

***HIGHGATE WOOD AND QUEEN'S PARK KILBURN***

***REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016***

**Charity Number: 232986**

# **HIGHGATE WOOD AND QUEEN'S PARK KILBURN**

## **Trustee's Annual Report and Financial Statements for the year ended 31 March 2016**

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# **HIGHGATE WOOD AND QUEEN'S PARK KILBURN**

## **Trustee's Annual report for the year ended 31 March 2016**

### **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 Mayor and Commonalty and Citizens of the City of London
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:	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB

### **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 Mayor and Commonalty and Citizens of London, known as the City of London Corporation, 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 2016**

### **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.

#### **Details of related parties and wider networks**

Details of any related party transactions are disclosed in Note 14 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.

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.

# **HIGHGATE WOOD AND QUEEN'S PARK KILBURN**

## **Trustee's Annual report for the year ended 31 March 2016**

### **2. Structure, Governance and Management (continued)**

#### **Risk identification (continued)**

There are 7 risks which have been identified as affecting all the Open Spaces. These are:

- Animal, Plant and Tree Diseases;
- Extreme weather;
- Poor repair and maintenance of buildings;
- Impact of Housing/Highways Development;
- Recruiting and retraining appropriately skilled staff, contractors and the Public;
- Ensuring the Health and Safety of staff, contractors and the Public; and
- Delivering the Departmental Road map Projects and Programmes - includes Finance and Service Based Review savings.

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, which is the maintenance and the 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.

# HIGHGATE WOOD AND QUEEN'S PARK KILBURN

## Trustee's Annual report for the year ended 31 March 2016

### 4. Achievements and Performance

**Key Targets for 2015/16 and review of achievement were:**

**The aims for 2015/16 for Highgate Wood are:**

- *Submission of the HLF bid for the relocation of the Roman Kiln to Highgate Wood from Bruce Castle Museum.*

Unfortunately, the bid submitted to the HLF was not successful. Feedback was sought and a revised bid will be considered. Improvements have been made to the Information Hut at the site, which provides a range of interpretation materials to the public, to enhance their enjoyment of the site.

- *Retendering of the operating lease for the café at Highgate Wood.*

The lease for the café has been retendered, and the results of the procurement announced in March 2016. The procurement process is in the final stages and work will continue with the new tenants to ensure that a high quality service is provided to customers.

**The aims for 2015/16 for Queen's Park are:**

- *Retendering of the operating lease for the café at Queen's Park.*

The lease for the café has been retendered, and the results of the procurement announced in March 2016. The procurement process is in the final stages and work will continue with the new tenants to ensure that a high quality service is provided to customers.

- *Investigate opportunity for Weddings on the Queen's Park Bandstand.*

An application has been prepared for submission to the London Borough of Brent, with an aim to obtain a licence for the summer of 2016.

- *Enter the London in Bloom Competition.*

Queen's Park achieved a Silver Gilt award in the London in Bloom awards in the Large Park category, this was an excellent achievement in the first year of entry.

- *Develop Management Work Plan for the Woodland Walk.*

A Management Plan is being developed in partnership with the Hampstead Heath Ecologist.

**The aims for 2015/16 for Highgate Wood and Queen's Park are:**

- *City of London (Open Spaces) Bill - Deposition due in November 2015 with Parliamentary Process estimated at two sessions (two years). Epping Forest is the lead Open Space but the provisions will apply to Highgate Wood and Queen's Park Kilburn and assistance will be given to Epping Forest as required*

The Bill has been laid before Parliament and is progressing through the various stages. Support has been given to Epping Forest throughout the process and will continue as the Bill moves forward.

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 2016**

### **5. Financial Review**

#### **Review of financial position**

Investment income received of £5,551 (2014/15 £5,731), income from other grants, reimbursements and contributions was £2,900 (2014/15 £Nil), from donations £3,707 (2014/15 £516), income received through sales of products and materials was £940 (2014/15 £Nil), fees, charges and interest £62,676 (2014/15 £62,439), and rental income was £69,037 (2014/15 £91,301). The contribution towards the running costs of the charity amounted to £1,273,639 (2014/15 £1,172,863). 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 has a designated fund and a restricted fund the details are set out in Note 13 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 the interest is received from the Chamberlain of London on balances held on behalf of the Trust. The investments are managed by Artemis Investment Management LLP and the performance of the fund is measured against the fund manager benchmark (FTSE All Share Index). In addition the performance of the Fund is also measured against its peer group using the WM Charity Universe (ex-property).

As at 31 March 2016 the fund achieved a return of -1.1% compared to the FTSE All Share Index return of -3.9%. The WM Charity Universe return was -1.0% and the fund slightly underperformed this by 0.1%.

#### **Going Concern**

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

# **HIGHGATE WOOD AND QUEEN'S PARK KILBURN**

## **Trustee's Annual report for the year ended 31 March 2016**

### **6. Plans for Future Periods**

**The aims for 2016/17 for Highgate Wood are:**

- To develop a new funding strategy for the Roman Kiln Project
- Development of Volunteering opportunities at Highgate Wood, working closely with Heath Hands

**The aims for 2016/17 for Queen's Park are:**

- Implementation of the Woodland Walk Management Plan
- Introduction of weddings on the Bandstand
- Tennis court refurbishment programme
- Development of volunteering opportunities at Queens Park

**The aims for 2016/17 for Highgate Wood and Queen's Park are:**

- **City of London (Open Spaces) Bill** – Parliamentary process now continues into 2016/17

### **7. The Financial Statements**

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's trust deed, 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 financial statements consist of the following and include comparative figures for the previous year.

- **Statement of Financial Activities** showing all resources available and all expenditure incurred and reconciling all changes in the funds of the charity.
- **Balance Sheet** setting out the assets and liabilities of the charity.
- **Notes to the Financial Statements** describing the accounting policies adopted and explaining information contained in the financial statements.

### **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.



**HIGHGATE WOOD AND QUEEN'S PARK KILBURN**  
**Trustee's Annual report for the year ended 31 March 2016**

**8. Statement of Trustee's Responsibilities (continued)**

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.

**9. Adopted and signed for on behalf of the Trustee on 15 November 2016.**

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

Roger A.H. Chadwick  
Deputy Chairman of  
Finance Committee  
Guildhall, London

# **HIGHGATE WOOD AND QUEEN'S PARK KILBURN**

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

We have audited the financial statements of Highgate Wood and Queens Park Kilburn for the year ended 31 March 2016 which are set out on pages 11 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on pages 7 and 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at Year End 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.

## **HIGHGATE WOOD AND QUEEN'S PARK KILBURN**

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

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient 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.

Moore Stephens LLP  
Statutory Auditor  
150 Aldersgate Street  
London  
EC1A 4AB

Moore Stephens LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# HIGHGATE WOOD AND QUEEN'S PARK KILBURN

## Statement of Financial Activities for the year ended 31 March 2016

	Notes	Unrestricted Funds General Fund £	Designated Fund £	Restricted Fund £	2015/16 £	2014/15 Restated £
<b>Income and endowments from:</b>						
Income from:						
Donations and Legacies		6,607	-	-	<b>6,607</b>	516
Charitable Activities		132,653	-	-	<b>132,653</b>	153,740
Grant from City of London Corporation		1,273,639	-	-	<b>1,273,639</b>	1,172,863
Investments		5,551	-	-	<b>5,551</b>	5,731
<b>Total</b>	4	<b>1,418,450</b>	-	-	<b>1,418,450</b>	1,332,850
<b>Expenditure on:</b>						
Charitable activities		1,418,450	16,488	24,389	<b>1,459,327</b>	1,349,337
<b>Total</b>	5	<b>1,418,450</b>	<b>16,488</b>	<b>24,389</b>	<b>1,459,327</b>	1,349,337
Net (loss)/gain on investments	10	(8,798)	-	-	<b>(8,798)</b>	9,359
<b>Net (expenditure)/income</b>		<b>(8,798)</b>	<b>(16,488)</b>	<b>(24,389)</b>	<b>(49,675)</b>	<b>(7,128)</b>
<b>Transfers between funds</b>		-	-	-	-	-
<b>Net movement in funds</b>		<b>(8,798)</b>	<b>(16,488)</b>	<b>(24,389)</b>	<b>(49,675)</b>	<b>(7,128)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		154,611	251,959	24,389	<b>430,959</b>	438,087
<b>Total funds carried forward</b>	13	<b>145,813</b>	<b>235,471</b>	-	<b>381,284</b>	430,959

All operations are continuing.

**HIGHGATE WOOD AND QUEEN'S PARK KILBURN**  
**Notes to the Financial Statements for the year ended 31 March 2016**

**HIGHGATE WOOD AND QUEEN'S PARK KILBURN**  
**Balance Sheet as at 31 March 2016**

	Notes	2016	2015
		£	£
<b>Fixed Assets</b>			
Tangible Fixed Assets	9	235,471	251,959
Investments – 18,728 Charities Pool Units	10	145,813	154,611
		<u>381,284</u>	<u>406,570</u>
<b>Current Assets</b>			
Debtors	11	39,779	54,145
Cash		105,361	76,143
		<u>145,140</u>	<u>130,288</u>
<b>Creditors: Amounts falling due within one year</b>	12	(145,140)	(105,899)
<b>Net Current Assets</b>		<u>-</u>	<u>24,389</u>
<b>Total Assets less Current Liabilities</b>		<u><u>381,284</u></u>	<u><u>430,959</u></u>
<b>The Funds of the Charity</b>			
<i>Unrestricted Income Funds</i>			
General Fund	13	145,813	154,611
Designated Funds	13	235,471	251,959
Restricted Income Fund	13	-	24,389
<b>Total Charity Funds</b>		<u><u>381,284</u></u>	<u><u>430,959</u></u>

Approved and signed for and on behalf of the Trustee

The Notes at pages 13-24 form part of these accounts.

Dr Peter Kane  
Chamberlain of London  
15 November 2016

# **HIGHGATE WOOD AND QUEEN'S PARK KILBURN**

## **Notes to the Financial Statements for the year ended 31 March 2016**

### **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***

Highgate Wood and Queen's Park Kilburn are a public benefit entity and the accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared for the first time in accordance with the new 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 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### ***(b) 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 2019/20 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.

#### ***(c) 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 2016 which is publicly available and can be found at [www.cityoflondon.gov.uk](http://www.cityoflondon.gov.uk).

#### ***(d) 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 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.

**HIGHGATE WOOD AND QUEEN'S PARK KILBURN**  
**Notes to the Financial Statements for the year ended 31 March 2016**

**1. Accounting Policies (continued)**

**(d) Fixed Assets (Continued)**

***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

**(e) 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.

**(f) 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 loss on investments at the balance sheet date is included in the Trust's funds.

**(g) 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.

**(h) Investment Income**

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

**(i) Volunteers**

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

**(j) Grants received**

Grants are included in the Statement of Financial Activities in the financial year in which they are entitled to be received.

# **HIGHGATE WOOD AND QUEEN'S PARK KILBURN**

## **Notes to the Financial Statements for the year ended 31 March 2016**

### **1. Accounting Policies (continued)**

#### **(k) 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.

#### **(l) Rental income**

Rental income is included within charitable activity income for the year under Income and Endowments

#### **(m) 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.

#### **(n) 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.

#### **(o) 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 £482.6m as at 31 March 2016 (£498.2m as at 31 March 2015). 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.

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. Following the statutory triennial valuation of the pension fund as at 31st March 2013, completed by independent consulting actuaries, an employer's contribution rate of 17.5% has been applied for 2014/15, 2015/16 and 2016/17. An updated triennial valuation is being undertaken as of 31 March 2016 which will inform consideration of the employer's contribution rate to be adopted from 2017/18. There are no outstanding or pre-paid contributions at the balance sheet date.

#### **(p) 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 13 to the accounts. Restricted funds are those received by Highgate Wood and Queen's Park Kilburn to be used only for the purpose set out in the conditions of the grant.



# HIGHGATE WOOD AND QUEEN'S PARK KILBURN

## Notes to the Financial Statements for the year ended 31 March 2016

### 2. Tax Status of the Charity

Highgate Wood and Queen's Park Kilburn is a registered charity and as such its income and gains are exempt from income tax to the extent that they are applied to its charitable objectives.

### 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 and Endowments

Income and Endowments are comprised as follows:

	2015/16 £	2014/15 £
<b>Income and endowments</b>		
<b>Donations and Legacies</b>		
Other Grants, Reimbursements and Contributions	2,900	-
Donations	3,707	516
Interest	5,551	5,731
<b>Total</b>	<b>12,158</b>	<b>6,247</b>
<b>Charitable activities</b>		
Sales of products or materials	940	-
Fees and charges	62,676	62,439
Rental income	69,037	91,301
<b>Total</b>	<b>132,653</b>	<b>153,740</b>
Grant from the City of London Corporation	1,273,639	1,172,863
<b>Total Income and Endowments</b>	<b>1,418,450</b>	<b>1,332,850</b>

#### Other Grants, Reimbursements and Contributions

The income from other grants, reimbursements and contributions largely consists of a contribution towards the play equipment at Queens Park.

#### 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.

#### Grant from City of London Corporation

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

# HIGHGATE WOOD AND QUEEN'S PARK KILBURN

## Notes to the Financial Statements for the year ended 31 March 2016

### 5. Expenditure

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

	Activities undertaken directly £	Support costs £	2015/16 £	2014/15 £
Charitable activities	1,274,679	184,648	<b>1,459,327</b>	1,349,337

No resources are expended 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*

Moore Stephens 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 (2014/15 £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 2016

### 6. Support Costs (continued)

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

	2015/16	2014/15
	£	£
<b>Department</b>		
Chamberlain	29,627	26,611
Comptroller & City Solicitor	3,231	15,503
Open Spaces Directorate	35,393	48,938
Town Clerk	38,914	38,111
City Surveyor	29,040	44,745
Information Systems	36,364	25,159
Other governance and support costs	12,079	15,043
<b>Total support costs</b>	<b>184,648</b>	<b>214,110</b>

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

**Chamberlain**      Accounting services, insurance, cashiers, revenue collection, payments, financial systems and internal audit.

**Comptroller and City Solicitor**      Property, litigation, contracts, public law and administration of commercial rents and City of London Corporation records.

**Open Spaces Directorate**      Expenditure incurred by the Directorate, which is recharged to all Open Spaces Committees under the control of the Director of Open Spaces. The apportionments are calculated on the basis of budget resources available to each open space charity.

**Town Clerk**      Committee administration, management services, personnel services, public relations, printing and stationery, emergency planning.

**City Surveyor**      Work undertaken on the management of the Estate properties, surveying services and advice, supervising and administering repairs and maintenance.

**Information Systems**      The support and operation of the City of London Corporation's central and corporate systems on the basis of usage of the systems; the provision of "desktop" and network support services and small IS development projects that might be required by the charity.

# HIGHGATE WOOD AND QUEEN'S PARK KILBURN

## Notes to the Financial Statements for the year ended 31 March 2016

### 6. Support Costs (continued)

**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 full time equivalent number of staff employed by the City of London Corporation charged to Highgate Wood and Queen's Park Kilburn in 2015/16 is 19 (2014/15 18) at a cost of £724,039 (2014/15 £728,754). The table below sets out the employment costs and the number of full time equivalent staff charged directly to the charity.

	No of employees	Gross Pay £	Employer's National Insurance £	Employer's Pension Contribution £	Total £
2015/16 Charitable activities	19	589,559	45,634	88,846	<b>724,039</b>
2014/15 Charitable activities	18	586,999	45,028	96,727	<b>728,754</b>

There were no employees whose total employee benefits were above the £60,000 threshold (2014/15 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 £7,519 in 2015/16 (2014/15: £7,472). 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 accounting policy 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).

# HIGHGATE WOOD AND QUEEN'S PARK KILBURN

## Notes to the Financial Statements for the year ended 31 March 2016

### 9. Tangible Fixed Assets

At 31 March 2016 the net book value of tangible fixed assets relating to direct charitable purposes amounts to £235,471 (31 March 2015 £251,959) as set out below.

	Land and Buildings £	Infrastructure £	Total £
<b><u>Cost</u></b>			
Balance at 31 March 2015	166,388	257,130	<b>423,518</b>
Additions	-	-	-
<b>At 31 March 2016</b>	<b>166,388</b>	<b>257,130</b>	<b>423,518</b>
<b><u>Accumulated depreciation</u></b>			
Balance at 31 March 2015	32,747	138,812	<b>171,559</b>
Charge for year	3,341	13,147	<b>16,488</b>
<b>At 31 March 2016</b>	<b>36,088</b>	<b>151,959</b>	<b>188,047</b>
<b><u>Net book values</u></b>			
<b>At 31 March 2016</b>	<b>130,300</b>	<b>105,171</b>	<b>235,471</b>
At 31 March 2015	133,641	118,318	<b>251,959</b>

### 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 £	2016 £	2015 £
Market Value 1 April	154,611	<b>154,611</b>	145,252
Acquisitions	-	-	-
(Loss)/gain for the year	(8,798)	<b>(8,798)</b>	9,359
<b>Market Value 31 March</b>	<b>145,813</b>	<b>145,813</b>	154,611
<b>Cost 31 March</b>	<b>107,254</b>	<b>107,254</b>	107,254
Units in Charities Pool	18,728	<b>18,728</b>	18,728

# HIGHGATE WOOD AND QUEEN'S PARK KILBURN

## Notes to the Financial Statements for the year ended 31 March 2016

### 10. Fixed Asset Investments (continued)

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:

	2016 £	2015 £
Equities		
UK	107,756	121,524
Overseas	22,164	23,037
Bonds - UK	3,937	3,865
Pooled Units - UK	6,124	4,948
Cash held by Fund Manager	5,832	1,237
<b>Total Funds</b>	<b>145,813</b>	<b>154,611</b>

### 11. Debtors

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

	2016 £	2015 £
Rental Debtors	10,851	36,705
Other Debtors	3,879	3,344
Payments in Advance	5,160	6,434
Recoverable VAT	19,889	7,662
<b>Total</b>	<b>39,779</b>	<b>54,145</b>

### 12. Creditors

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

	2016 £	2015 £
Trade Creditors	23,859	7,458
Accruals	53,962	29,717
Other Creditors	1,224	8,964
Sundry Deposits	47,194	47,194
Receipts In Advance	18,901	12,566
<b>Total</b>	<b>145,140</b>	<b>105,899</b>

# HIGHGATE WOOD AND QUEEN'S PARK KILBURN

## Notes to the Financial Statements for the year ended 31 March 2016

### 13. Movement of Funds during the year to 31 March 2016

	Fund Balances Brought Forward £	Income £	Expenditure £	Gains and Losses £	Fund Balances Carried Forward £
<b>Unrestricted Funds</b>					
<i>General Funds</i>					
Investments	154,611	1,418,450	(1,418,450)	(8,798)	<b>145,813</b>
	154,611	1,418,450	(1,418,450)	(8,798)	<b>145,813</b>
<i>Designated Funds</i>					
Capital Adjustment Account	251,959	-	(16,488)	-	<b>235,471</b>
	251,959	-	(16,488)	-	<b>235,471</b>
<b>Total Unrestricted Funds</b>	<b>406,570</b>	<b>1,418,450</b>	<b>(1,434,938)</b>	<b>(8,798)</b>	<b>381,284</b>
<b>Restricted Funds</b>					
City Bridge Trust funding	24,389	-	(24,389)	-	-
<b>Total Restricted Funds</b>	<b>24,389</b>	<b>-</b>	<b>(24,389)</b>	<b>-</b>	<b>-</b>
<b>Total Funds</b>	<b>430,959</b>	<b>1,418,450</b>	<b>(1,459,327)</b>	<b>(8,798)</b>	<b>381,284</b>

#### 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).

##### *Restricted funds*

##### 1) *City Bridge Trust*

Funding from the City Bridge Trust to provide educational and biodiversity services to support communities within the Greater London area. 2013/14 was the final year of a three year grant. The unspent balance of £24,389 was paid back to the City Bridge Trust in 2015/16.

# **HIGHGATE WOOD AND QUEEN'S PARK KILBURN**

## **Notes to the Financial Statements for the year ended 31 March 2016**

### **14. Related Party Transactions**

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 £184,648 (2014/15: £214,110). The City of London Corporation's City's Cash meets the deficit on running expenses of the charity. This amounted to £1,273,639 (2014/15: £1,172,863) 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 with the exception of the City Bridge Trust (Charity number 1035628). 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 £5,551 was earned during the year (2014/15: £5,731).

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.



# HIGHGATE WOOD AND QUEEN'S PARK KILBURN

## Notes to the Financial Statements for the year ended 31 March 2016

### 15. Transition to FRS 102

These financial statements for the year ended 31 March 2016 are the Charity's first financial statements that comply with Financial Reporting Standard 102 (FRS 102) 'the Financial Reporting Standard in the UK and Republic of Ireland'. The Charity's date of transition to FRS 102 is 1 April 2014. The Charity's last financial statements prepared in accordance with previous UK GAAP were for the year ended 31 March 2015.

The following table shows that there was no difference between income and expenditure presented under the previous UK GAAP and the newly presented amounts under FRS 102 for the reporting period ended at 31 March 2015 (ie comparative information). The table also shows funds determined in accordance with the FRS 102 compared to funds determined in accordance with previous UK GAAP at both 1 April 2014 (the date of transition to FRS 102 – nil change) and 31 March 2015 (nil change).

There have been no changes in accounting policies made on first-time adoption of FRS 102.

Group	Note	Funds as at 1 April 2014	Net expenditure for the year ended 31 March 2015	Funds as at 31 March 2015
		£	£	£
<b>As previously stated under former UK GAAP</b>		438,087	(16,487)	430,959
		<hr/>	<hr/>	<hr/>
Gains / (losses) on investments	a)	-	9,359	-
		<hr/>	<hr/>	<hr/>
<b>As stated in accordance with FRS 102</b>		438,087	(7,128)	430,959
		<hr/>	<hr/>	<hr/>

Explanation of changes to previously reported net income.

a) FRS 102 requires that net gains/(losses) on investments are now treated as a component of net income. Under previous UK GAAP, gain/(losses) on investments were shown after net income as part of other recognised gains/(losses).