

Hampstead Heath Trust Fund

Annual Report and Consolidated Financial
Statements for the year ended 31 March 2021

Charity registration number 803392-1

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ORIGINS OF THE CHARITY

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 the charity is to provide a proportion of the running costs for the preservation and enhancement of Hampstead Heath as an open space for the recreation and enjoyment of the public.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing documents are the Hampstead Heath Act 1871, the London Government Reorganisation (Hampstead Heath) Order 1989 and a Declaration of Trust dated 31 March 1989. The Hampstead Heath Trust Fund is a subsidiary of Hampstead Heath (charity number 803392). 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 Trust Fund. 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.

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 2020/21 were as follows:

The Trustee has delegated the responsibility of management of this charity to its Finance Committee and delegated responsibility in respect of the Trust's investments to its Financial Investment Board (a sub-committee of the Trustee's Investment Committee).

GOVERNANCE ARRANGEMENTS (continued)

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The charity is a subsidiary of Hampstead Heath (charity no. 803392), which in turn 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 2019/20 and is ongoing to ensure that the charity is effective in fulfilling its objective. 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 25.

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 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 Trust Fund. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

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 a segregated portfolio primarily focused on UK equities and also as one of the underlying charities in the City of London Corporation Charities Pool. Both the Trust itself and the Charities Pool are charities registered in the UK with the Charity Commission (charity numbers: 803392-1 and 1021138 respectively). 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 25.

The Charity considers proactive engagement with the companies in which it invests to be the most effective means of understanding and influencing the social, environmental and governance policies of those companies. It expects investment managers to take steps to ensure that these factors are adequately addressed in the selection, retention and realisation of investments as far as such factors may affect investment performance.

Fundraising

Charities subject to the audit requirements of the Charities Act 2011 are required to include a statement in their annual report relating to fundraising activities. The charity is aware of these requirements and, as it does not undertake fundraising activity, has nothing to disclose under the provisions of section 13 of the Charities (Protection and Social Investment) Act 2016.

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 Trust Fund's aims and objectives and in planning future activities. The purpose of the charity is to provide a proportion of the running costs for the preservation and enhancement of Hampstead Heath as an open space for the recreation and enjoyment of the public.

Consequently, the Trustee considers that Hampstead Heath Trust Fund 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 25.

ACHIEVEMENTS AND PERFORMANCE

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 2020/21, the Trust has contributed £1,361,163 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 charity continues to be affected by the global economic downturn from the global pandemic of Coronavirus. There has been a significant recovery in the market value of the investments held by the charity, and although investment income has increased compared to 2019/20, the downturn continues to affect the income generating of the charity's investments, and may impact upon the future level of distributable income available to meet the grant-making objectives of the charity.

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.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 11.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2020/21 the charity's total income for the year was £1,560,485, an overall increase of £65,889 against the previous year (2019/20 £1,494,596).

All income came from investments in both years.

Expenditure

Total expenditure for the year was £1,510,429 (2019/20: £1,494,596). Charitable activities expenditure in the year totalled £1,361,163 (2019/20: £1,285,109). In 2020/21, the whole amount of investment income received in the year was used to cover these activities. Expenditure on raising funds for the year was £149,266 (2019/20: £209,487), which was mainly due to a decrease in investment management expenses during the year.

Funds held

The charity's total funds held increased by £6,730,062 to £33,140,888 or +25.29% as at 31 March 2021 (2019/20: £26,410,826). Funds are represented by permanent and expendable endowment funds and unrestricted income 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. A surplus of £50,056 was generated in the year (2019/20: nil).

Details of all funds held, including their purposes, is set out within note 9 to the financial statements.

Investment performance

The investments are held within both a segregated portfolio primarily invested in UK shares and the City of London Corporation Charities Pool. The performance of these investments are analysed as follows:

1) Segregated portfolio

The funds of the charity are managed by Artemis Investment Management LLP. Market values and performance against benchmarks for the year was as follows:

	Market Value		Returns		Benchmark	
	2020/21 £	2019/20 £	2020/21 %	2019/20 %	2020/21 %	2019/20 %
Hampstead Heath Trust	32,519,052	25,953,270	+30.63%	-14.61%	+26.71%	-18.45%
City of London Charities Pool (part of)	578,078	463,855	+30.72%	-14.78%	+26.71%	-18.45%
	<u>33,097,131</u>	<u>26,417,125</u>				

2) Hampstead Heath Trust Fund

As at 31 March 2021, the investments held in the Hampstead Heath Trust Fund achieved a return of +30.63% (2019/20:-14.61%) compared to the FTSE All Share Index return of +26.71% (2019/20: -18.45%). Over three years this fund achieved a return of +5.16% (2019/20: -2.29%) compared to the FTSE All Share Index return of +3.19% (2019/20: -4.24%). Over five years, the fund achieved a return of +7.22% (2019/20: +1.36%) compared to the FTSE All Share Index return of +6.29% (2019/20: +0.57%).

	2020/21		2019/20	
	3 year	5 year	3 year	5 year
Fund	+5.16%	+7.22%	-2.29%	+1.36%
FTSE All Share	+3.19%	+6.29%	-4.24%	+0.57%
Fund Outperformance	+1.97%	+0.93%	+1.95%	+0.79%

3) City of London Corporation Charities Pool

As at 31 March 2021, the investments held in the Charities Pool achieved a return of +30.72% (2019/20: -14.78%) compared to the FTSE All Share Index return of +26.71% (2019/20: -18.45%). Over three years this fund achieved a return of +5.04% (2019/20: -2.44%) compared to the FTSE All Share Index return of +3.19% (2019/20: -4.24%). Over five years, the fund achieved a return of +7.19% (2019/20: +1.37%) compared to the FTSE All Share Index return of +6.20% (2019/20: +0.57%).

	2020/21		2019/20	
	3 year	5 year	3 year	5 year
Fund	+5.04%	+7.19%	-2.44%	+1.37%
FTSE All Share	+3.19%	+6.20%	-4.24%	+0.57%
Fund Outperformance	+1.85%	+0.99%	+1.80%	+0.80%

Reserves policy

The reserves policy is to maintain the endowment funds of the charity and use the investment income together with other funds, in accordance with the objectives of the charity. Should the net income from endowment funds held be more than any year's required contribution to the running costs of the Heath, then the surplus is retained as unrestricted funds to be used in future years. In 2020/21 the surplus was £50,056 (2019/20: £nil).

Spending Policy

The reserves policy of the charity is that the original endowment of £15 million (now worth £32.5 million) should produce income to cover a proportion of the running costs of Hampstead Heath. The contribution for 2020/21 of £1,361,163 (2019/20: £1,285,109) consists of £1,336,000 from the permanent endowment (2019/20: £1,262,119), and income arising from the former T.J. Barratt Trust, which was transferred to the Hampstead Heath Trust Fund in November 2011, of £25,163 (2019/20: £22,990).

Should the actual income earnt 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 £1,361,163 for 2020/21 from the unrestricted funds 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:

Risk	Actions to manage risks
Decline in income	<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'S 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.

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

Guildhall, London

7 December 2021

Jeremy Paul Mayhew MA MBA
Deputy Chairman of Finance
Committee of The City of London
Corporation

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF HAMPSTEAD HEATH TRUST FUND

To be provided by BDO

To be provided by BDO

To be provided by BDO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Endowment Funds £	2020/21 Total Funds £	2019/20 Total Funds £
Income and endowments from:					
Investment income	2	1,560,485	-	1,560,485	1,494,596
Total income		1,560,485	-	1,560,485	1,494,596
Expenditure on:					
Raising funds	3	149,266	-	149,266	209,487
Charitable activities	3	1,361,163	-	1,361,163	1,285,109
Total expenditure		1,510,429	-	1,510,429	1,494,596
Net (losses) on investments	5	-	6,680,006	6,680,006	(6,297,390)
Net income/ (expenditure)		50,056	6,680,006	6,730,062	(6,297,390)
Transfers between funds	9	-	-	-	-
Net movement in funds		50,056	6,680,006	6,730,062	(6,297,390)
Reconciliation of funds:					
Total funds brought forward	9	166,821	32,541,395	26,410,826	32,708,216
Total funds carried forward	9	216,877	32,924,011	33,140,888	26,410,826

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 18 to 24 form part of these financial statements.

BALANCE SHEET**AS AT 31 MARCH 2021**

	Notes	2021 Total £	2020 Total £
Fixed assets:			
Investments	5	32,841,486	26,012,892
Total fixed assets		32,841,486	26,012,892
Current assets			
Debtors	6	273,449	249,577
Investments	5	255,645	404,233
Cash at bank and in hand		177,308	177,308
Total current assets		706,402	831,118
Creditors: Amounts falling due within one year			
	7	(407,000)	(433,184)
Net current assets		299,402	397,934
Total net assets		33,140,888	26,410,826
The funds of the charity:			
Endowment funds	9	32,924,011	26,244,005
Unrestricted funds	9	216,877	166,821
Total funds		33,140,888	26,410,826

The notes on pages 18 to 24 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX December 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 Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) 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 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.

(c) 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.

(d) 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 2021 which is publicly available at www.cityoflondon.gov.uk.

(e) 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 investment income and interest.

(f) 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.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities.

(g) 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.

(h) 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.

(i) Investments

Investments are held within a segregated portfolio, primarily invested in UK shares, and 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.

To ensure compliance with FRS102, investments are valued at bid-price. 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.

(j) 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. Gains/losses on the underlying assets remain as part of the endowment.

Expendable endowment fund – the purpose of this fund is to provide income for the benefit of the charity as a result of conditions imposed by the original donors and trusts.

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 within the endowment funds and from those representing unrestricted funds. Specifically, this represents any surplus of income over expenditure of the Trust distributed annually towards the running costs of the Heath.

(k) Indemnity insurance

The charity, elected Members and staff supporting the charity's administration are indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2020/21	Unrestricted funds 2019/20
	£	£
Investment income	1,560,485	1,494,147
Interest	-	449
Total	1,560,485	1,494,596

3. EXPENDITURE

Expenditure on raising funds:

	Unrestricted funds			Unrestricted funds		
	Direct costs		Total 2020/21	Direct costs		Total 2019/20
	£	£	£	£	£	£
Managed investment fees	146,417	-	146,417	207,344	-	207,344
Interest payable	-	2,848	2,848	-	2,143	2,143
Total	146,417	2,848	149,265	207,344	2,143	209,487

Expenditure on charitable activities:

	Unrestricted funds			Unrestricted Funds		
	Direct costs		Total 2020/21	Direct costs		Total 2019/20
	£	£	£	£	£	£
Contribution to preservation and enhancement of Hampstead Heath as an open space	1,361,163	-	1,361,163	1,285,109	-	1,285,109

4. AUDITOR'S REMUNERATION

BDO are the auditors of the City of London City's Cash. The City of London Corporation charges the audit fee to its City's Cash Fund. From 2021/22, the City Corporation, as trustee, has taken a decision to seek reimbursement for the audit fee incurred from each of its charities. In 2020/21 no audit fee was recharged (2019/20: £nil). No other services were provided to the charity by its auditors during the year (2019/20: £nil).

5. TRUSTEE EXPENSES

The members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2020/21 (2019/20: £nil).

6. FIXED ASSET INVESTMENTS

The investments are held within both a segregated portfolio primarily invested in UK shares 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.

	Total 2021	Total 2020
	£	£
Market value 1 April	26,012,892	32,148,008
Additions	8,100,985	7,394,653
Disposals	(7,952,397)	(7,232,379)
(Loss)/gain for the year	6,680,006	(6,297,390)
Market value 31 March	32,841,486	26,012,892
Cash held by fund managers	255,645	404,233
Total investments 31 March	33,097,131	26,417,125
Cost 31 March	29,806,421	30,284,595

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

	2020	2019
	£	£
Long term	32,841,486	26,012,892
Cash held by fund managers	255,645	404,233
Total	33,097,131	26,417,125

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

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

	Unit trusts	Equities	Cash held by fund manager	Total
Held in the UK	£	£	£	£
Held in the UK	1,798,162	27,136,442	255,645	29,190,249
Held outside the UK	-	3,906,882	-	3,906,882
Total at 31 March 2021	1,798,162	31,043,324	255,645	33,097,131
 Held in the UK	 £	 £	 £	 £
Held in the UK	1,963,403	21,158,443	404,233	23,526,079
Held outside the UK	-	2,891,046	-	2,891,046
Total at 31 March 2020	1,963,403	24,049,489	404,233	26,417,125

7. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

	2021 £	2020 £
Sundry debtors	6,814	7,371
Other debtors	266,635	242,206
Total	273,449	249,577

Other debtors comprised of dividends receivable from fund manager.

8. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank overdraft	368,822	395,160
Other creditors	38,178	38,024
Total	407,000	433,184

9. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2021	Unrestricted	Endowment	Total at 31 March 2021	Total at 31 March 2020
	funds £	funds £		
Fixed assets -				
investments	-	32,841,486	32,841,486	26,012,892
Current assets	216,877	489,525	706,402	831,118
Current liabilities	-	(407,000)	(407,000)	(433,184)
Total	216,877	32,942,010	33,140,888	26,410,826

At 31 March 2020	Unrestricted	Endowment	Total at 31 March 2020	Total at 31 March 2019
	funds £	funds £		
Fixed assets -				
investments	-	26,012,892	26,012,892	32,148,008
Current assets	166,821	664,297	831,118	1,121,425
Current liabilities	-	(433,184)	(433,184)	(561,217)
Total	166,821	26,244,005	26,410,826	32,708,216

10. MOVEMENT IN FUNDS

At 31 March 2021	Total as at 1 April 2020	Income	Expenditure	Gains & (losses)	Transfers	Total as at 31 March 2021
	£	£	£	£	£	£
Endowment funds:						
Expendable endowment	641,163	-	-	114,223	-	755,386
Permanent endowment	25,602,842	-	-	6,565,783	-	32,168,625
Total endowment funds	26,244,005	-	-	6,680,006	-	32,924,011
Unrestricted funds:						
General funds	166,821	1,560,485	(1,510,429)	-	-	216,877
Total funds	26,410,826	1,560,485	(1,510,429)	6,680,006	-	33,140,888
At 31 March 2020	Total as at 1 April 2019	Income	Expenditure	Gains & (losses)	Transfers	Total as at 31 March 2020
	£	£	£	£	£	£
Endowment funds:						
Expendable endowment	747,238	-	-	(106,075)	-	641,163
Permanent endowment	31,794,157	-	-	(6,191,315)	-	25,602,842
Total endowment funds	32,541,395	-	-	(6,297,390)	-	26,244,005
Unrestricted funds:						
General funds	166,821	(1,494,596)	1,494,596	-	-	166,821
Total funds	32,708,216	(1,494,596)	1,494,596	(6,297,390)	-	26,410,826

Purpose of the endowment funds

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.

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 are retained as unrestricted funds to be used in future years. During 2020/21 the surplus was £50,056 (2019/20: £nil).

Purpose of unrestricted funds

The general fund comprises the accumulation of income surpluses as a result of unspent endowment fund income after the contribution towards the running costs of the Heath. Any undistributed annual income is held for use in future years in accordance with the objectives of the trust.

11. EXPENDABLE ENDOWMENT MOVEMENTS

10 Analysis of consolidated net assets between funds

Expendable endowment movements 2011-2021

	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
2020-2021	463,855	114,223	578,078	177,308	755,386

12. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 9.

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	2020/21	2019/20	Detail of transaction
		£	£	
City of London Corporation	The City of London Corporation is the Trustee for the charity	23,833	21,866	Distribution from the Charities Pool
		23,833	21,866	

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Hampstead Heath Trust Fund

Registered charity number: 803392-1

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

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation (appointed 1 May 2021)

Dr Peter Kane - The Chamberlain of the City of London Corporation (retired 30 April 2021)

Solicitor

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

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 Hampstead Heath (charity no: 803392) and City's Cash:

PA-DeputyChamberlain@cityoflondon.gov.uk