	The Town Clerk of the City of London Corporation
Treasurer:	The Chamberlain of London
Solicitor:	The Comptroller and City Solicitor
Banker:	Lloyds Bank plc City Office, PO Box 72 Bailey Drive Gillingham, Kent ME8 OLS
Auditor:	BDO LLP 55 Baker Street London W1U 7EU

2. Structure, Governance and Management

The governing document

The governing document is the Highgate and Kilburn Open Spaces Act 1886. The charity is constituted as a charitable trust.

Trustee Selection methods

The City of London Corporation (i.e. the Mayor, Commonalty and Citizens of London) is the Trustee of Highgate Wood and Queen's Park Kilburn. Elected Aldermen and Members of the City of London Corporation are appointed to the Hampstead Heath, Highgate Wood and Queen's Park Committee governing Highgate Wood and Queen's Park Kilburn by the Court of Common Council of the City of London Corporation.

Policies and procedures for the induction and training of Trustee

The City of London Corporation makes available to its Members seminars and briefings on those various aspects of the City's activities, including those concerning Highgate Wood and Queen's Park Kilburn, as it considers necessary to enable the Members to efficiently carry out their duties.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Trustee's Annual report for the year ended 31 March 2019

2. Structure, Governance and Management (continued)

Organisational structure and decision making process

The Committee governing the charity's activities is noted above. The Committee is ultimately responsible to the Court of Common Council of the City of London. The decision making processes of the Court of Common Council are set out in the Standing Orders and Financial Regulations governing all the Court of Common Council's activities. The Standing Orders and Financial Regulations are available from the Town Clerk at the registered address.

The Charity Governance Code was published in July 2017. The charity is supportive of the Code and its aim to assist in the development of high standards of governance throughout the sector. The Trustee is currently considering application of the recommended practice to the work of Highgate Wood and Queens Park charity.

Details of related parties and wider networks

Details of any related party transactions are disclosed in Note 15 of the Notes to the Financial Statements.

Key management personnel remuneration

The Trust considers its key management personnel comprise the Trustees and the Director of Open Spaces who manages the seven open spaces funded by the City of London Corporation.

Support is also provided by other chief officers and their departments from across the City of London Corporation, including the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor and City Surveyor.

The pay of the Director of Open Spaces is reviewed annually in-line with any uplift awarded to employees across the City of London Corporation. The City of London Corporation is committed to attracting, recruiting and retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for contribution pay and recognition awards. If recruitment or retention of staff proves difficult, consideration is given to the use of market forces supplements in order to increase pay to a level that is competitive relative to similar positions in other organisations.

Risk identification

The Trustee is committed to a programme of risk management as an element of its strategy to preserve the charity's assets, enhance productivity for service users and members of the public and protect the employees.

In order to embed sound practice, a Risk Management Group has been established in the City of London Corporation to ensure that risk management policies are applied, that there is an ongoing review of risk management activity and that appropriate advice and support is provided to Members and officers.

The City of London Corporation has approved a strategic risk register for all of its activities. This register helps to formalise existing processes and procedures and enables the City of London Corporation to further embed risk management throughout the organisation.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Trustee's Annual report for the year ended 31 March 2019

2. **Structure, Governance and Management (continued)** **Risk identification (continued)**

A key risk register has been prepared for this charity and has been reviewed by the committee acting on behalf of the Trustee. It identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

There are 10 risks which have been identified as affecting all the Open Spaces of which 9 relate to "green spaces". These are:

- Health and safety;
- Extreme weather and climate change risk;
- Poor repair and maintenance of buildings;
- Impact of development;
- Pests and diseases;
- Maintaining the City's water bodies;
- Reputational Risk Associated with efficiency improvement arising out of the Open Spaces Act;
- Ultra Low Emission Zone (ULEZ) Fleet Purchase risk; and
- Budget reductions implications

There is a system in place for monitoring each of these risks and mitigating actions are undertaken including training, strengthening controls and plans of action.

These risks are then broken down into more site specific risks in each areas own risk register, together with any risks that only relate to that site.

3. **Objectives and Activities for the Public Benefit**

The Trustee has due regard to the Charity Commission's public benefit guidance when setting objectives and planning activities.

Lands were transferred to the City of London Corporation under the powers conferred by the Highgate and Kilburn Open Spaces Act 1886. The purpose of the charity is the maintenance and preservation in perpetuity by the City of London Corporation of the open spaces known as Highgate Wood, Highgate and Queen's Park Kilburn as Public Parks or Open Spaces, for the use by the public for exercise and recreation.

This charity is operated as a separate legal entity consolidated into the City of London Corporation's City's Cash. The City of London Corporation is committed to funding the ongoing net operational costs of the charity in accordance with the purpose, as stated above.

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Trustee's Annual report for the year ended 31 March 2019

4. Achievements and Performance

Key Targets for 2018/19 and review of achievement were:

The aims for 2018/19 for Highgate Wood were:

- Continued development and review of the new conservation area to ensure future regeneration of keystone tree species.
The conservation has developed well, and regeneration has been positive. Additional work will continue to ensure that this site is established and thriving.
- Implementation of the Woodland Management Plan.
The Woodland Management Plan has been implemented and is informing decisions and management of the Wood
- Tree management and health work, including disease control for OPM and Masaria
Careful management has been taking place to ensure control of disease, which is an on-going threat. The actions taken have ensured that effective management is carried out and the site is cared for effectively.

The aims for 2018/19 for Queen's Park were:

- Tennis Court refurbishment programme.
The refurbishment programme was completed, providing improved court surfaces for visitors and enhancing this valuable asset.
- Development and delivery of plans for the Farm at Queen's Park in order provide to a sustainable facility.
The development work at the farm has been completed and has revitalised this much loved facility. The footprint of the site has increased, taking in some of the yard area, to provide improved housing for the animals. The project has been completed by staff and has enabled a collaborative approach to delivering a significant improvement to the park.
- Develop plans in order to deliver improvements the sandpit and adjacent toilet block at Queen Park, carrying out effective communication and engagement with stakeholders.
Plans have been developed and a great deal of consultation has taken place in order to progress this project. Due to the cost and scale of the development funding has been sought to support this project, and this will be progressed in the coming year.

The aims for 2018/19 for Highgate Wood and Queen's Park were:

- Development of policies and procedures linked to the City of London (Open Spaces) Bill, including an Events Policy
The Events Policy for Highgate Wood and Queen's Park have been developed. A range of other policies are in development and will be progressed in the coming year.

All of the above achievements enhanced the Open Space for the benefit of the public.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Trustee's Annual report for the year ended 31 March 2019

5. Financial Review

Review of financial position

Investment income received of £6,006 (2017/18: £5,519) and income from donations £291 (2017/18: £1,726). Income from Charitable Activities comprised sales of products and materials £400 (2017/18: nil), fees and charges £70,945 (2017/18: £95,227), and rental income £79,886 (2017/18: £66,657). The contribution towards the running costs of the charity amounted to £1,244,748 (2017/18: £1,339,730). This net cost was met by the City of London Corporation's City's Cash.

The land and original buildings integral to the operation of the charity are deemed to have been historically held in trust by this charity and the financial statements reflect this. These original assets of this open space are treated as heritage assets.

Additions to land and capital expenditure on buildings are included in the financial statements as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured. The charity's balance sheet reflects its ownership of these fixed asset additions net of depreciation, represented by a designated income fund.

Reserves Policy

The charity is wholly supported by the City of London Corporation which is committed to maintaining and preserving Highgate Wood and Queen's Park Kilburn out of its City's Cash Funds. These Funds are used to meet the deficit on running expenses on a year by year basis. The charity also has a designated fund and the details are set out in Note 14 of the Notes to the financial statements.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool. The investment policy of the Charities Pool is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool are available from the Chamberlain of London.

The majority of the charity's surplus funds are invested within the Charities Pool administered by the City of London Corporation and interest is received from the Chamberlain of London on balances held on behalf of the Trust. The investments are managed by Artemis Investment Management Limited and the performance of the fund is measured against the Fund manager benchmark (FTSE All Share Index).

As at 31 March 2019, the Fund achieved a gross return of +4.05% compared to the FTSE All Share Index return of +6.36%. Over 3 years, the fund achieved a return of 8.31% compared to the FTSE All share Index return of 9.51%. Over 5 years, the fund achieved a return of 6.77% compared to the FTSE All Share Index return of 6.10%.

	18/19		17/18	
	3 Years	5 Years	3 Years	5 Years
Fund	8.31%	6.77%	5.97%	7.96%
FTSE All Share	9.51%	6.10%	5.86%	6.59%
Out performance	-1.20%	+0.67%	+0.11%	+1.37%

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

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5. Financial Review (continued)

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although the Highgate Wood and Queens Park Kilburn charity does not undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". Such amounts receivable are presented in our accounts as "voluntary income" and includes legacies and grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustees.

The charity is not bound by any undertaking to be bound by any regulatory scheme and the charity does not consider it necessary to comply with any voluntary code of practice.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times. As we do not approach individuals for funds we do not consider it necessary to design specific procedures to monitor such activities.

Going Concern

The Trustee considers the Trust to be a going concern. Please see Note 1(c) to the Financial Statements.

6. Plans for Future Periods

The aims for 2019/20 for Highgate Wood are:

- Tree management and health work, including disease control for OPM and Masaria
- Review of the Highgate Wood Conservation plan.
- Highgate Wood Roman Kiln Project, in partnership with Friends of Highgate roman Kiln (FOHRK), to secure funding to return the Roman Kiln, currently located in Bruce Castle Museum, to Highgate Wood.

The aims for 2019/20 for Queen's Park are:

- Further work in order to deliver improvements to the sandpit and adjacent toilet block at Queen's Park.
- Review of the Queen's Park Conservation Management Plan.
- Development of a Park Activity Plan to gain understanding of who currently visits the park and who doesn't and why; identifying barriers to access and seeking opportunities to overcome these.

The aims for 2019/20 for Highgate Wood and Queen's Park are:

- Development of policies and procedures linked to the City of London (Open Spaces) Bill.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

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7. Disclosure of information to the auditor

At the date of approval of this report, the Trustee confirms that:

- so far as they are aware, there is no relevant audit information of which the Auditor is unaware; and
- the Trustee has taken all the steps that it ought to have taken in order to make itself aware of any relevant audit information and to establish that the Auditor is aware of that information.

8. Statement of Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with the Charities Act 2011 and 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) effective from 1 January 2015.

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping proper accounting records that discloses with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the trust deed. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**HIGHGATE WOOD AND QUEEN'S PARK KILBURN
Trustee's Annual report for the year ended 31 March 2019**

9. Adopted and signed for on behalf of the Trustee on 13 November 2019.

Jeremy Paul Mayhew MA MBA
Chairman of Finance Committee
Guildhall, London

Jamie Ingham Clark
Deputy Chairman of
Finance Committee
Guildhall, London

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Opinion

We have audited the financial statements of Highgate Wood and Queen's Park Kilburn (the Charity) for the year ended 31 March 2019 which comprise the statement of financial activities, the balance sheet 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 Financial Reporting Standard 102 *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 Charity's affairs as at 31 March 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Charity in accordance with the ethical requirements 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 a basis for our opinion.

Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF HIGHGATE WOOD AND QUEEN'S PARK KILBURN (CONTINUED)

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- adequate 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 Trustees' responsibilities statement, 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 determines 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 Charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF HIGHGATE WOOD AND QUEEN'S PARK KILBURN (CONTINUED)

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 report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the 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 Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Fiona Condron (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London

Date

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Statement of Financial Activities for the year ended 31 March 2019

	Notes	Unrestricted Funds General Fund £	2018/19 Designate d Fund £	2017/18 £	£
Income from:					
Donations and Legacies		291	-	291	1,726
Charitable Activities		151,231	-	151,231	161,884
Grant from City of London				1,244,74	1,339,73
Corporation		1,244,748	-	8	0
Investments		6,006	-	6,006	5,519
Total	4	1,402,276	-	1,402,27	1,508,85
				6	9
Expenditure on:					
Charitable activities		1,402,276	16,488	1,418,76	1,525,34
				4	6
Total	5	1,402,276	16,488	1,418,76	1,525,34
				4	6
Net (loss)/gain on investments	10	(1,498)	-	(1,498)	1,498
Net (expenditure)		(1,498)	(16,488)	(17,986)	(14,989)
		-	-	-	-
Net movement in funds		(1,498)	(16,488)	(17,986)	(14,989)
Reconciliation of funds					
Total funds brought forward		164,806	202,497	367,303	382,292
Total funds carried forward	14	163,308	186,009	349,317	367,303

All operations are continuing.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Balance Sheet as at 31 March 2019

	Notes	2019	2018
		£	£
Fixed Assets			
Tangible Fixed Assets	9	186,009	202,497
Investments – 18,728 Charities Pool Units	10	163,308	164,806
		<u>349,317</u>	<u>367,303</u>
Current Assets			
Debtors	11	30,118	6,976
Cash at bank and in hand		50,537	113,663
		<u>80,655</u>	<u>120,639</u>
Creditors: Amounts falling due within one year	12	(80,655)	(120,639)
Net Current Assets		<u>-</u>	<u>-</u>
Total Assets less Current Liabilities		<u>349,317</u>	<u>367,303</u>
The Funds of the Charity			
<i>Unrestricted Income Funds</i>			
General Fund	14	163,308	163,806
Designated Funds	14	186,009	202,497
Total Charity Funds		<u>349,317</u>	<u>367,303</u>

Approved and signed for and on behalf of the Trustee

The Notes at pages 15-26 form part of these accounts.

Dr Peter Kane
Chamberlain of London
13 November 2019

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Notes to the Financial Statements for the year ended 31 March 2019

1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements.

(a) Basis of Preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention, as modified for the revaluation of financial investments measured at fair value, and in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities, published in 2015, Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS102) and the Charities Act 2011.

(b) Significant Management Judgements and Key Sources of Estimation

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(c) Going Concern

The governing documents place an obligation on the City of London Corporation to preserve the open spaces for the benefit of the public. The City of London Corporation is committed to fulfilling this obligation which is reflected through its proactive management of, and ongoing funding for, the services and activities required. The funding is provided from the City of London Corporation's City's Cash which annually receives considerable income from its managed funds and property investments. Each year a medium term financial forecast is updated from City's Cash. The latest forecast for the period to 2022/23 anticipates that adequate funding will be available to enable the Trust to continue to fulfil its obligations. On this basis the Trustee considers the Trust to be a going concern for the foreseeable future, therefore has prepared the financial statements on the going concern basis.

(d) Statement of Cash Flows

The Trust has taken advantage of the exemption in FRS102 (paragraph 1.12b) from the requirement to produce a statement of cash flows on the grounds that it is a qualifying entity. Statement of Cash Flows is included within the City's Cash Annual Report and Financial Statements 2019 which is publicly available and can be found at www.cityoflondon.gov.uk.

(e) Fixed Assets

Heritage Land and Associated Buildings

Highgate Wood and Queen's Park Kilburn comprise 315 hectares (780 acres) of land, together with associated buildings, located in the North London boroughs of Haringey and Brent respectively. The objectives of the charity are the maintenance and the preservation of Highgate Wood and Queen's Park Kilburn in perpetuity for the recreation and enjoyment of the public.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Notes to the Financial Statements for the year ended 31 March 2019

1. Accounting Policies (continued)

(e) Fixed Assets (Continued)

Highgate Wood and Queen's Park Kilburn are considered to be inalienable (i.e. may not be disposed of without specific statutory powers). Land and the original associated buildings are considered to be heritage assets. In respect of the original land and buildings, cost or valuation are not included in these accounts as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts.

Additions to the original land and capital expenditure on buildings are included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

Tangible Fixed Assets

These are included at historic cost less depreciation on a straight line basis to write off their costs over their estimated useful lives and less any provision for impairment. Land is not depreciated and other fixed assets are depreciated from the year following that of their acquisition. Typical asset lives are as follows:

	Years
Operational buildings	30 to 50
Improvements and refurbishments to buildings	up to 30
Infrastructure	up to 20

(f) Recognition of capital expenditure

Expenditure on the acquisition, creation or enhancement of property, plant and equipment is capitalised provided that the expenditure is material (generally in excess of £50,000) and the asset yields benefits to the City of London, and the services it provides, for a period of more than one year. This excludes expenditure on routine repairs and maintenance of fixed assets which is charged directly within service costs.

(g) Managed Investments

Investments are made in the City of London Charities Pool which is an investment mechanism operating in a similar way to a unit trust. It enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued annually at the middle market price at the close of business on 31 March. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities. The unrealised gain on investments at the balance sheet date is included in the Trust's funds.

(h) Income Recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN
Notes to the Financial Statements for the year ended 31 March 2019

1. Accounting Policies (continued)

(i) Investment Income

Investment income consists of distributions from the Charities Pool and interest receivable on cash balances.

(j) Volunteers

No amounts are included in the Statement of Financial Activities for services donated by volunteers, as this cannot be quantified.

(k) Grants receivable

Income from grants is recognised when there is evidence of entitlement to the grant, receipt is probable and its amount can be measured reliably. To this end, evidence of entitlement is assumed to exist when the formal offer of funding is communicated in writing to the Charity. Where there is a performance condition attached to the grant, entitlement is only recognised when the conditions have been met.

(l) Contribution from City's Cash

The City of London Corporation's City's Cash meets the deficit on running expenses of the charity and also provides grant funding for certain capital works and this income is recognised in the Statement of Financial Activities when it is due from the City of London Corporation's City's Cash.

(m) Rental income

Rental income is included as the Charity's income for the year and amounts due but not received at year end are included in debtors.

(n) Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

(o) Allocation of costs between different activities

The City of London Corporation charges staff costs to the charitable activity costs on a time spent basis. Associated office accommodation is charged out proportionately to the square footage used. All other costs are charged directly to the charitable activity.

(p) Pension Costs

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefits scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of its three main funds (City Fund, City's Cash and Bridge House Estates) or the trusts it supports. The Fund's estimated net liability has been determined by independent actuaries in accordance with FRS102 as £608.6m as at 31 March 2019 (£592.6m as at 31 March 2018). Since this net deficit is apportioned between the accounts of the City of London's three main funds, the charity's Trustees do not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in the accounts.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Notes to the Financial Statements for the year ended 31 March 2019

1. Accounting Policies (continued)

(p) Pension Costs continued

The costs of the pension scheme charged to the charity are the employer's contributions disclosed in Note 7 and any employer's pension contributions within support services costs as disclosed at Note 6. A triennial valuation was undertaken as of 31 March 2016 and as a result the employer's contribution rate to be adopted for the financial years 2017/18, 2018/19 and 2019/20 has been set at 21%. The next actuarial valuation of the Scheme was carried out as at 31 March 2019 and will set contributions for the period from 1 April 2020 to 31 March 2023. There are no outstanding or pre-paid contributions at the balance sheet date.

(q) Fund Accounting

The Trust may, at the Trustee's discretion, set aside funds, which would otherwise form part of general funds, for particular purposes. These funds are known as designated funds. The purposes of these funds are described in Note 14 to the accounts.

2. Tax Status of the Charity

Highgate Wood and Queen's Park Kilburn meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

3. Indemnity Insurance

The City of London Corporation takes out indemnity insurance in respect of all its activities. The charity does not contribute to the cost of that insurance.

4. Income

Income is comprised as follows:

	2018/19 £	2017/18 £
Income		
Donations and Legacies		
Donations	291	1,726
Interest	6,006	5,519
Total	6,297	7,245
Charitable activities		
Sales of products or materials	400	-
Fees and charges	70,945	95,227
Rental income	79,886	66,657
Total	151,231	161,884
Grant from the City of London Corporation	1,244,748	1,339,730
Total Income	1,402,276	1,508,859

Fees and charges

The fees and charges income relates to income received for use of sports facilities, sports tuition fees and charges for filming within the open spaces.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN
Notes to the Financial Statements for the year ended 31 March 2019

4. Income (continued)

Grant from City of London Corporation

The City of London Corporation's City's Cash meets the deficit on running expenses of the charity.

5. Expenditure

Expenditure is analysed between activities undertaken directly and support costs as follows:

	Activities undertaken directly £	Support costs £	2018/19 £	2017/18 £
Charitable activities	1,217,213	201,551	1,418,764	1,525,346

No expenditure is incurred by third parties to undertake charitable work on behalf of the charity.

Charitable activities

Expenditure on charitable activities includes labour, premises costs, equipment, materials and other supplies and services incurred as the running costs of Highgate Wood and Queen's Park Kilburn.

Auditor's remuneration and fees for external financial services

BDO are the auditors of the City of London City's Cash. The City of London Corporation does not attempt to apportion the audit fee between all the different charities but prefers to treat it as part of the cost to its private funds. No other external financial services were provided for the Trust during the year or in the previous year.

Trustee's expenses

Members of the City of London Corporation are unpaid and do not receive allowances in respect of City of London Corporation activities in the City. However, Members may claim travelling expenses in respect of activities outside the City and receive allowances in accordance with a scale when attending a conference or activity on behalf of the City of London Corporation. No expenses have been claimed in the year (2017/18: nil).

6. Support Costs

The cost of administration which includes the salaries and associated costs of officers of the City of London Corporation, together with premises and office expenses, is allocated by the City of London Corporation to the activities under its control, including this charity, on the basis of employee time spent on the respective services. These expenses include the cost of administrative and technical staff and external consultants who work on a number of the City of London Corporation's activities.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN
Notes to the Financial Statements for the year ended 31 March 2019

6. Support Costs (continued)

Support costs allocated by the City of London Corporation to the charitable activity are derived as follows:

	2018/19	2017/18
	£	£
Department		
Chamberlain	32,119	28,147
Comptroller & City Solicitor	15,534	15,944
Open Spaces Directorate	20,115	19,953
Town Clerk	36,603	41,134
City Surveyor	37,645	34,649
Information Systems	49,724	47,818
Other governance and support costs	9,811	9,967
Total support costs	201,551	197,612

The main support services provided by the City of London Corporation are:

Chamberlain

Accounting se
financial syste

**Comptroller and
City Solicitor**

Property, liti
commercial re

Open Spaces Directorate

Expenditure i
Open Spaces
Spaces. The
resources avai

Town Clerk

Committee ad
public relation

City Surveyor

Work underta
surveying serv
and maintenanc

Information Systems

The support an
and corporate
provision of
development p

6. Support Costs (continued)

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Notes to the Financial Statements for the year ended 31 March 2019

Other governance costs Contribution towards various costs including publishing the annual report and financial statements, central training, the dental service, occupational health, union costs and the environmental and sustainability section.

7. Staff Numbers and Costs

The average actual number of staff employed by the City of London Corporation charged to Highgate Wood and Queen's Park Kilburn in 2018/19 is 18 (2017/18: 19) at a cost of £802,042 (2017/18: £797,813). The table below sets out the employment costs and the number of average actual staff charged directly to the charity.

	No of employees	Gross Pay £	Employer's National Insurance £	Employer's Pension Contribution £	Total £
2018/19 Charitable activities	18	627,446	60,184	114,412	802,042
2017/18 Charitable activities	19	626,017	60,382	111,414	797,813

There were no employees whose total employee benefits were above the £60,000 threshold (2017/18 nil).

The Trust considers its key management personnel comprise the Trustees and the Director of Open Spaces who manages the seven open spaces funded by the City of London Corporation. The proportion of the Director's employment benefits, including employer pension contributions, allocated to this charity amounted to £5,604 in 2018/19 (2017/18: £5,536). Trustees are unpaid and do not receive allowances.

Support is also provided by other chief officers and their departments from across the City of London Corporation, including the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor and City Surveyor.

8. Heritage Assets

Since 1886 the primary purpose of the Charity has been the preservation of Highgate Wood and Queen's Park Kilburn for the recreation and enjoyment of the public. As set out in Note 1(d), the original heritage land and buildings are not recognised in the Financial Statements.

Policies for the preservation and management of Highgate Wood and Queen's Park Kilburn are contained in the Highgate Wood and Queen's Park Kilburn Management Plan 2010. Records of heritage assets owned and maintained by Highgate Wood and Queen's Park Kilburn can be obtained from the Director of Open Spaces at the principal address as set out on page 2.

Additions to heritage land or buildings, where relevant information is available, are included at historic cost less accumulated depreciation in accordance with Note 1 (d).

9. Tangible Fixed Assets

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Notes to the Financial Statements for the year ended 31 March 2019

At 31 March 2019 the net book value of tangible fixed assets relating to direct charitable purposes amounts to £186,009 (31 March 2018 £202,497) as set out below.

	Land and Buildings £	Infrastructure £	Total £
<u>Cost</u>			
Balance at 1 April 2018 and at 31 March 2019	166,388	257,130	423,518
<u>Accumulated depreciation</u>			
Balance at 31 March 2018	42,770	178,251	221,021
Charge for year	3,341	13,147	16,488
At 31 March 2019	46,111	191,398	237,509
<u>Net book values</u>			
At 31 March 2019	120,277	65,732	186,009
At 31 March 2018	123,618	78,879	202,497

10. Fixed Asset Investments

The investments are held in the City of London Corporation Charities Pool as a registered UK charity with the Charities Commission (charity number 1021138) and are used internally by the City of London Corporation as a Unit trust.

The value of investments held by the charity is as follows:

	General Fund £	2019 £	2018 £
Market Value 1 April	164,806	164,806	163,308
(Loss)/gain for the year	(1,498)	(1,498)	1,498
Market Value 31 March	163,308	163,308	164,806
Cost 31 March	107,254	107,254	107,254
Units in Charities Pool	18,728	18,728	18,728

10. Fixed Asset Investments (continued)

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Notes to the Financial Statements for the year ended 31 March 2019

The majority of the surplus funds are invested with the Charities Pool administered by the City of London Corporation and the interest is received from the Chamberlain of London on balances held on behalf of the Trust.

The Charities Pool is a UK registered unit trust.

The geographical spread of listed investments at 31 March was as follows:

	2019 £	2018 £
Equities		
UK	126,159	128,614
Overseas	18,621	20,199
Bonds – UK & Overseas	-	1,066
Pooled Units - UK	11,174	11,192
Cash held by Fund Manager	7,354	3,735
Total Funds	163,308	164,806

11. Debtors

Debtors consist of amounts owing to the charity due within one year.

	2019 £	2018 £
Rental Debtors	17,760	-
Other Debtors	1,723	1,774
Payments in Advance	5,363	5,202
Recoverable VAT	5,272	-
Total at 31 March	30,118	6,976

12. Creditors

Creditors consist of amounts owing by the charity due within one year.

	2019 £	2018 £
Trade Creditors	3,878	2,806
Accruals	28,289	57,008
Other Creditors	15,269	30,187
Rent Deposits	19,694	19,694
Receipts in Advance	13,525	10,944
Total at 31 March	80,655	120,639

13. Highgate Wood and Queen's Park Kilburn Analysis of Net Assets by Fund at 31

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Notes to the Financial Statements for the year ended 31 March 2019

March 2019

	Unrestricted Funds		2019	2018
	General Fund	Designated Fund		
	£	£	£	£
Tangible Fixed Assets	-	186,009	186,009	202,497
Investments	163,308	-	163,308	164,806
Current Assets	80,655	-	80,655	120,639
Current Liabilities	(80,655)	-	(80,655)	(120,639)
Total Net Assets	163,308	186,009	349,317	367,303

	Unrestricted Funds		2018	2017
	General Fund	Designated Fund		
	£	£	£	£
Tangible Fixed Assets	-	202,497	202,497	218,984
Investments	164,806	-	164,806	163,308
Current Assets	120,639	-	120,639	192,768
Current Liabilities	(120,639)	-	(120,639)	(192,768)
Total Net Assets	164,806	202,497	367,303	382,292

14. Movement of Funds during the year to 31 March 2019

HIGHGATE WOOD AND QUEEN'S PARK KILBURN
Notes to the Financial Statements for the year ended 31 March 2019

	Fund Balances Brought Forward £	Income £	Expenditure £	Losses and Gains £	Fund Balances Carried Forward £
Unrestricted Funds					
<i>General Funds</i>					
Investments	164,806	1,418,639	(1,418,639)	(1,498)	163,308
	164,806	1,418,639	(1,418,639)	(1,498)	163,308
<i>Designated Funds</i>					
Capital Adjustment Account	202,497	-	(16,488)	-	186,009
	202,497	-	(16,488)	-	186,009
Total Unrestricted Funds	367,303	1,418,639	(1,435,127)	(1,498)	349,317
Total Funds	367,303	1,418,639	(1,435,127)	(1,498)	349,317

Notes to the funds

Unrestricted funds

1) *General funds*

General fund - the operating deficit of the charity is financed by the City of London Corporation. The balance consists of Charities Pool units following the transfer of the assets from the Ward's People's Recreation Ground Fund to Highgate Wood and Queen's Park Kilburn on 10 August 2011. The income from the units is transferred to the running costs of Highgate Wood and Queens Park.

2) *Designated funds*

Designated funds consist of fixed assets at historic cost less accumulated depreciation in accordance with Note 1 (d).

15. Related Party Transactions

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Notes to the Financial Statements for the year ended 31 March 2019

The City of London Corporation as well as being the Trustee also provides management, surveying and administrative services for the charity. The costs incurred by the City of London Corporation in providing these services are charged to the charity. The City of London Corporation also provides banking services, allocating all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is set out in the Statement of Financial Activities under "Expenditure" and an explanation of these services is set out in Note 6 for support costs of £201,551 (2017/18: £197,612). The City of London Corporation's City's Cash meets the deficit on running expenses of the charity. This amounted to £1,244,748 (2017/18: £1,339,730) as shown in Note 4 to the financial statements.

The City of London Corporation is also the Trustee of a number of other charitable trusts. These trusts do not undertake transactions with Highgate Wood and Queen's Park Kilburn. A full list of other charitable trusts of which the City of London Corporation is Trustee is available on application to the Chamberlain of the City of London.

The Charities Pool is an investment mechanism operating in a similar way to a unit trust. It enables the City of London to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually. Investment income consists of distribution from the Charities Pool and interest receivable on cash balances. Investment income of £6,006 was earned during the year (2017/18: £5,519).

Members of the City of London Corporation responsible for managing the Trust are required to comply with the Relevant Authority (model code of conduct) Order 2001 issued under the Local Government Act 2000 and the City of London Corporation's guidelines which require that:

- Members sign a declaration agreeing to abide by the City of London Corporation's code of conduct;
- a register of interests is maintained;
- pecuniary and non-pecuniary interests are declared during meetings;
- Members do not participate in decisions where they have an interest.

There are corresponding arrangements for staff to recognise interests and avoid possible conflicts of those interests. In this way, as a matter of policy and procedure, the City of London Corporation ensures that Members and officers do not exercise control over decisions in which they have an interest. There are no material transactions with organisations related by virtue of Members and officers interests which require separate reporting. Transactions are undertaken by the Trust on a normal commercial basis.