

Hampstead Heath

Annual Report and Consolidated Financial
Statements for the year ended 31 March 2020

Charity registration number 803392

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ORIGINS OF THE CHARITY

Hampstead Heath is the collective name for Parliament Hill and Golders Hill, a total of 791 acres (320 hectares). The original Hampstead Heath was the former lands owned by the Lord of the Manor acquired under the Hampstead Heath Act, 1871. The Heath falls within two London Boroughs, Camden and Barnet.

The Heath was transferred to the London Residuary Body on 1st April 1986 on the abolition of the Greater London Council and was transferred to the City of London Corporation on 31 March 1989 under provisions of the London Government Reorganisation (Hampstead Heath) Order 1989. This Order covered the transfer of the Heath and the related rights and liabilities, the functions of the Corporation, the financial arrangements, the establishment of the Hampstead Heath Trust Fund for future revenue funding and the Hampstead Heath Works Fund for defraying capital works. It also set up a Hampstead Heath Management Committee for the purposes of advising on and implementing the City of London Corporation's policies and programmes of work and considering any representations from the statutory Consultative Committee. The Consultative Committee was established to make such representations and consists of representatives of local organisations, sporting interests, nature conservation, the disabled and those concerned with the Heath.

The City of London Corporation is committed to conserving the Heath and its wildlife and vegetation and provide recreational facilities for the public appropriate to such an important London open space.

The first detailed management plan for Hampstead Heath was produced in 1995. The plan sets out a framework and policies for the management of the Heath, by identifying management objectives, describing how these are to be achieved and defining procedures for monitoring progress against these objectives. The strategic management plan "Towards a Plan for the Heath" was approved for 2007/17 has been reviewed. A wide range of public consultation has taken place in order to develop a Vision which provides strategic direction for the site for 2018/28.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing documents are the Hampstead Heath Act 1871 and the London Government Reorganisation (Hampstead Heath) Order 1989. The charity is constituted as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the trustee of Hampstead Heath. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills. Elected Aldermen and members of the City of London Corporation are appointed to the Hampstead Heath, Highgate Wood and Queen's Park Committee, together with six non City of London Corporation members, one after consultation with the London Borough of Barnet, one after consultation with the London Borough of Camden, one after consultation with the owners of the Kenwood lands and three after consultation with bodies representing local, archaeological, environmental or sporting interests governing Hampstead Heath by the Court of Common Council of the City of London Corporation. The Finance Committee of the City of London Corporation administers the Hampstead Heath Trust Fund on behalf of the Trustee.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2019/20 were as follows:

- **Policy and Resources Committee** – responsible for allocating resources and administering the charity.
- **Finance Committee** – responsible for controlling budgets, support costs and other central charges that affect the charity as a whole.
- **Audit and Risk Management Committee** – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- **Investment Committee** – responsible for the strategic oversight and monitoring of the performance of the charity's investments which are managed

by three separate sub-committees, namely the Financial Investment Board, the Property Investment Board and the Social Investment Board.

- **Financial Investment Board** - oversees all aspects of the non-property investment arrangements of the City of London's major funds and monitors the Chamberlain's Treasury Management operations.
- **Hampstead Heath, Highgate Wood and Queen's Park Committee** – responsible for the activities undertaken at Hampstead Heath, Highgate Wood and Queen's Park, approving budget allocations for the forthcoming year and acting as Trustees of the charity.
- **Hampstead Heath Consultative Committee** – provides forum for local residents and users of the Heath to comment upon the management of the Heath.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The Hampstead Heath Trust Fund (HHTF) is a subsidiary controlled by this charity. HHTF was established under the Local Government Reorganisation (Hampstead Heath) Order 1989 with an endowment of £15 million. Its purpose is to contribute towards the running costs of the Heath. Separate accounts are prepared for the subsidiary, which are consolidated with these accounts. A copy of these is available from the email address stated on page 39.

The charity is consolidated within City's Cash as the City of London Corporation exercises operational control over their activities. City's Cash is a fund of the City Corporation that can be traced back to the 15th century and has been built up from a combination of properties, land, bequests and transfers under statute since that time. Investments in properties, stocks and shares are managed to provide a total return that:

- Allows City's Cash to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London;
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance commenced during the year and is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 39.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as trustee of the charity by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City of Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

INDUCTION AND TRAINING OF MEMBERS

The City Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of Hampstead Heath. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

The objective of the charity is the preservation and maintenance of Hampstead Heath in perpetuity, as an open space for the recreation and enjoyment of the public.

In support of these objectives the Hampstead Heath Management Strategy sets out the themes which are underpinned by the Heath Vision; developed in collaboration with stakeholders. The themes are:

- We protect and conserve the Heath;
- The Heath enriches our lives;
- The Heath is inclusive and welcoming; and
- Together we care for the Heath with stakeholders.

By means of these outcomes the management of the Heath can be focussed to ensure that the elements vital to the maintenance, care and management of the open space are delivering the objectives of the charity.

The Hampstead Heath Trust Fund is a subsidiary controlled by this charity. That charity was established under the Local Government Reorganisation (Hampstead Heath) Order 1989 with an endowment of £15 million. Its purpose was to contribute towards the running costs of the Heath. Separate accounts are prepared for the subsidiary, which are consolidated within these accounts.

By virtue of the London Government Reorganisation (Hampstead Heath) Order 1989, the City of London Corporation acquired responsibility for the management of Hampstead Heath with effect from 31 March 1989. At the same time the London Residuary Body transferred £15 million to the City of London Corporation for the establishment of the Hampstead Heath Trust Fund, the purpose of which is the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

Contributions towards the running cost of the Heath are assessed on a triennial basis and increased annually in accordance with the average earnings index. The aim for the Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it.

Investment Policy

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The investment policy 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 (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 39.

Remuneration Policy

The charity's senior staff are employees of the City Corporation and, alongside all staff, pay is reviewed annually. The City 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 the payment of bonuses and recognition awards.

The above policy applies to staff within the charity's key management personnel, as defined within note 8 to the financial statements.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established to actively promote equality, diversity and inclusion in service delivery and employment practices. The Board is responsible for monitoring the delivery of the Equality and Inclusion Action Plan and progress against the Equality Objectives for 2016-20. This also includes addressing the City Corporation's gender pay gap.

Senior staff posts of the City Corporation are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or

otherwise procuring money or other property for charitable purposes”. Although the Hampstead Heath charity does not undertake widespread fundraising from the general public, any such amounts receivable are presented in the financial statements as “voluntary income” including grants

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

The charity has received no complaints in relation to fundraising activities in the current year (2018/19: nil). Individuals are not approached for funds, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing Hampstead Heath’s aims and objectives and in planning future activities. The purpose of the charity is the preservation in perpetuity of Hampstead Heath as an open space for the recreation and enjoyment of the public.

Consequently, the Trustee considers that Hampstead Heath operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 39.

ACHIEVEMENTS AND PERFORMANCE

Key Targets for 2019/20 and review of achievement

The key targets for 2019/20 together with their outcomes were:

Hampstead Heath

Implementation of the Hampstead Heath Management Framework, which will cover the period 2018-2027

The Management Framework has been developed and provides a clear vision for the management of Hampstead Heath. The Management Strategy has four themes: We protect and conserve the Heath, the Heath enriches lives, the Heath is inclusive and welcoming and together we care for the Heath. The ten priorities which have been developed to support the delivery of these themes developed from the Heath Vision, which was developed in collaboration with the community. The strategy has been widely shared and the work which is carried out is carefully linked back to the themes and outcomes.

Implementation of improvement works for the car park at East Heath

Work has been delayed due to a number of factors which include the City of London's Fundamental Review process and programming of the work to take place at a seasonally appropriate time. This project remains a priority and will form part of the 2020/21 priorities.

Implementation of improvements at the Adventure Playground at Parliament Hill, delivering natural play and clear links to the wider Heath

The plans for the Adventure Playground have been developed and are progressing. Planning issues have resulted in delays to the project, and this remains a priority to deliver in the coming year.

Tree management and health work, with the focus on the management and control of OPM (Oak Processionary Moth)

Tree management has been delivered successfully and the control of OPM has been managed successfully. A targeted approach to management of the OPM issues, as part of a Forestry Commission pilot has been positive.

Access Audit and landscape improvements, to provide accessible facilities for all visitors

A range of access audits have been carried out and one of the outcomes has been the provision of maps of accessible routes for visitors to the Heath to explore. Further access improvements to the Hampstead Heath Bathing facilities form part of the review which has been carried out and these elements will be delivered as part of the 2020/21 projects.

Health and well-being- Development of our sports offer to ensure that experiences and activities offer a broad appeal to a wide range of people. Working collaboratively with partners to provide and support increased participation in active, outdoor activity

A range work with partners has taken place to encourage participation and increased

outdoor activities. The “Give It A Go” Day at Hampstead Heath, delivered in partnership with Camden and a range of sporting groups enabled visitors to explore activities and learn about a range of opportunities. The “This Girl Can” day, provided further options for visitors to participate in sports which they may not have previously considered. Regular forum meetings are held with stakeholders involved with a wide range of sporting activities, swimming and the Parliament Hill Athletics Track. This provides an opportunity to work collaboratively and ensure that physical activity remains an important part of the Heath.

Further work and development with respect to the Communications Strategy, to include engagement and consultation to ensure wider participation and inclusivity

A communications strategy has been developed which ensures that clear and consistent messaging is delivered to visitors. A range of branding has been developed for the entire City of London Open Spaces Department, which ensures that there is a consistent style, which is clear and welcoming to visitors.

Hampstead Heath Trust

The aim for the Hampstead Heath Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it. In 2019-20, the Trust has contributed £1,285,109 towards the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

PLANS FOR FUTURE PERIODS

The plans for 2020/21:

Hampstead Heath

A review of the Hampstead Heath Bathing Ponds has been carried out and a range of outcomes were identified, which will be implemented during 2020/21. These include changes to improve and manage safety, access and accessibility for visitors and ensure sustainability of the facilities; both physically and financially.

A Hampstead Heath waste and recycling strategy has been developed and will be implemented, which will assist with managing these elements sustainability. A range of education and outreach with partners and stakeholders to improve recycling take up will be taking place.

A Sustainable Fleet & Plant Management Plan and to comply with the requirements of the Ultra-Low Emissions Zone has been developed and a plan to replace vehicles in accordance and to comply with this will be developed. This will enable us to ensure the long-term viability of the Charity’s vehicles and equipment.

A range of improvements at East Heath car park have been identified which will ensure that the car park is safe, accessible and equipped with electric charging points for the future. This is a Capital Project, supported by the City of London Corporation and is

an investment to ensure the long term sustainability of the site to enable visitors to enjoy the Heath.

Plans have been developed, in consultation with a range of stakeholders and users to develop and improve the Adventure Playground at Parliament Hill. The planned improvements will support the aspiration to deliver natural play and develop clear links to exploring the wider Heath.

The Hampstead Heath Management Strategy 2018-2028, has been developed to enable a long term vision and outcomes to be identified and delivered. As part of this process a Measurement Framework is being developed and this will enable outcomes and impacts to be measured and shared.

A Masterplan to manage a range of Divisions built assets, including Heathfield House, Parliament Hill and Kenwood Yard will be developed, working in partnership with the City Surveyors Department. This document will assist with understanding changing needs and will support the way in which assets will be used in the future to deliver services to our visitors.

Prior to the end of the financial year of the charity, a global pandemic of Coronavirus began which subsequently impacted upon the income streams of the charity, in particular donations, fees and charges from sports events, licences, filming and rental income. This is expected to impact on the future level of income available to meet the day-to-day running expenses of the charity.

The charity has undertaken a revised forecasting exercise in order to ascertain the likely impact upon finances during the next 12-month period, which enables the Trustee to confirm that the charity remains a going concern. The City of London Corporation's City's Cash fund has also undertaken the same revised forecasting exercise, which offers assurances that the charity's running costs will continue to be funded in this way.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 22.

The Trustee is monitoring the situation and will continue with its purpose to preserve and maintain Hampstead Heath, as an Open Space for the recreation and enjoyment of the public.

Hampstead Heath Trust

The coronavirus pandemic also impacted the Trust. The value of investments held by the charity is expected to impact on the future level of distributable income available to meet the grant-making objectives of the charity.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 22.

The Trustee is monitoring the situation and will continue with its operating model of only committing grants from available income funds. Where deemed necessary, future grant programmes may be placed on hold until adequate investment income has been received.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2019/20 the charity's total income for the year was £9,628,345, an overall decrease of £42,047 against the previous year (£9,670,392). The principal source of income was from City of London Corporation's City's Cash fund (see below).

Income from Charitable Activities comprised £1,624,310 from fees charged (2018/19: £1,468,832), £232,163 from rents (2018/19: £285,583) and £40,337 from sales of goods, products and materials (2018/19: £30,156). The increase in fees and charges is owing to a large sum of £139,416 received from Olympia Productions Ltd in relation to 'Sack Lunch AKA The Eternals' project for filming, support and use of car park facilities on Hampstead Heath in January 2020.

Donations – being amount received from the public at the ponds and paddling pool. In total £7,255 was received during the year (2018/19: £5,107).

Investment income of £1,494,596 (2018/19: £1,525,654) received during the year consists of distribution from the Charities Pool and interest receivable on cash balances.

An amount of £6,229,684 (2018/19: £6,318,210) was received from the City of London Corporation's City's Cash as a contribution towards the running costs of the charity.

Expenditure

Total expenditure for the year was £9,851,312, with charitable activities expenditure in the year totalling £9,641,825 (2018/19: £9,422,418). The increase in expenditure is mainly due to a number of cyclical building works taking place during the year. The City has a programme of cyclical repairs and maintenance works to maintain its operational properties in fair to good condition. This is delivered in a number of overlapping three year programmes of works. The programme is monitored by the Corporate Asset Sub Committee of the City of London Corporation. Expenditure on raising funds for the year was £209,487 (2018/19: £200,161).

Funds held

The charity's total funds held decreased by £6,520,357 to £45,866,383 as at 31 March 2020 (2018/19: £52,386,740). The net loss on investments represents the difference in the market value of investments between 1 April 2019 and 31 March 2020 after taking account of any purchases and sales which were made during 2019/20.

Within the total funds held, £26,244,005 (2018/19: £32,541,395) represent permanent and expendable endowment funds.

The permanent endowment is held in perpetuity as a capital fund to generate income for the activities of the charity, with income arising from this capital being available to contribute to the running costs of the Heath.

The expendable endowment funds are used for the primary objectives of the charity.

Should net income from the endowment funds be greater than the required contribution towards the running costs of the Heath, then the surplus is retained within unrestricted funds held for use in future years in accordance with the objectives of the charity. No surplus was generated for the year (2018/19: £166,821).

The charity's designated funds consist of unrestricted income funds which the Trustee has chosen to set aside for specific purposes. Such designations are not legally binding, and the Trustee can decide to "undesignate" these funds at any time. Designations as at 31 March 2020 totalled £19,453,324 (2018/19: £19,676,291). These represent designated funds within the unrestricted income fund which represents the Capital fund and the net book value of fixed assets held.

A restricted fund of £2,233 (2018/19: £2,233) was held at year-end for the Parliament Hill Outdoor Gym project. The project was completed and it is anticipated that the balance will be returned to London Borough of Camden in 2020/21.

Details of all funds held, including their purposes, is set out within note 15 to the financial statements.

Investments performance

As at 31 March 2020, the investments held in the Charities Pool achieved a gross return of -14.78% (2018/19: +4.05%) compared to the FTSE All Share Index return of -18.45% (2018/19: +6.36%). Over three years this fund achieved a return of -2.44% (2018/19: +8.31%) compared to the FTSE All Share Index return of -4.24% (2018/19: +9.51%). Over five years, the fund achieved a return of +1.37% (2018/19: +6.77%) compared to the FTSE All Share Index return of +0.57% (2018/19: +6.10%).

Fund	2019/20		2018/19	
	3 year	5 year	3 year	5 year
Fund	-2.44%	+1.37%	+8.31%	+6.77%
FTSE All Share	-4.24%	+0.57%	+9.51%	+6.10%
Fund outperformance	+1.80%	+0.80%	-1.20%	+0.67%

Reserves

The charity is supported by the City of London Corporation out of its City's Cash Funds. The contribution towards the running costs of Hampstead Heath is determined in accordance with a formula set out in the governing document. Reserves therefore represent the accumulated net income that cannot be distributed under the existing governance arrangements. Due to the governance arrangements in place, a reserves policy is considered by the trustee to be inappropriate.

Spending Policy

The reserves policy of the charity is that the original endowment of £15 million (now worth £ 25.6 million) should produce income to cover a proportion of the running costs of Hampstead Heath. The contribution for 2019/20 of £1,285,109 (2018/19: £1,158,672) consists of £1,262,119 from the permanent endowment (2018/19: £1,136,000), and income arising from the former T.J. Barratt Trust, which was

transferred to the Hampstead Heath Trust Fund in November 2011, of £22,990 (2018/19: £22,672).

Should the actual income earned in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment. The contribution of £1,285,109 for 2019/20 from the permanent endowment was met entirely from net income and no further allocation from the permanent endowment reserves was required.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

The principal risks faced by the charity, and actions taken to manage them are as follows:

Risks which are specific to Hampstead Heath:

Risk	Actions to manage risks
Impact of housing and population and transport increase	<ul style="list-style-type: none"> • Maintain a close partnership with Planning Authorities. • Review local planning applications which may impact on the Open Spaces. • Respond to consultation on local plans to help influence the content of the documents.
Plant and Tree Disease	<ul style="list-style-type: none"> • Sourcing of plants / trees through approved suppliers. • Trained arboricultural contractors carrying out spraying and nest removal of Oak Processionary Moth. • Continue to monitor pest and tree disease across the charity.
Ensuring the Health and Safety of staff, contractors, visitors and volunteers	<ul style="list-style-type: none"> • Annual Health & Safety site Audits with peer review. • Hold local Health & Safety meetings. Staff updated in toolbox / team talks. • Online e-learning and training sessions undertaken by staff e.g. Mental Health Awareness, Fire Safety.

Risk	Actions to manage risks
Extreme Weather Events	<ul style="list-style-type: none"> • Alerts issued to staff via Met Office. • Trigger Event Policy embedded into way of working. • Review process 6 monthly or following an extreme weather event.
Hampstead Heath Water bodies including Bathing Ponds	<ul style="list-style-type: none"> • Training for lifeguards. • Safety equipment accessible at ponds and regular checks undertaken and defects reported for repair or replacement. • Appropriate signage at ponds is regularly checked and defects reported for repair or replacement.
Impact of Covid-19 on income generation and financial management	<ul style="list-style-type: none"> • Working closely with Chamberlain to monitor budget lines and keep them informed as financial situation develops. • Predictions on loss of income being worked up to aid longer term decision making, including rental, sports provision, catering and retail.
Impact of Covid-19 on health and safety of visitors and staff	<ul style="list-style-type: none"> • Public health and safety works continues. • Staff are working an emergency roster. Staff deliver the four 'Es' and are working in partnership with other Local Authority officers and the MPS delivering Covid-19 advice. • Staff continue to carry out weekly health and safety checks and these are recorded. • Risk Assessments and Safe Systems of Work have been reviewed and shared with staff across the Division. Staff have access to PPE including masks, gloves and cleaning materials. Signage and social media is being used effectively to promote Covid-19 guidance and regulations.
Covid-19 impact on care and husbandry of animals	<ul style="list-style-type: none"> • Livestock work continues. • Staff are working an emergency roster. • Animal welfare is being maintained daily. Contact with IZVG is maintained and visits / inspections carried out observing social distancing. • Access to local vets is available. • Food, bedding, etc is available through existing suppliers.

Risks which are specific to Hampstead Heath Trust Fund:

Risk	Actions to manage risks
Decline in incoming resources	<ul style="list-style-type: none"> • Implementing strict controls. • The charity's funds are invested by a professional fund manager. • The Financial Investment Board regularly monitors the performance of this fund manager.
Where the Trustee has a conflict of interest	<ul style="list-style-type: none"> • Those concerned having a specific understanding of trust law. • Adopting the protocol for disclosing any potential conflict.
Losing directly employed staff and/or the support staff	<ul style="list-style-type: none"> • Documenting systems, plans and projects • Having any necessary training programmes

TRUSTEE RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose 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 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity’s auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee’s website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee’s website is the responsibility of the Trustee. The Trustee’s responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Jeremy Paul Mayhew MA MBA
Chairman of Finance Committee of
The City of London Corporation
Guildhall, London
10 November 2020

Jamie Ingham Clark FCA, Deputy
Chairman of Finance Committee
of The City of London Corporation

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HAMPSTEAD HEATH

Opinion

We have audited the financial statements of Hampstead Heath (the charity) for the year ended 31 March 2020, which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

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

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

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information contained in the financial statements is inconsistent in any material respect with the Trustee's Annual Report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

<https://www.frc.org.uk/auditorsresponsibilities>

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's Trustee, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

BDO LLP, statutory auditor
London

28 January 2021

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

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

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2019/20 Total Funds £	2018/19 Total Funds £
Income and endowments from:						
Voluntary activities	2	7,255	-	-	7,255	41,957
Charitable activities	3	1,896,810	-	-	1,896,810	1,784,571
Grant from City of London Corporation	4	6,229,684	-	-	6,229,684	6,318,210
Investments	5	1,494,596	-	-	1,494,596	1,525,654
Total income and endowments		9,628,345	-	-	9,628,345	9,670,392
Expenditure on:						
Raising funds	6	209,487	-	-	209,487	200,161
Charitable activities:						
Preservation of Hampstead Heath	6	9,641,825	-	-	9,641,825	9,422,418
Total expenditure		9,851,312	-	-	9,851,312	9,622,579
Net losses on investments	11	-	-	(6,297,390)	(6,297,390)	(168,194)
Net expenditure		(222,967)	-	(6,297,390)	(6,520,357)	(120,381)
Transfers between funds	15	-	-	-	-	-
Net movement in funds		(222,967)	-	(6,297,390)	(6,520,357)	(120,381)
Reconciliation of funds:						
Total funds brought forward	15	19,843,112	2,233	32,541,395	52,386,740	52,507,121
Total funds carried forward	15	19,620,145	2,233	26,244,005	45,866,383	52,386,740

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

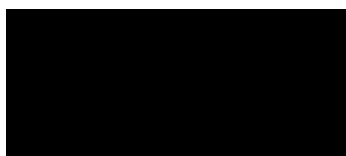
The notes on pages 22 to 39 form part of these financial statements.

CONSOLIDATED BALANCE SHEET**AS AT 31 MARCH 2020**

	Notes	2020 Total £	2019 Total £
Fixed assets:			
Tangible assets	10	19,449,993	19,672,960
Fixed asset investments	11	26,012,892	32,148,008
Total fixed assets		45,462,885	51,820,968
Current assets			
Debtors	12	439,566	541,505
Investments	11	404,233	566,507
Cash at bank and in hand		597,649	653,519
Total current assets		1,441,448	1,761,531
Creditors: Amounts falling due within one year	13	(1,037,950)	(1,195,759)
Net current assets		403,498	565,772
Total assets less current liabilities		45,866,383	52,386,740
The funds of the charity:			
Endowment funds	15	26,244,005	32,541,395
Restricted income funds	15	2,233	2,233
Unrestricted income funds	15	19,620,145	19,843,112
Total funds		45,866,383	52,386,740

The notes on pages 22 to 38 form part of these financial statements

Approved and signed on behalf of the Trustee.



Dr Peter Kane

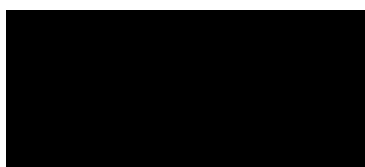
Chamberlain of London

25 January 2021

HAMPSTEAD HEATH**BALANCE SHEET****AS AT 31 MARCH 2020**

	Notes	2020 Total £	2019 Total £
Fixed assets:			
Tangible assets	10	19,449,993	19,672,960
Current assets			
Debtors	12	189,989	163,895
Cash at bank and in hand		420,341	476,211
Total current assets		610,330	640,106
Creditors: Amounts falling due within one year	13	(604,766)	(634,542)
Net current assets		5,564	5,564
Total assets less current liabilities		19,455,557	19,678,524
The funds of the charity:			
Restricted income funds	15	2,233	2,233
Unrestricted income funds	15	19,453,324	19,676,291
Total funds		19,455,557	19,678,524

Approved and signed on behalf of the Trustee.



Dr Peter Kane

Chamberlain of London

25 January 2021

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities, published in 2015, Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) (2nd Edition) and the Charities Act 2011.

(b) Group Financial Statements

The consolidated financial statements for the Hampstead Heath Group comprise Hampstead Heath and the Hampstead Heath Trust Fund. The consolidation is produced on a line by line basis. Separate financial statements are also produced for the Hampstead Heath Trust Fund, which is a subsidiary of Hampstead Heath. This was established by the Local Government Reorganisation (Hampstead Heath) Order 1989, with an endowment valued at £15 million at that time, the purpose of which was to contribute to the running costs of the Heath.

(c) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a 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. Funding is provided from the City of London Corporation's City's Cash. On an annual basis, a medium-term financial forecast is prepared for City's Cash. The latest forecast anticipates that adequate funds will be available in the next five years to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the potential impact of the Covid-19 pandemic on the future income levels and the liquidity of the charity over the next 12-month period. The charity has undergone a revised forecasting exercise to help provide assurances that it can continue to keep operating over the next 12-month period. The Hampstead Heath Trust charity only spends the income that is generated from its investments, so maintaining its capital base. Due regard is given to the protection of the endowment funds when determining the level of contribution to the running costs of Hampstead Heath. The latest forecast anticipates that adequate funds will be available in the next five years to enable the charity to continue to fulfil its obligations. For these reasons, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(d) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

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

In preparing the financial statements, management has made the following key judgements: useful economic life of fixed assets and the recovery of debts.

(e) Statement of Cash Flows

The charity 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.

A Statement of Cash Flows is included within the City's Cash Annual Report and Financial Statements 2020 which is publicly available at www.cityoflondon.gov.uk.

(f) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of donations, charges for use of facilities, contributions, grants, investment income, interest, sales and rental income.

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

(g) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. 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.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management of functions inherent in the activities undertaken. These include the costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in note 7.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid.

(h) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are valued at the year-end rate exchange. All gains or losses on translation are taken to Statement of Financial Activities in the year in which they occur.

(i) 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 benefit 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 £630.4m as at 31 March 2020 (£608.6m as at 31 March 2019). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does 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 these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2019, using the projected unit method. The actuary will carry out the next assessment of the scheme as at 31 March 2022, which will set contributions for the period from 1 April 2022 to 31 March 2024. Contribution rates adopted for the financial years 2017/18, 2018/19 and 2019/20 have been set at 21% (2016/17: 17.5%).

(j) Taxation

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

(k) Fixed Assets

Heritage Land and Associated Buildings

Hampstead Heath comprises 275 hectares (680 acres) of land located in the London Boroughs of Camden and Barnet, together with associated buildings. The object of the

charity is the preservation of the Heath at Hampstead in perpetuity as an open space for the recreation and enjoyment of the public. Hampstead Heath is considered to be inalienable (i.e. may not be disposed of without specific statutory powers).

Land and the original associated buildings acquired prior to 1 April 2009 are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements 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 and other assets would be included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

Tangible fixed assets

Assets that are capable of being used for more than one year and have a cost greater than £50,000 are capitalised. Such assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged from the year following that of acquisition, on a straight-line basis, in order to write off each asset over its estimated useful life as follows. Land is not depreciated.

	Years
Operational buildings	30 to 50
Improvements and refurbishments to buildings	up to 30
Equipment	5 to 25
Infrastructure	up to 20*

With the exception of certain ponds infrastructure (such as sheet piling and foundation slabs) whose useful life has been determined at 120 years.

(l) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This 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 were previously valued at mid-price. To ensure compliance with FRS102, bid-price is now used. The difference in valuation as a result in the year is considered immaterial. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(m) Stocks

Stocks are valued at the lower of cost or net realisable value. All stocks are finished goods and are held for resale as part of the charity operation.

(n) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Expendable endowment fund – the purpose of this fund is to provide net income to be used towards the running costs of the Heath, transferred from the former T J Barratt bequest in December 2011 (see note 15).

Restricted funds – these include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted income funds – these funds can be used in accordance with the charitable object at the discretion of the Trustee and include both income generated by assets representing unrestricted funds. Specifically, this represents any surplus of income over expenditure of the Trust distributed annually towards the running costs of the Heath.

Designated funds – these are funds set aside by the Trustee out of unrestricted funds for a specific purpose.

(o) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2019/20 £	Unrestricted funds £	Restricted funds £	Total 2018/19 £
Grants	-	-	-	-	36,850	36,850
Donations and legacies	7,255	-	7,255	5,107	-	5,107
Total	7,255	-	7,255	5,107	36,850	41,957

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2019/20 £	Unrestricted funds 2018/19 £
Charges for use of facilities	1,624,310	1,468,832
Sales	40,337	30,156
Rental income	232,163	285,583
Total	1,896,810	1,784,571

4. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds 2019/20 £	Unrestricted funds 2018/19 £
Revenue and capital grants from City of London Corporation	6,229,684	6,318,210
Total	6,229,684	6,318,210

5. INCOME FROM INVESTMENTS

	Unrestricted funds £	Endowment funds	Total 2019/20 £	Unrestricted income funds £	Total 2018/19 £
Investment income	1,494,147		1,494,147	1,523,943	1,523,943
Interest	449	-	449	1,711	1,711
Total	1,494,596	-	1,494,596	1,525,654	1,525,654

Income for the year included:

Donations – being amount received from the public at the ponds for the diary and paddling pool.

Charitable activities – being amounts generated from the sales of leaflets, books, maps cards and other publications relating to Hampstead Heath; charges made to the public for the use of facilities, admissions and services and from rental income.

Grants from the City of London Corporation – being the amount received from the City of London Corporation’s City’s Cash to meet the deficit on running expenses of the charity, alongside funding for capital purchases.

Investment income – being the amount received from the Charities Pool and interest receivable on cash balances held on behalf of the Trust.

6. EXPENDITURE

Expenditure on raising funds

	Direct costs £	Support costs £	Total 2019/20 £	Direct costs £	Support costs £	Total 2018/19 £
Investment management fees	207,344	-	207,344	194,449	-	194,449
Interest payable	-	2,143	2,143	-	5,712	5,712
Total	207,344	2,143	209,487	194,449	5,712	200,161

Expenditure on charitable activities

	Direct costs £	Support costs £	Total 2019/20 £	Direct costs £	Support costs £	Total 2018/19 £
Preservation of Hampstead Heath	8,368,775	1,273,050	9,641,825	8,113,290	1,309,128	9,422,418
Total	8,368,775	1,273,050	9,641,825	8,113,290	1,309,128	9,422,418

Charitable activity

Expenditure on the charitable activities includes labour, premises costs, equipment, materials and other supplies and services incurred in the running of Hampstead Heath.

Auditor's remuneration and fees for other services

BDO are the auditors of the City of London's City's Cash Fund and all of the different charities of which it is Trustee. The City of London Corporation charges the audit fee to its City's Cash Fund and does not attempt to apportion the audit fee between all of the different charities. No other services were provided to the charity by its auditors during the year (2018/19: nil).

7. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

	Charitable activities £	Governance £	2019/20 £	2018/19 £
Department:				Restated
Chamberlain	137,828	-	137,828	146,541
Comptroller & City Solicitor	-	-	-	83,748
Town Clerk	-	242,869	242,869	196,869
City Surveyor	369,277	-	369,277	390,025
Open Spaces directorate	178,413	-	178,413	116,695
Other governance & support costs	86,648	-	86,648	85,901
Digital Services	258,015	-	258,015	289,349
Sub-total	1,030,181	242,869	1,273,050	1,309,128
Reallocation of governance costs	242,869	(242,869)	-	-
Total	1,273,050	-	1,273,050	1,309,128

All support costs are undertaken from unrestricted funds. Governance costs are allocated based on a proportion of officer time spent on the administration of Trustee and Committee related meetings.

During the year a reanalysis of costs was undertaken between Town Clerks, Chamberlains and Governance costs. The reanalysed costs are included in the table above, with a restatement of costs for the previous year in the table below.

Support costs restated

	Charitable activities £	Governance £	2018/19 £	2017/18 £
Department:				
Chamberlain	146,541	-	146,541	144,035
Comptroller & City Solicitor	83,748	-	83,748	85,889
Town Clerk	-	196,869	196,869	221,239
City Surveyor	390,025	-	390,025	331,566
Open Spaces directorate	116,695	-	116,695	110,598
Other governance & support costs	85,901	-	85,901	81,385
Digital Services	289,349	-	289,349	278,262
Sub-total	1,112,259	196,869	1,309,128	1,252,974
Reallocation of governance costs	196,869	(196,869)	-	-
Total	1,309,128	-	1,309,128	1,252,974

8. DETAILS OF STAFF COSTS

All staff that work on behalf of the charity are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 98 (2018/19: 99).

Amounts paid in respect of employees directly undertaking activities on behalf of the charity were as follows:

	2019/20	2018/19
	£	£
Salaries and wages	3,787,348	3,717,519
National Insurance costs	371,744	365,551
Employer's pension contributions	672,405	666,824
Total emoluments of employees	4,831,497	4,749,894

The number of directly charged employees whose emoluments (excluding employer's pension contribution and national insurance contribution) for the year were over £60,000 was 2.0 (2018/19: 2.0).

	2019/20	2018/19
£60,000 - £69,999	2.0	2.0
	2.0	2.0

Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and the Director of Open Spaces who manages the seven open spaces funded by the City of London Corporation. A proportion of the Directors' employment benefits are allocated to this charity.

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 amount of employee benefits received by key management personnel totalled £32,724 (2018/19: £32,509). No members received any remuneration, with directly incurred expenses reimbursed, if claimed. No expenses were claimed in 2019/20 (2018/19: £nil).

9. HERITAGE ASSETS

Since 1880 the primary purpose of the charity has been the preservation of Hampstead Heath for the recreation and enjoyment of the public. As set out in Note 1(k), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of Hampstead Heath are contained in the Hampstead Heath Management Plan 2011. Records of heritage assets owned and maintained by Hampstead Heath can be obtained from the Director of Open Spaces at the principal address as stated on page 39.

10. TANGIBLE FIXED ASSETS

	Land and Buildings £	Infrastructure £	Equipment (WIP) £	Equipment £	Total £
Cost					
At 1 April 2019	1,154,101	19,558,712	15,812	272,479	21,001,104
At 31 March 2020	1,154,101	19,558,712	15,812	272,479	21,001,104
Depreciation					
At 1 April 2019	127,388	1,035,063	-	165,693	1,328,144
Charge for the year	26,459	177,124	-	19,384	222,967
Disposals	-	-	-	-	-
At 31 March 2020	153,847	1,212,187	-	185,077	1,551,111
Net book value					
At 31 March 2020	1,000,254	18,346,525	15,812	87,402	19,449,993
At 31 March 2019	1,026,713	18,523,649	15,812	106,786	19,672,960

11. FIXED ASSET INVESTMENTS

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The Charities Pool is a UK registered unit trust.

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

	2020	2019
	£	£
Market value 1 April	32,148,008	32,690,842
Additions	7,394,653	9,229,591
Disposals	(7,232,379)	(9,604,231)
Loss for the year	(6,297,390)	(168,194)
Market value 31 March	26,012,892	32,148,008
Cash held by fund managers	404,233	566,507
Total investments at 31 March	26,417,125	32,714,515
Cost 31 March	30,284,595	29,948,602

Total investments as at 31 March are analysed between long term and short-term investments as follows:

	2020	2019
	£	£
Long term	26,012,892	32,148,008
Cash held by fund managers	404,233	566,507

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

	Held in the UK £	Held outside the UK £	Total at 31 March 2020 £	Held in the UK £	Held outside the UK £	Total at 31 March 2019 £
Fixed interest securities	-	-	-	-	-	-
Unit trusts	1,963,403	-	1,963,403	2,336,517	-	2,336,517
Equities	21,158,443	2,891,046	24,049,489	25,911,456	3,900,035	29,811,491
Cash held by fund manager	404,233	-	404,233	566,507	-	566,507
Total	23,526,079	2,891,046	26,417,125	28,814,480	3,900,035	32,714,515

12. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

Hampstead Heath consolidated	2020	2019
	£	£
Rental debtors	35,667	13,859
Prepayments and accrued income	41,856	46,416
Recoverable VAT	103,753	93,147
Other debtors	258,290	388,083
Total	439,566	541,505

Other debtors consist of sundry debtors of £16,084 (2018/19: £17,374) and dividends of £242,206 receivable from the fund manager (£370,709). 2018/19 other debtors included a Carbon Reduction Commitment allowance of £6,957.

Hampstead Heath	2020	2019
	£	£
Rental debtors	35,667	13,859
Prepayments and accrued income	41,856	46,416
Recoverable VAT	103,753	93,147
Other debtors	8,713	10,473
Total	189,989	163,895

Other debtors comprised of sundry debtors.

13. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

Hampstead Heath consolidated	2020	2019
	£	£
Bank overdraft	395,160	523,848
Trade creditors	140,527	211,764
Accruals	239,884	262,282
Deferred income	54,459	49,916
Rent deposits	51,925	51,925
Other creditors	155,995	96,024
Total	1,037,950	1,195,759

	2020	2019
	£	£
Deferred income analysis within creditors:		
Balance at 1 April	49,916	31,910
Amounts released to income	(49,916)	(31,910)
Amounts deferred in the year	54,459	49,916
Balance at 31 March	54,459	49,916

Other creditors consist of sundry creditors.

Deferred income relates to rental income received in advance for periods after the year-end.

Hampstead Heath	2020	2019
	£	£
Trade creditors	140,527	211,764
Accruals	239,884	262,282
Deferred income	54,459	49,916
Rent deposits	51,925	51,925
Other creditors	117,971	58,655
Total	604,766	634,542

	2020	2019
	£	£
Deferred income analysis within creditors:		
Balance at 1 April	49,916	31,910
Amounts released to income	(49,916)	(31,910)
Amounts deferred in the year	54,459	49,916
Balance at 31 March	54,459	49,916

Other creditors consist of sundry creditors.

Deferred income relates to rental income received in advance for periods after the year-end.

14. ANALYSIS OF CONSOLIDATED NET ASSETS BY FUND

At 31 March 2020	Unrestricted Funds		Restricted Funds	Endowment Funds	Total at 31 March 2020	Total at 31 March 2019
	General Funds	Designated Funds				
	£	£				
Tangible Assets	-	19,449,993	-	-	19,449,993	19,672,960
Fixed Asset Investments	-	-	-	26,012,892	26,012,892	32,148,008
Current Assets	771,587	3,331	2,233	664,297	1,441,448	1,761,531
Current Liabilities	(604,766)	-	-	(433,184)	(1,037,950)	(1,195,759)
Total	166,821	19,453,324	2,233	26,244,005	45,866,383	52,386,740

At 31 March 2019	Unrestricted Funds		Restricted Funds	Endowment Funds	Total at 31 March 2019	Total at 31 March 2018
	General Funds	Designated Funds				
	£	£				
Tangible Assets	-	19,672,960	-	-	19,672,960	19,747,146
Fixed Asset Investments	-	-	-	32,148,008	32,148,008	32,690,842
Current Assets	801,363	3,331	2,233	954,604	1,761,531	1,128,278
Current Liabilities	(634,542)	-	-	(561,217)	(1,195,759)	(1,059,145)
Total	166,821	19,676,291	2,233	32,541,395	52,386,740	52,507,121

Expendable endowment movements 2011-2020

At 31 March 2020	Unrestricted Funds				
	Balance at 1 April	Revaluation of investments	Balance at 31 March	Cash	Expendable endowment
	£	£	£	£	£
Opening	393,461	8,497	401,958	177,308	579,266
2011-2012	401,958	11,764	413,722	177,308	591,030
2012-2013	413,722	58,823	472,545	177,308	649,853
2013-2014	472,545	34,640	507,185	177,308	684,493
2014-2015	507,185	32,680	539,865	177,308	717,173
2015-2016	539,865	(30,719)	509,146	177,308	686,454
2016-2017	509,146	60,784	569,930	177,308	747,238
2017-2018	569,930	5,229	575,159	177,308	752,467
2018-2019	575,159	(5,229)	569,930	177,308	747,238
2019-2020	569,930	(106,075)	463,855	177,308	641,163

Hampstead Heath

At 31 March 2020	Unrestricted Funds		Restricted Funds	Total at 31 March 2020	Total at 31 March 2019
	General Funds	Designated Funds			
	£	£			
Tangible Assets	-	19,449,993	-	19,449,993	19,672,960
Current Assets	604,766	3,331	2,233	610,330	640,106
Current Liabilities	(604,766)	-	-	(604,766)	(634,542)
Total	-	19,453,324	2,233	19,455,557	19,678,524

At 31 March 2019	Unrestricted Funds		Restricted Funds	Total at 31 March 2019	Total at 31 March 2018
	General Funds	Designated Funds			
	£	£			
Tangible Assets	-	19,672,960	-	19,672,960	19,747,146
Current Assets	634,542	3,331	2,233	640,106	474,728
Current Liabilities	(634,542)	-	-	(634,542)	(424,342)
Total	-	19,676,291	2,233	19,678,524	19,797,532

15. CONSOLIDATED MOVEMENT IN FUNDS

Hampstead Heath consolidated

At 31 March 2020	Total as at 1 April 2019	Income	Expenditure	Losses	Transfers	Total as at 31 March 2020
	£	£	£	£	£	£
Endowment funds:						
Permanent endowment funds	31,794,157	-	-	(6,191,315)	-	25,602,842
Expendable endowment funds	747,238	-	-	(106,075)	-	641,163
Total endowment funds	32,541,395	-	-	(6,297,390)	-	26,244,005
Restricted funds:						
Parliament Hill Outdoor Gym	2,233	-	-	-	-	2,233
Unrestricted funds:						
General funds	166,821	9,628,345	(9,628,345)	-	-	166,821
Designated funds:						
Tangible fixed assets	19,672,960	-	(222,967)	-	-	19,449,993
Capital fund	3,331	-	-	-	-	3,331
Total unrestricted funds	19,843,112	9,628,345	(9,851,312)	-	-	19,620,145
Total funds	52,386,740	9,628,345	(9,851,312)	(6,297,390)	-	45,866,383

At 31 March 2019	Total as at 1 April 2018 £	Income £	Expenditure £	Losses £	Transfers £	Total as at 31 March 2019 £
Endowment funds:						
Permanent endowment funds	31,957,122	1,502,982	(1,336,161)	(162,965)	(166,821)	31,794,157
Expendable endowment funds	752,467	22,672	(22,672)	(5,229)	-	747,238
Total endowment funds	32,709,589	1,525,654	(1,358,833)	(168,194)	(166,821)	32,541,395
Restricted funds:						
Parliament Hill Outdoor Gym	10,000	36,850	(44,617)	-	-	2,233
Unrestricted funds:						
General funds	-	8,003,750	(8,003,750)	-	166,821	166,821
Designated funds:						
Tangible fixed assets	19,747,146	104,138	(215,379)	-	37,055	19,672,960
Capital fund	40,386	-	-	-	(37,055)	3,331
Total unrestricted funds	19,787,532	8,107,888	(8,219,129)	-	166,821	19,843,112
Total funds	52,507,121	9,670,392	(9,622,579)	(168,194)	-	52,386,740

Prior year figures have been restated to reflect the fact that income earned from endowment funds should be received within the unrestricted funds, with subsequent expenditure also being spent against this fund. This presentation change has nil impact on the total reserves of the charity.

Purpose of the endowment funds

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Before any potential gains on investments are considered, should net income be more than any year's contribution to the running costs of the Heath, then the surplus funds would be retained as unrestricted funds to be used in future years. During 2019/20 the contribution consisted of the entire net income.

The expendable endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Any income generated is used in accordance with the objectives of the trust. The purpose of this fund is to provide net income to be used to contribute towards the running costs of the Heath, transferred from the former T J Barratt bequest in December 2011.

Purposes of restricted funds

The restricted fund represents funds received from London Borough of Camden (Sports and Physical Activity Service) for creation of a new outdoor gym at Parliament Hill. The project was completed and it is anticipated that the balance of £2,233 will be returned to London Borough of Camden in 2020/21.

Purposes of designated funds

Designated funds have been set aside by the Trustee for the following purposes:

- i. *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. At 31 March 2020 the net book value of fixed assets relating to direct charitable purposes amounted to £19,449,993 (2018/19: £19,672,960).

- ii. *Capital Fund* - as part of an Open Spaces wide Fleet Management project a disposal exercise of redundant fleet and equipment was undertaken in 2016/17. It was agreed to use the income raised to fund energy efficiency improvement works. The installation of photovoltaic energy panels at the Lido, Hampstead Heath was completed. It is anticipated that the balance of £3,331 will be released to unrestricted income.

Hampstead Heath movement in funds

At 31 March 2020	Total as at 1 April 2019 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2020 £
Restricted funds:					
Parliament Hill Outdoor Gym	2,233	-	-	-	2,233
Unrestricted funds:					
General funds	-	8,133,749	(8,133,749)	-	-
Designated funds:					
Tangible fixed assets	19,672,960	-	(222,967)	-	19,449,993
Capital fund	3,331	-	-	-	3,331
Total unrestricted funds	19,676,291	8,133,749	(8,356,716)	-	19,453,324
Total funds	19,678,524	8,133,749	(8,356,716)	-	19,455,557

At 31 March 2019	Total as at 1 April 2018 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2019 £
Restricted funds:					
Parliament Hill Outdoor Gym	10,000	36,850	(44,617)	-	2,233
Unrestricted funds:					
General funds	-	8,003,750	(8,003,750)	-	-
Designated funds:					
Tangible fixed assets	19,747,146	104,138	(215,379)	37,055	19,672,960
Capital fund	40,386	-	-	(37,055)	3,331
Total unrestricted funds	19,787,532	8,107,888	(8,219,129)	-	19,676,291
Total funds	19,797,532	8,144,738	(8,263,746)	-	19,678,524

16. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in note 6.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are

required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2019/20 £	2018/19 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity	6,229,684 (nil)	6,318,210 (nil)	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		1,273,050 (nil)	1,309,128 (nil)	Administrative services provided for the charity
		1,494,596 (nil)	1,525,654 (nil)	Distribution from the Charities Pool and interest receivable on cash balances

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Hampstead Heath

Registered charity number: 803392

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation

Treasurer

Dr Peter Kane - The Chamberlain of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

Open Spaces

Colin Buttery – Director of Open Spaces

AUDITORS:

BDO LLP, 55 Baker Street, London, W1U 7EU

BANKERS:

Lloyds Bank Plc., P.O.Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT ADVISORS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of City's Cash:

PA-DeputyChamberlain@cityoflondon.gov.uk