

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

***REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017***

Charity Number: 232986

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Trustee's Annual Report and Financial Statements for the year ended 31 March 2017

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HIGHGATE WOOD AND QUEEN'S PARK KILBURN Trustee's Annual report for the year ended 31 March 2017

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:	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 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 2017

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 2017

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;
- Maintaining the City's water bodies
- 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, as stated above.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Trustee's Annual report for the year ended 31 March 2017

4. Achievements and Performance

Key Targets for 2016/17 and review of achievement were:

The aims for 2016/17 for Highgate Wood are:

- *To develop a new funding strategy for the Roman Kiln Project*
A strategy is being developed, however it has not been possible to progress further with funding to enable this project at this time. Community engagement continues and support to enable a further Heritage Lottery Funding (HLF) application will be pursued. This project will remain on the agenda for Highgate Wood to realise.
- *Development of Volunteering opportunities at Highgate Wood, working closely with Heath Hands*
Heath Hands volunteers have been working at Highgate wood on a regular basis and the sessions at this site have become a regular part of the Heath Hands programme. It has been a very positive opportunity to offer additional locations for volunteers to work in a woodland setting.

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

- *Implementation of the Woodland Walk Management Plan*
Work has commenced on The Woodland Walk Management Plan and this will be implemented in 2017/18. This will include the development of an action plan to ensure that the aims and objectives of the Park, Division and the Department are delivered. A work programme will also be developed in order to deliver the short term objectives, along with a detailed work programme for the period of the management plan.
- *Introduction of weddings on the Bandstand*
Plans have been developed for weddings at the Bandstand and the licence application has been submitted.
- *Tennis court refurbishment programme*
A Tennis Development programme has been produced which will provide support with gaining potential funding from the Lawn Tennis Association. The City Surveyors Department have funds set aside in the Cyclical Works Programme which will assist with delivering these works.
- *Development of volunteering opportunities at Queens Park*
Kensal to Kilburn Transition Town Volunteers have provided support to Queen's Park and have carried out projects to grow vegetables to encourage and support local people in developing skills.

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*
This is a private Bill to make changes to the legislative framework governing the Open Spaces. The City of London (Open Spaces) Bill is continuing on the pathway through the Parliamentary process and will continue to do so 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 2017

5. Financial Review

Review of financial position

Investment income received of £5,798 (2015/16: £5,551), income from other grants, reimbursements and contributions was £1,000 (2015/16: £2,900), from donations £2,001 (2015/16: £3,707), income received through sales of products and materials was £2,600 (2015/16: £940), fees, charges and interest £78,101 (2015/16: £62,676), and rental income was £94,266 (2015/16: £69,037). The contribution towards the running costs of the charity amounted to £1,217,608 (2015/16: £1,273,639). 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 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 2017 the fund achieved a return of +16.30% compared to the FTSE All Share Index return of +21.95% an underperformance of 5.35%. However over three and five years the Fund has outperformed the index as follows:

	3 Years	5 Years
Fund	8.39%	10.98%
FTSE All Share	7.69%	9.67%
Out performance	0.71%	1.31%

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 2017

6. Plans for Future Periods

The aims for 2017/18 for Highgate Wood are:

- Development of a new conservation area in order to ensure future regeneration of keystone tree species.
- Development of a Woodland Management Plan.
- Completion of Play Area safety surfacing.

The aims for 2017/18 for Queen's Park are:

- Implementation of the Woodland Walk Management Plan.
- Tennis Court refurbishment programme.
- Develop a vision for the Farm at Queens Park to ensure that it is a sustainable facility.
- Produce a design for the sandpit at Queen Park and carry out engagement and consultation with stakeholders.

The aims for 2017/18 for Highgate Wood and Queen's Park are:

- City of London (Open Spaces) Bill – Parliamentary process now continues into 2017/18.

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 2017

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 21 November 2017.

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

Jamie Ingham Clark
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 2017 which are set out on pages 11 to 23. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 trustee is 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.

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 31 March 2017 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

20 December 2017

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 2017

	Notes	Unrestricted Funds		2016/17	2015/16
		General Fund	Designated Fund		
		£	£	£	£
Income and endowments from:					
Income from:					
Donations and Legacies		3,001	-	3,001	6,607
Charitable Activities		174,967	-	174,967	132,653
Grant from City of London Corporation		1,217,608	-	1,217,608	1,273,639
Investments		5,798	-	5,798	5,551
Total	4	<u>1,401,374</u>	<u>-</u>	<u>1,401,374</u>	<u>1,418,450</u>
Expenditure on:					
Charitable activities		1,401,374	16,487	1,417,861	1,459,327
Total	5	<u>1,401,374</u>	<u>16,487</u>	<u>1,417,861</u>	<u>1,459,327</u>
Net gain/(loss) on investments	10	17,495	-	17,495	(8,798)
Net income/(expenditure)		<u>17,495</u>	<u>(16,487)</u>	<u>1,008</u>	<u>(49,675)</u>
Transfers between funds		-	-	-	-
Net movement in funds		<u>17,495</u>	<u>(16,487)</u>	<u>1,008</u>	<u>(49,675)</u>
Reconciliation of funds					
Total funds brought forward		145,813	235,471	381,284	430,959
Total funds carried forward	13	<u>163,308</u>	<u>218,984</u>	<u>382,292</u>	<u>381,284</u>

All operations are continuing.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Balance Sheet as at 31 March 2017

	Notes	2017	2016
		£	£
Fixed Assets			
Tangible Fixed Assets	9	218,984	235,471
Investments – 18,728 Charities Pool Units	10	163,308	145,813
		<u>382,292</u>	<u>381,284</u>
Current Assets			
Debtors	11	48,677	39,779
Cash		144,091	105,361
		<u>192,768</u>	<u>145,140</u>
Creditors: Amounts falling due within one year	12	(192,768)	(145,140)
Net Current Assets		<u>-</u>	<u>-</u>
Total Assets less Current Liabilities		<u>382,292</u>	<u>381,284</u>
The Funds of the Charity			
<i>Unrestricted Income Funds</i>			
General Fund	13	163,308	145,813
Designated Funds	13	218,984	235,471
Total Charity Funds		<u>382,292</u>	<u>381,284</u>

Approved and signed for and on behalf of the Trustee

The Notes at pages 13-23 form part of these accounts.

Dr Peter Kane
Chamberlain of London
21 November 2017

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Notes to the Financial Statements for the year ended 31 March 2017

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 in accordance with the 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 2017 which is publicly available and can be found at 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 2017

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 gain 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 2017

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 £597.9m as at 31 March 2017 (£482.6m as at 31 March 2016). 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 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%. 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.

HIGHGATE WOOD AND QUEEN'S PARK KILBURN
Notes to the Financial Statements for the year ended 31 March 2017

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:

	2016/17 £	2015/16 £
Income and endowments		
Donations and Legacies		
Other Grants, Reimbursements and Contributions	1,000	2,900
Donations	2,001	3,707
Interest	5,798	5,551
Total	8,799	12,158
Charitable activities		
Sales of products or materials	2,600	940
Fees and charges	78,101	62,676
Rental income	94,266	69,037
Total	174,967	132,653
Grant from the City of London Corporation	1,217,608	1,273,639
Total Income and Endowments	1,401,374	1,418,450

Other Grants, Reimbursements and Contributions

The income from other grants, reimbursements and contributions consists of a grant from the Lawn Tennis Association.

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 2017

5. Expenditure

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

	Activities undertaken directly £	Support costs £	2016/17 £	2015/16 £
Charitable activities	1,241,786	176,075	1,417,861	1,459,327

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 (2015/16: £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 2017

6. Support Costs (continued)

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

	2016/17	2015/16
	£	£
Department		
Chamberlain	22,349	29,627
Comptroller & City Solicitor	7,484	3,231
Open Spaces Directorate	29,550	35,393
Town Clerk	41,340	38,914
City Surveyor	23,327	29,040
Information Systems	42,129	36,364
Other governance and support costs	9,896	12,079
Total support costs	176,075	184,648

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 2017

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 2016/17 is 18 (2015/16: 19) at a cost of £738,240 (2015/16: £724,039). 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 £
2016/17 Charitable activities	18	588,785	59,191	90,264	738,240
2015/16 Charitable activities	19	589,559	45,634	88,846	724,039

There were no employees whose total employee benefits were above the £60,000 threshold (2015/16 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 £7,909 in 2016/17 (2015/16: £7,519). 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).

HIGHGATE WOOD AND QUEEN'S PARK KILBURN
Notes to the Financial Statements for the year ended 31 March 2017

9. Tangible Fixed Assets

At 31 March 2017 the net book value of tangible fixed assets relating to direct charitable purposes amounts to £218,984 (31 March 2015 £235,471) as set out below.

	Land and Buildings £	Infrastructure £	Total £
<u>Cost</u>			
Balance at 31 March 2016	166,388	257,130	423,518
Additions	-	-	-
At 31 March 2017	166,388	257,130	423,518
<u>Accumulated depreciation</u>			
Balance at 31 March 2016	36,088	151,959	188,047
Charge for year	3,341	13,146	16,487
At 31 March 2017	39,429	165,105	204,534
<u>Net book values</u>			
At 31 March 2017	126,959	92,025	218,984
At 31 March 2016	130,300	105,171	235,471

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 £	2017 £	2016 £
Market Value 1 April	145,813	145,813	154,611
Acquisitions	-	-	-
Gain/(loss) for the year	17,495	17,495	(8,798)
Market Value 31 March	163,308	163,308	145,813
Cost 31 March	107,254	107,254	107,254
Units in Charities Pool	18,728	18,728	18,728

HIGHGATE WOOD AND QUEEN'S PARK KILBURN
Notes to the Financial Statements for the year ended 31 March 2017

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:

	2017 £	2016 £
Equities		
UK	127,139	107,756
Overseas	22,974	22,164
Bonds – UK & Overseas	898	3,937
Pooled Units - UK	8,092	6,124
Cash held by Fund Manager	4,205	5,832
Total Funds	163,308	145,813

11. Debtors

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

	2017 £	2016 £
Rental Debtors	15,987	10,851
Other Debtors	3,605	3,879
Payments in Advance	5,017	5,160
Recoverable VAT	24,068	19,889
Total at 31 March	48,677	39,779

12. Creditors

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

	2017 £	2016 £
Trade Creditors	77,196	23,859
Accruals	61,033	53,962
Other Creditors	676	1,224
Rent Deposits	47,194	47,194
Receipts In Advance	6,669	18,901
Total at 31 March	192,768	145,140

HIGHGATE WOOD AND QUEEN'S PARK KILBURN
Notes to the Financial Statements for the year ended 31 March 2017

13. Movement of Funds during the year to 31 March 2017

	Fund Balances Brought Forward £	Income £	Expenditure £	Gains and Losses £	Fund Balances Carried Forward £
Unrestricted Funds					
<i>General Funds</i>					
Investments	145,813	1,417,861	(1,417,861)	17,495	163,308
	145,813	1,417,861	(1,417,861)	17,495	163,308
<i>Designated Funds</i>					
Capital Adjustment Account	235,471	-	(16,487)	-	218,984
	235,471	-	(16,487)	-	218,984
Total Unrestricted Funds	381,284	1,417,861	(1,434,348)	17,495	382,292
Total Funds	381,284	1,417,861	(1,434,348)	17,495	382,292

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).

HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Notes to the Financial Statements for the year ended 31 March 2017

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 £176,075 (2015/16: £184,648). The City of London Corporation's City's Cash meets the deficit on running expenses of the charity. This amounted to £1,217,608 (2015/16: £1,273,639) 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 £5,798 was earned during the year (2015/16: £5,551).

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.