

Hampstead Heath

Incorporating:

Hampstead Heath Trust Fund

Annual Report and Financial Statements for  
the year ended 31 March 2023

Charity registration numbers 803392 and 803392-  
1

# CONTENTS

ORIGINS OF THE CHARITIES.....	1
STRUCTURE AND GOVERNANCE .....	2
ACHIEVEMENTS AND PERFORMANCE.....	7
FINANCIAL REVIEW .....	9
TRUSTEE'S RESPONSIBILITIES .....	15
INDEPENDENT AUDITOR'S REPORT .....	16
STATEMENT OF FINANCIAL ACTIVITIES .....	21
BALANCE SHEET.....	22
NOTES TO THE FINANCIAL STATEMENTS .....	23
REFERENCE AND ADMINISTRATION DETAILS .....	44

## ORIGINS OF THE CHARITIES

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.

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.

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. 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 for Hampstead Heath are the Hampstead Heath Act 1871 and the London Government Reorganisation (Hampstead Heath) Order 1989. The governing documents for the Hampstead Heath Trust Fund are the Hampstead Heath Act 1871, the London Government Reorganisation (Hampstead Heath) Order 1989 and a Declaration of Trust dated 31 March 1989. The charities are constituted as charitable trusts.

### 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 and 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. 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 for support provided to the Charity and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charities during 2022/23 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.

- **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.
- **Corporate Services Committee** – responsible for personnel and establishment matters throughout the City of London, including negotiations with the recognised trade unions.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held at the Trustee's discretion in public (except where it is not considered in the charity's best interests to do so), supporting a decision-making process which is clear, transparent and publicly accountable.

The charities are 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. An initial review of governance was undertaken to ensure that the charity is effective in fulfilling its objectives, and further more detailed work is to take place in 2023/24 to scope a review of all the City of London Corporation's Natural Environment charities. Reference is being made to the good practices recommended within the Charity Governance Code, with a focus 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 charities are administered in accordance with their 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 44.

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.

As part of the City of London Corporation's restructure, the Open Spaces Department has merged with Planning & Transportation and Port Health & Environmental Services to form a new Environment Department, and Hampstead Heath became part of the Environment Department from 1 April 2022.

## **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**

### **Hampstead Heath (charity 1)**

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;
- Together we care for the Heath.

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.

### **Hampstead Heath Trust Fund (charity 2)**

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 & Chief Financial Officer, at the email address stated on page 43.

### **Volunteers**

Hampstead Heath is particularly successful in providing volunteer opportunities. Working in partnership with a dedicated charity, Heath Hands, Hampstead Heath has in excess of 17,346 hours of volunteer input for 2022/23.

### **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 recognition awards.

The above policy applies to staff within the charity's key management personnel, as defined within note 9 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. This also includes addressing the City Corporation's gender, ethnicity and disability pay gaps.

The Equality, diversity, and Inclusion (EDI) sub-committee is currently overseeing the update of our four-yearly Equality Objectives in accordance with the Equality Act 2010. The draft objectives went to Policy and Resources and Corporate Services Committees in April 2023. Following agreement, a period of 12 weeks consultation with stakeholders has been undertaken and analysis of consultation responses and amendments are due to be made in August. Amendments will then go to September's EDI Sub-Committee and Policy and Resources and Corporate Services Committees and then to Court of Common Council for approval in October 2023.

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”. Donations 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.

There is a donations page on the Hampstead Heath webpage, inviting and enabling the public to make on-line donations to either Hampstead Heath Bird and Mammal Shelters campaign or Hampstead Heath Model Boating Pond Island – Wildlife Sanctuary campaign.

The charity has received no complaints in relation to fundraising activities in 2022/23 (2021/22: 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 and the Hampstead Heath Trust Fund’s aims and objectives and in planning future activities. The purpose of charity 1 is the preservation in perpetuity of Hampstead Heath as an open space for the recreation and enjoyment of the public; the purpose of charity 2 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 and Hampstead Heath Trust Fund operate to benefit the general public and satisfy the public benefit test.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

The administrative details of the charity are stated on page 44.

## ACHIEVEMENTS AND PERFORMANCE

### Hampstead Heath's 2022/23 aims together with their outcomes were:

**Hampstead Heath Bathing Ponds Capital Project** – Gateway 3/4 and tender process has been completed. Preferred contractor has been appointed and works to start during 2023/24.

**Parliament Hill Athletics Track Capital Project** – Gateway 3/4 has been completed and framework contractor has been engaged. External Project Manager appointed, and a Project Board have been established. Works to be completed during 2023/24.

**Golders Hill Park Accessible Car Park** – Works to improve waymarking has been completed. Additional infrastructure will be installed in 2023/24 to enable the car park to open at weekends.

**Parliament Hill Master Plan** – A draft plan has been produced and presented to key stallholders. A revised plan will be progressed during 2023/24.

**Golders Hill Park Zoo** – A consultant has been appointed and a rebranding marketing exercise has been undertaken and launched during 2023/24.

**Ultra Low Emissions Zone (ULEZ)** - Continued implementation and delivery of the vehicle replacement programme to minimise the impact upon the environment and meet ULEZ requirements. Three new vehicles are being procured during 2023/24.

**A Sustainable Fleet and Plant Management Plan** - Undertake a review of plant and equipment has not been completed and is reprogrammed for 2023/24.

**Playground Improvements** – Heath Extension playground has been completed and opened in October 2023 by the Chairman, Mayor of Barnet and local stakeholders.

**Licencing** – Soft launch of Professional Dog Walking Licence Scheme has been completed.

**Budget management** – Deliver a balanced budget, and achieve financial savings as required through a combination of reducing expenditure and appropriate income generation activities.

**Corporate Restructure** - Target Operating Model Phase Two was launched on 25 January 2023. Internal Consultation is ongoing, and the new structure will be implemented during 2023/24.

### Hampstead Heath Trust Fund's 2022/23 aims together with their outcomes:

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 2022/23, the Trust has contributed £1,375,547 towards the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public (2021/22: £1,482,422).

## PLANS FOR FUTURE PERIODS

### Hampstead Heath

There is continued uncertainty around the effects of the war in Ukraine and increasing levels of inflation and other global economic pressures which may have a continued impact in relation to income generation and project delivery over the coming 12 months.

Key projects for 2023/24 include:

- Café retendering for all the cafes;
- Hampstead Heath Bathing Ponds Capital Project;
- Parliament Hill Athletics Track Capital Project;
- Parliament Hill Master Plan;
- Golders Hill Park Zoo.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 23.

The Trustee is monitoring the current economic 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 Fund

The charity continues to be affected by the global economic downturn as a result of the global pandemic of Coronavirus as well as the war in Ukraine. 2022/23 has seen a decrease in the market value of the investments held by the charity, whilst there has also been a reduction in investment income compared to 2021/22. 2022/23 was one of the most challenging years for global financial markets since the 2008 financial crisis and was impacted by increases in inflation and commodity prices, changing interest rate expectations and the continued war in Ukraine. The current economic environment continues to affect the income generation 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 Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 23.

## FINANCIAL REVIEW

### Overview of Financial Performance

#### Income

In 2022/23, the charity's total income for the year was £9,446,997 an overall decrease of £441,666 against the previous year (£9,888,663). The principal source of income was from City of London Corporation's City's Cash fund (see below).

Income from Charitable Activities comprised £2,682,386 from fees charged (2021/22: £2,179,284), £228,628 from rents (2021/22: £279,830) and £52,255 from sales of goods, products and materials (2021/22: £2,110). This was in addition to £46,845 being received in restricted grant income (2021/22: £nil). A busy 2022 summer, in part due to good weather, caused a general increase in the use of facilities. The decrease in rent income was due to a number of backdated rent invoices having been issued in the previous financial year.

£32,160 in donations were received to support improvements to the playground (2021/22: £822). These donations were fully utilised during the year to support the playground improvements project. Donations of £3,751 were also received from the public at the ponds and paddling pool (2021/22: £3,901). Donations can also be made on the Hampstead Heath webpage, to either Hampstead Heath Bird and Mammal Shelters campaign or Hampstead Heath Model Boating Pond Island – Wildlife Sanctuary campaign. In total, £6,993 was received during the year (2021/22: £7,352). An amount was held of £18,096 (2021/22: £7,352) as at 31 March 2023 in a restricted fund for 'Campaign Donations'.

Investment income of £1,543,905 (2021/22: £2,025,319) was received during the year via the Hampstead Heath Trust Fund.

Other income of £nil was received in relation to Coronavirus Job Retention Scheme (2021/22: £34,836). There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

An amount of £4,841,585 (2021/22: £5,356,031) 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 £9,531,552 (2021/22: £9,312,262) with charitable activities expenditure in the year totalling £9,363,193 (2021/22: £9,119,376). The increase in expenditure can be explained by additional equipment and materials purchases as well as an increase in support costs incurred by the charity. Expenditure on raising funds for the year was £168,359 (2021/22: £192,886).

#### Funds held

The charity's total funds held increased by £500,990 to £55,241,887 as at 31 March 2023 (2021/22: £54,740,897). The net gain on investments represents the difference

in the market value of investments between 1 April 2022 and 31 March 2023 after taking account of any purchases and sales which were made during 2022/23.

Within the total funds held, £34,973,312 (2021/22: £34,551,690) 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. A surplus of £168,358 was generated in the year (2021/22: £350,011).

Unrestricted income funds (General 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 of £570,707 (2021/22: £761,509) over expenditure of the Trust distributed annually towards the running costs of the Heath, as well as surplus unrestricted donation income of £3,819 received in 2022/23 (2021/22: £1,735).

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 2023 totalled £19,466,773 (2021/22: £19,610,999). These represent designated funds within the unrestricted income fund which represents the Capital fund and the net book value of fixed assets held.

Restricted funds of £67,174 (2021/22: £9,585) was held at year-end for the Parliament Hill Outdoor Gym project and from campaign donations as well as unspent grant monies received to fund the installation of non-turf pitches at Hampstead Heath.

Details of all funds held, including their purposes, is set out within note 16 to the financial statements.

### **Investments 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	
	2022/23 £	2021/22 £	2022/23 %	2021/22 %	2022/23 %	2021/22 %
Hampstead Heath Trust City of London Charities Pool (part of)	34,701,620	34,102,514	+2.18%	+11.10%	+2.92%	+13.03%
	769,265	782,825	+2.22%	+11.06%	+2.92%	+13.03%
	<b>35,470,885</b>	<b>34,885,339</b>				

## 2) Hampstead Heath Trust Fund

As at 31 March 2023, the investments held in the Hampstead Heath Trust Fund achieved a return of +2.18% (2021/22: +11.10%) compared to the FTSE All Share Index return of +2.92% (2021/22: +13.03%) Over three years this fund achieved a return of +14.03% (2021/22: +7.41%) compared to the FTSE All Share Index return of +13.81% (2021/22: +5.31%). Over five years, the fund achieved a return of +5.71% (2021/22: +6.25%) compared to the FTSE All Share Index return of +5.04% (2021/22: +4.69%).

Fund	2022/23		2021/22	
	3 years	5 years	3 years	5 years
Fund	+14.03%	+5.71%	+7.41%	+6.25%
FTSE All Share	+13.81%	+5.04%	+5.31%	+4.69%
Fund outperformance	+0.22%	+0.67%	+2.10%	+1.56%

## 3) City of London Corporation Charities Pool

As at 31 March 2023, the investments held in the Charities Pool achieved a return of +2.22% (2021/22: +11.06%) compared to the FTSE All Share Index return of +2.92% (2021/22: +13.03%). Over three years this fund achieved a return of +14.06% (2021/22: +7.35%) compared to the FTSE All Share Index return of +13.81% (2021/22: +5.31%). Over five years, the fund achieved a return of +5.64% (2021/22: +6.16%) compared to the FTSE All Share Index of +5.04% (2021/22: +4.69%). With effect from 22 July 2022, the Charities Pool transferred its investments from the Artemis Income Fund to the Artemis Income (Exclusions) Fund, which is an unconstrained, multigap strategy that aims to generate a rising income stream combined with long-term capital growth. The fund invests in UK equities and can also hold international equities and bonds. Shares in companies that derive more than 20% of their revenues from tobacco, gambling, weapons and fossil fuels are excluded.

Fund	2022/23		2021/22	
	3 years	5 years	3 years	5 years
Fund	+14.06%	+5.64%	+7.35%	+6.16%
FTSE All Share	+13.81%	+5.04%	+5.31%	+4.69%
Fund outperformance	+0.25%	+0.60%	+2.04%	+1.47%

## 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.

Donations are now being sought and that these may be carried forward but there is currently no intention to hold them as a minimum amount owing to the deficit funded status of the Charity.

### Spending Policy

The reserves policy of the charity is that the original endowment of £15 million (now worth £35.1 million) should produce income to cover a proportion of the running costs of Hampstead Heath. The contribution for 2022/23 of £1,375,547 (2021/22: £1,482,422) consists of £1,348,896 from the permanent endowment (2021/22: £1,450,000), and income arising from the former T.J. Barratt Trust, which was transferred to the Hampstead Heath Trust Fund in November 2011, of £26,651 (2021/22: £32,422).

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 £1,375,547 for 2022/23 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 charities are committed to a programme of risk management as an element of its strategy to preserve the charities 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 charities, 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 charities, and actions taken to manage them are as follows:

#### Risks which are specific to Hampstead Heath:

Risk	Actions to manage risks
<b>Outbreak of fire in woodland/heathland</b>	Staff are made aware of extreme weather events and 'Trigger Events.' Managers and Supervisors receive weather warnings and this information is shared with staff. Review Emergency Action Plan. Review carried out annually or following incident if appropriate.

<b>Maintenance of buildings and equipment</b>	Cyclical review of assets carried out. Regular client liaison meetings to discuss issues and raise concerns about Building Repairs and Maintenance Projects. City Surveyor's Department to discuss issues and raise concerns about Building Repairs and Maintenance and Projects. Regular review process.
<b>Climate and Weather</b>	Alerts issued to staff via Met Office. Review process 6 monthly or following an extreme weather event. Site plans are reviewed annually or following an incident, if appropriate. Reviews usually conducted in September and agreed later in the year. Ensure compliance with the Extreme Weather Protocol and keep the protocol under regular review.
<b>Recruitment and retention of staff</b>	Delivery of the Target Operating Model (TOM).
<b>Delivery of capital projects</b>	Liaise with internal departments to secure funding for capital projects.
<b>Budget Reduction and income loss</b>	Monitor budgets monthly and consider income generation opportunities.
<b>Long term damage to site</b>	Ongoing actions to mitigate this risk.
<b>Ensuring the Health and Safety of staff, contractors, visitors and volunteers</b>	Annual Health & Safety site Audits with peer review. Hold local Health & Safety meetings. Staff updated in toolbox / team talks. Manage the ponds and lido to reduce the likelihood of unauthorised access and drowning.
<b>Hampstead Heath Water bodies including Bathing Ponds</b>	Training for lifeguards. Safety equipment accessible at ponds; regular checks are undertaken and defects reported for repair or replacement. Appropriate signage at ponds is regularly checked and defects reported for repair or replacement.
<b>Maintenance of water bodies</b>	Implement the recommendations in the Ponds and Wetlands Plan as appropriate.
<b>Tree failure</b>	Continue to comply with established tree management systems. Continue to enforce Extreme Weather Protocol and site closures as appropriate. Annual tree management audit carried out by external consultant. Review Divisional Tree Safety Policy Liaise with local authorities regarding possibility of road closures during severe storms.
<b>Plant and Tree Disease</b>	Tree provenance is considered, and planting stock is sourced in accordance with best practice guidance. Trained arboricultural contractors carry out spraying and nest removal of Oak Processionary Moth.

<b>Local planning issues</b>	<p>Maintain a close partnership with Planning Authorities. Assistant Director and Officers are in contact with neighbouring local authorities in regard to planning issues which may impact Hampstead Heath.</p> <p>Respond to consultation on the local plans to help influence the content of the documents.</p> <p>The North London division monitors planning activity in order to ensure it does not impact the open spaces.</p>
------------------------------	---

**Risks which are specific to Hampstead Heath Trust Fund:**

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

## 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 they are 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charities will continue in business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charities transactions and disclose with reasonable accuracy at any time the financial position of the charities and enable them to ensure that the financial statements comply with the Charities Act 2011. They are 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.

Henry Nicholas Almroth Colthurst, Deputy  
Chairman of Finance Committee of  
The City of London Corporation  
Guildhall, London

Randall Keith Anderson, Deputy  
Deputy Chairman of Finance  
Committee of The City of London  
Corporation, Guildhall, London

Guildhall, London  
xx December 2023

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

Updated report to be provided by Crowe

Updated report to be provided by Crowe

Updated report to be provided by Crowe

Updated report to be provided by Crowe

**Crowe U.K. LLP**  
Statutory Auditor  
55 Ludgate Hill, London, EC4M 7JW  
31 January 2024

Crowe U.K. 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.

## STATEMENT OF FINANCIAL ACTIVITIES

### FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022/23 Total Funds £	2021/22 Total Funds £
<b>Income and endowments from:</b>						
Voluntary activities	2	8,489	42,904	-	51,393	11,253
Charitable activities	3	2,963,269	46,845	-	3,010,114	2,461,224
Grant from City of London Corporation	4	4,841,585	-	-	4,841,585	5,356,031
Investments	5	1,543,905	-	-	1,543,905	2,025,319
Other income	6	-	-	-	-	34,836
<b>Total income and endowments</b>		9,357,248	89,749	-	9,446,997	9,888,663
<b>Expenditure on:</b>						
Raising funds	7	4,436	-	163,923	168,359	192,886
Charitable activities:						
Preservation of Hampstead Heath	7	9,331,033	32,160	-	9,363,193	9,119,376
<b>Total expenditure</b>		9,335,469	32,160	163,923	9,531,552	9,312,262
Net gains on investments	12	-	-	585,545	585,545	1,627,679
<b>Net income</b>		21,779	57,589	421,622	500,990	2,204,080
<b>Net movement in funds</b>		21,779	57,589	421,622	500,990	2,204,080
<b>Reconciliation of funds:</b>						
Total funds brought forward	16	20,179,622	9,585	34,551,690	54,740,897	52,536,817
<b>Total funds carried forward</b>	16	20,201,401	67,174	34,973,312	55,241,887	54,740,897

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 23 to 43 form part of these financial statements.

## BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 Total £	2022 Total £
<b>Fixed assets:</b>			
Tangible assets	11	19,463,442	19,607,668
Fixed asset investments	12	34,188,534	34,547,175
<b>Total fixed assets</b>		<b>53,651,976</b>	54,154,843
<b>Current assets</b>			
Debtors	13	1,926,283	538,603
Investments	12	1,105,042	160,856
Cash at bank and in hand		883,927	747,505
<b>Total current assets</b>		<b>3,915,252</b>	1,446,964
<b>Creditors: Amounts falling due within one year</b>	14	<b>(2,325,341)</b>	(860,910)
<b>Net current assets</b>		<b>1,589,911</b>	586,054
<b>Total assets less current liabilities</b>		<b>55,241,887</b>	54,740,897
<b>The funds of the charity:</b>			
Endowment funds	16	34,973,312	34,551,690
Restricted income funds	16	67,174	9,585
Unrestricted income funds	16	20,201,401	20,179,622
<b>Total funds</b>		<b>55,241,887</b>	54,740,897

The notes on pages 23 to 43 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

31 January 2024

## 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 charities.

#### (a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention as modified by the value of investments which are held at fair value 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's 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, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these accounts being signed to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and current high inflationary pressures on the financial position, including future income levels and planned expenditure and the liquidity of the charity over the next 12-month period. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

#### (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.

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

As one of the key judgements, the Trustee will include fixed investments and their market valuations as key accounting estimates in their consideration of the operating of the charities. The Trustee will be aware that the market valuations included in the financial statements are taken at one single point in time and that the movements on general UK and global stock markets, and the likely impact of them upon the running costs of the Hampstead Heath, will affect their decision making.

#### **(d) Statement of Cash Flows**

As per section 14.1 of the Charities SORP (the exemption in FRS102 (paragraph 1.12b)) the Charity is not required 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 2022 which is publicly available at [www.cityoflondon.gov.uk](http://www.cityoflondon.gov.uk).

#### **(e) Income**

All income is included in the Statements of Financial Activities (SOFA) when the charities are 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 (including government 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 considered due each year end once the deficit on running expenses and capital works funding has been confirmed, and is recognised in the SOFA at this point.

#### **(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.

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 8.

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. Costs incurred for the administration of the charity are recharged by the Corporation and these costs are included within support costs.

#### **(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) 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 £142.6m as at 31 March 2023 (£832.7m as at 31 March 2022). 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 2022, using the projected unit method. The 31 March 2022 valuation was carried out in 2022/23 and has set the contribution rates for the period 01 April 2023 to 31 March 2026 at 21.0%.

#### **(i) 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.

#### **(j) 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. Heritage assets are reviewed annually for indicators of impairment and adjusted accordingly if required.

### **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 in the year 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 whose useful life has been determined at 120 years. The Hampstead Heath Ponds Project major Civil Engineering earthworks/structures (such as the foundations, sheet piling and earth bunds) fall into design working Life category 5 which is set out in the BS EN 1990:2002+A1:2005, Eurocode — Basis of structural design, with Indicative design working Life being 120 years. A review is carried out on infrastructure assets on an annual basis for indicators of impairment.

### **(k) Investments**

The major part of the investments are in a segregated mandate externally managed by Artemis Investment Management LLP. Hampstead Heath Trust Fund also holds investments 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 are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

**(l) 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.

**(m) Cash**

Cash and cash equivalents include cash in hand, overdrafts (if any) and short term deposits and other instruments held as part of the Corporation’s treasury management activities with original maturities of three months or less.

**(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 income for the benefit of the charity as a result of conditions imposed by the original donors and trusts.

**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 as well as surplus unrestricted donation income.

**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**

**Charity 1 - Hampstead Heath**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds 2022/23</b>	<b>Total funds 2021/22</b>
	£	£	£	£
Donations and legacies	8,489	42,904	<b>51,393</b>	11,253

### 3. INCOME FROM CHARITABLE ACTIVITIES

Charity 1 - Hampstead Heath	Unrestricted funds 2022/23 £	Restricted funds 2022/23 £	Total 2022/23 £	Total funds 2021/22 £
Charges for use of facilities	2,682,386	-	<b>2,682,386</b>	2,179,284
Sales	52,255	-	<b>52,255</b>	2,110
Rental income	228,628	-	<b>228,628</b>	279,830
Grant income	-	46,845	<b>46,845</b>	-
<b>Total</b>	<b>2,963,269</b>	<b>46,845</b>	<b>3,010,114</b>	<b>2,461,224</b>

### 4. INCOME FROM THE CITY OF LONDON CORPORATION

Charity 1 - Hampstead Heath	Unrestricted funds 2022/23 £	Unrestricted funds 2021/22 £
Revenue and capital grants from City of London Corporation	<b>4,841,585</b>	5,356,031

### 5. INCOME FROM INVESTMENTS

Charity 2 - Hampstead Heath Trust Fund	Unrestricted funds 2022/23 £	Unrestricted funds 2021/22 £
Investment income	<b>1,543,942</b>	2,024,417
Interest	<b>(37)</b>	902
<b>Total</b>	<b>1,543,905</b>	<b>2,025,319</b>

### 6. OTHER INCOME

Charity 1 - Hampstead Heath	Unrestricted funds 2022/23 £	Unrestricted funds 2021/22 £
Other income	-	34,836

#### Income for the year included:

**Donations** – being amount received from the public at the ponds and paddling pool as well as donations received for the playground improvements campaign. From March 2021 a donations page has been created on the Hampstead Heath webpage, inviting and enabling the public to make on-line donations to either Hampstead Heath Bird and Mammal Shelters campaign or Hampstead Heath Model Boating Pond Island – Wildlife Sanctuary campaign. This is in addition to unrestricted donations received by the charity.

**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. This is in addition to a restricted grant received from the England and Wales Cricket Board to fund the installation of non-turf pitches at Hampstead Heath.

**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.

**Other income** - included in Other Income on the Statement of Financial Activities is Coronavirus Job Retention Scheme income received during 2021/22. There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

## 7. EXPENDITURE

### Expenditure on raising funds

#### Charity 2 – Hampstead Heath Trust Fund

	Endowment funds	Unrestricted funds	Total funds	Direct costs	Support costs	Total
	Direct costs	Support costs	2022/23	costs	costs	2021/22
	£	£	£	£	£	£
Investment management fees	163,923	6,002	169,925	185,922	6,224	192,146
Interest payable	-	(1,566)	(1,566)	-	740	740
<b>Total</b>	163,923	4,436	168,359	185,922	6,964	192,886

In line with the Statement of Recommended Practice (SORP) for charities, investment management fees incurred by the Hampstead Heath Trust Fund are charged to the charity’s endowment fund with any of the support costs met by the charity’s unrestricted fund.

### Expenditure on charitable activities

#### Charity 1 – Hampstead Heath

	Unrestricted funds	Restricted funds	Unrestricted funds	Total	Direct costs	Support costs	Total
	Direct costs	Support costs	Support costs	2022/23	costs	costs	2021/22
	£	£	£	£	£	£	£
Preservation of Hampstead Heath	6,138,381	32,160	1,817,105	7,987,646	6,326,423	1,310,531	7,636,954
<b>Total</b>	6,138,381	32,160	1,817,105	7,987,646	6,326,423	1,310,531	7,636,954

#### Charity 2 – Hampstead Heath Trust Fund

	Unrestricted funds	Restricted funds	Unrestricted funds	Total	Direct costs	Support costs	Total
	Direct costs	Support costs	Support costs	2022/23	costs	costs	2021/22
	£	£	£	£	£	£	£
Preservation of Hampstead Heath	1,375,547	-	-	1,375,547	1,482,422	-	1,482,422
<b>Total</b>	1,375,547	-	-	1,375,547	1,482,422	-	1,482,422

## Charities 1 & 2 - total

	Unrestricted funds	Restricted funds	Unrestricted funds	Total	Direct costs	Support costs	Total
	Direct costs		Support costs	2022/23			2021/22
	£	£	£	£	£	£	£
Preservation of Hampstead Heath	7,513,928	32,160	1,817,105	<b>9,363,193</b>	7,808,845	1,310,531	9,119,376
<b>Total</b>	<b>7,513,928</b>	<b>32,160</b>	<b>1,817,105</b>	<b>9,363,193</b>	<b>7,808,845</b>	<b>1,310,531</b>	<b>9,119,376</b>

## Charitable activities

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

Crowe U.K. LLP are the auditors of the City of London's City's Cash Fund and all of the different charities of which it is Trustee. In 2022/23 an audit fee of £8,500 was recharged (2021/22: £5,000). No other services were provided to the charity by its auditors during the year (2021/22: £nil).

## 8. 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:

### Charity 1 – Hampstead Heath

	Charitable activities	Governance	2022/23	2021/22
	£	£	£	£
Department:				
Chamberlain	201,589	-	<b>201,589</b>	192,066
Comptroller & City Solicitor	39,017	-	<b>39,017</b>	41,914
Town Clerk	-	192,443	<b>192,443</b>	132,607
City Surveyor	316,311	-	<b>316,311</b>	293,103
Natural Environment directorate	748,033	-	<b>748,033</b>	301,461
Other governance & support costs	97,391	8,500	<b>105,891</b>	98,937
Digital Services	213,821	-	<b>213,821</b>	250,443
Sub-total	1,616,162	200,943	<b>1,817,105</b>	1,310,531
Reallocation of governance costs	200,943	(200,943)	-	-
<b>Total</b>	<b>1,817,105</b>	<b>-</b>	<b>1,817,105</b>	<b>1,310,531</b>

## Charity 2 – Hampstead Heath Trust Fund

	Raising funds £	Governance £	2022/23 £	2021/22 £
Chamberlain	4,436	-	4,436	6,964
<b>Total</b>	<b>4,436</b>	<b>-</b>	<b>4,436</b>	<b>6,964</b>

## Charities 1 & 2 – total

	Raising funds £	Charitable activities £	Governance £	2022/23 £	2021/22 £
Department:					
Chamberlain	4,436	201,589	-	<b>206,025</b>	192,066
Comptroller & City Solicitor	-	39,017	-	<b>39,017</b>	41,914
Town Clerk	-	-	192,443	<b>192,443</b>	132,607
City Surveyor	-	316,311	-	<b>316,311</b>	293,103
Natural Environment directorate	-	748,033	-	<b>748,033</b>	301,461
Other governance & support costs	-	97,391	8,500	<b>105,891</b>	98,937
Digital Services	-	213,821	-	<b>213,821</b>	250,443
Sub-total	4,436	1,616,162	200,943	<b>1,821,541</b>	1,310,531
Reallocation of governance costs	-	200,943	(200,943)	-	-
<b>Total</b>	<b>4,436</b>	<b>1,817,105</b>	<b>-</b>	<b>1,821,541</b>	<b>1,310,531</b>

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.

## 9. DETAILS OF STAFF COSTS

### Charity 1 – Hampstead Heath

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 83 (2021/22: 100).

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

	2022/23 £	2021/22 £
Salaries and wages	<b>3,965,909</b>	4,101,764
National Insurance costs	<b>405,105</b>	395,949
Employer's pension contributions	<b>639,484</b>	684,607
<b>Total emoluments of employees</b>	<b>5,010,498</b>	5,182,320

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 1.0 (2021/22: 1.0).

	<b>2022/23</b>	2021/22
£60,000 - £69,999	<b>1.0</b>	1.0
<b>Total</b>	<b>1.0</b>	1.0

### **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 Natural Environment 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 £121,711 (2021/22: £56,121). No members received any remuneration, with directly incurred expenses reimbursed, if claimed. Expenses totalling £nil were claimed in 2022/23 (2021/22: £nil).

## **10. HERITAGE ASSETS**

### **Charity 1 – Hampstead Heath**

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(j), 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. Records of heritage assets owned and maintained by Hampstead Heath can be obtained from the Executive Director Environment at the principal address as stated on page 44.

## 11. TANGIBLE FIXED ASSETS

### Charity 1 – Hampstead Heath

	Buildings £	Infrastructure £	Equipment £	Total £
<b>Cost</b>				
At 1 April 2022	1,257,724	20,052,697	272,479	21,582,900
Additions	-	61,970	-	61,970
At 31 March 2023	1,257,724	20,114,667	272,479	<b>21,644,870</b>
<b>Depreciation</b>				
At 1 April 2022	211,947	1,552,613	210,672	1,975,232
Charge for the year	31,641	168,344	6,211	206,196
At 31 March 2023	243,588	1,720,957	216,883	<b>2,181,428</b>
<b>Net book value</b>				
<b>At 31 March 2023</b>	1,014,136	18,393,710	55,596	<b>19,463,442</b>
At 31 March 2022	1,045,777	18,500,084	61,807	19,607,668

## 12. FIXED ASSET INVESTMENTS

### Charity 2 – Hampstead Heath Trust Fund

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:

	<b>Total 2023</b>	Total 2022
	£	£
<b>Long Term Fixed Investments</b>		
Market value 1 April	34,547,175	32,841,486
Additions	11,470,392	8,338,780
Disposals	(12,414,578)	(8,260,770)
Gain for the year	585,545	1,627,679
<b>Market value 31 March</b>	<b>34,188,534</b>	34,547,175
<b>Short Term Investments</b>		
Cash held by fund managers	1,105,042	160,856
Other Cash Balances	177,308	177,308
<b>Short Term Investments</b>	<b>1,282,350</b>	338,164
<b>Total investments 31 March</b>	<b>35,470,884</b>	34,885,339
<b>Cost 31 March</b>	<b>32,831,082</b>	31,010,233

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

	<b>2023</b>	2022
	£	£
Long term	<b>34,188,534</b>	34,547,175
Short term	<b>1,282,350</b>	338,164
<b>Total</b>	<b>35,470,884</b>	34,885,339

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 2023	Held in the UK	Held outside the UK	Total at 31 March 2022
	£	£	£	£	£	£
Unit trusts	1,149,524	-	<b>1,149,524</b>	2,066,264	-	2,066,264
Equities	28,495,840	4,543,170	<b>33,039,010</b>	28,233,753	4,247,158	32,480,911
Cash	1,282,350	-	<b>1,282,350</b>	338,164	-	338,164
<b>Total</b>	<b>30,927,714</b>	<b>4,543,170</b>	<b>35,470,884</b>	<b>30,638,181</b>	<b>4,247,158</b>	<b>34,885,339</b>

		Unit trusts	Equities	Cash	Total
Held in the UK	£	1,149,524	28,495,840	1,282,350	<b>30,927,714</b>
Held outside the UK	£	-	4,543,171	-	<b>4,543,171</b>
<b>Total at 31 March 2023</b>	<b>£</b>	<b>1,149,524</b>	<b>33,039,011</b>	<b>1,282,350</b>	<b>35,470,885</b>

		Unit trusts	Equities	Cash	Total
Held in the UK	£	2,066,264	28,233,753	338,164	<b>30,638,181</b>
Held outside the UK	£	-	4,247,158	-	<b>4,247,158</b>
<b>Total at 31 March 2022</b>	<b>£</b>	<b>2,066,264</b>	<b>32,480,911</b>	<b>338,164</b>	<b>34,885,339</b>

### 13. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

#### Charity 1 – Hampstead Heath

	2023	2022
	£	£
Rental debtors	18,825	15,590
Prepayments and accrued income	49,081	46,352
Recoverable VAT	3,700	780
Other debtors	36,155	122,820
<b>Total</b>	<b>107,761</b>	<b>185,542</b>

#### Charity 2 – Hampstead Heath Trust Fund

	2023	2022
	£	£
Sundry debtors	7,579	-
Other debtors	1,810,943	353,061
<b>Total</b>	<b>1,818,522</b>	<b>353,061</b>

#### Charities 1 & 2 – total

	2023	2022
	£	£
Rental debtors	18,825	15,590
Prepayments and accrued income	49,081	46,352
Recoverable VAT	3,700	780
Sundry debtors	7,579	-
Other debtors	1,847,098	475,881
<b>Total</b>	<b>1,926,283</b>	<b>538,603</b>

Other debtors consist of non-property related debtors of £36,155 (2021/22: £122,820) and dividends of £1,810,943 receivable from the fund manager (2021/22: £353,061).

### 14. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

#### Charity 1 – Hampstead Heath

	2023	2022
	£	£
Trade creditors	106,921	53,497
Accruals	185,133	90,703
Deferred income	235,157	121,368
Rent deposits	15,425	15,425
VAT liability	20,634	379,727
Other creditors	176,788	80,368
<b>Total</b>	<b>740,058</b>	<b>741,088</b>

## Charity 2 – Hampstead Heath Trust Fund

	2023	2022
	£	£
Bank overdraft	1,544,157	77,476
Other creditors	41,126	42,347
<b>Total</b>	<b>1,585,283</b>	<b>119,823</b>

## Charities 1 & 2 – total

	2023	2022
	£	£
Bank overdraft	1,544,157	77,476
Trade creditors	106,921	53,497
Accruals	185,133	90,703
Deferred income	235,157	121,368
Rent deposits	15,425	15,425
VAT liability	20,634	379,727
Other creditors	217,914	122,714
<b>Total</b>	<b>2,325,341</b>	<b>860,910</b>

	2023	2022
	£	£
<b>Deferred income analysis within creditors:</b>		
Balance at 1 April	121,368	72,531
Amounts released to income	(121,368)	(72,531)
Amounts deferred in the year	235,157	121,368
Balance at 31 March	<b>235,157</b>	<b>121,368</b>

Deferred income relates to rental income as well as season ticket income for the use of facilities received in advance for periods after the year-end. Other creditors consist of sundry creditors.

## 15. ANALYSIS OF NET ASSETS BY FUND

### Charity 1 – Hampstead Heath

At 31 March 2023	Unrestricted Funds		Restricted Funds	Total at 31 March 2023	Total at 31 March 2022
	General Funds	Designated Funds			
	£	£	£	£	£
Tangible Assets	-	19,463,442	-	<b>19,463,442</b>	19,607,668
Current Assets	743,876	3,331	67,174	<b>814,381</b>	755,739
Current Liabilities	(740,058)	-	-	<b>(740,058)</b>	(741,088)
<b>Total</b>	<b>3,818</b>	<b>19,466,773</b>	<b>67,174</b>	<b>19,537,765</b>	<b>19,622,319</b>

At 31 March 2022	Unrestricted Funds		Restricted Funds	Total at 31 March 2022	Total at 31 March 2021
	General Funds	Designated Funds			
	£	£			
Tangible Assets	-	19,607,668	-	19,607,668	19,390,365
Current Assets	742,823	3,331	9,585	755,739	789,938
Current Liabilities	(741,088)	-	-	(741,088)	(784,374)
<b>Total</b>	<b>1,735</b>	<b>19,610,999</b>	<b>9,585</b>	<b>19,622,319</b>	<b>19,395,929</b>

## Charity 2 – Hampstead Heath Trust Fund

At 31 March 2023	Unrestricted		Endowment funds	Total at 31 March 2023	Total at 31 March 2022
	General funds				
	£	£			
Fixed assets - investments		34,188,534	<b>34,188,534</b>	34,547,175	
Current assets	730,810	2,370,061	<b>3,100,871</b>	691,225	
Current liabilities	-	(1,585,283)	<b>(1,585,283)</b>	(119,822)	
<b>Total</b>	<b>730,810</b>	<b>34,973,312</b>	<b>35,704,122</b>	<b>35,118,578</b>	

At 31 March 2022	Unrestricted		Endowment funds	Total at 31 March 2022	Total at 31 March 2021
	General funds				
	£	£			
Fixed assets - investments	-	34,547,175	34,547,175	32,841,486	
Current assets	566,888	124,337	691,225	706,402	
Current liabilities	-	(119,822)	(119,822)	(407,000)	
<b>Total</b>	<b>566,888</b>	<b>34,551,690</b>	<b>35,118,578</b>	<b>33,140,888</b>	

## Charities 1 & 2 – total

At 31 March 2023	Unrestricted Funds		Restricted Funds	Endowment Funds	Total at 31 March 2023	Total at 31 March 2022
	General Funds	Designated Funds				
	£	£				
Tangible Assets	-	19,463,442	-	-	<b>19,463,442</b>	19,607,668
Fixed Asset Investments	-	-	-	34,188,534	<b>34,188,534</b>	34,517,175
Current Assets	1,474,686	3,331	67,174	2,370,061	<b>3,915,252</b>	1,446,964
Current Liabilities	(740,058)	-	-	(1,585,283)	<b>(2,325,341)</b>	(860,910)
<b>Total</b>	<b>734,628</b>	<b>19,466,773</b>	<b>67,174</b>	<b>34,973,312</b>	<b>55,241,887</b>	<b>54,740,897</b>

At 31 March 2022	Unrestricted Funds		Restricted Funds	Endowment Funds	Total at 31 March 2022	Total at 31 March 2021
	General Funds	Designated Funds				
	£	£				
Tangible Assets	-	19,607,668	-	-	19,607,668	19,390,365
Fixed Asset Investments	-	-	-	34,547,175	34,547,175	32,841,486
Current Assets	1,309,711	3,331	9,585	124,337	1,446,964	1,496,340
Current Liabilities	(741,088)	-	-	(119,822)	(860,910)	(1,191,374)
<b>Total</b>	<b>568,623</b>	<b>19,610,999</b>	<b>9,585</b>	<b>34,551,690</b>	<b>54,740,897</b>	<b>52,536,817</b>

### Expendable endowment movements 2011-2023

	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
2021-2022	578,078	27,440	605,518	177,308	782,826
2022-2023	605,518	(13,562)	591,956	177,308	<b>769,264</b>

## 16. MOVEMENT IN FUNDS

### Charity 1 – Hampstead Heath

At 31 March 2023	Total as at 1 April 2022 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2023 £
Restricted funds:					
Campaign Donations	7,352	42,904	(32,160)	-	<b>18,096</b>
Parliament Hill Outdoor Gym	2,233	-	-	-	<b>2,233</b>
Installation of Non-Turf Pitches	-	46,845	-	-	<b>46,845</b>
<b>Total restricted funds</b>	<b>9,585</b>	<b>89,749</b>	<b>(32,160)</b>	<b>-</b>	<b>67,174</b>
Unrestricted funds:					
General funds	1,735	7,751,373	(7,749,290)	-	<b>3,818</b>
Designated funds:					
Tangible fixed assets	19,607,668	61,970	(206,196)	-	<b>19,463,442</b>
Capital fund	3,331	-	-	-	<b>3,331</b>
<b>Total unrestricted funds</b>	<b>19,612,734</b>	<b>7,813,343</b>	<b>(7,955,486)</b>	<b>-</b>	<b>19,470,591</b>
<b>Total funds</b>	<b>19,622,319</b>	<b>7,903,092</b>	<b>(7,987,646)</b>	<b>-</b>	<b>19,537,765</b>

  

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2022 £
Restricted funds:					
Campaign Donations	-	7,352	-	-	7,352
Parliament Hill Outdoor Gym	2,233	-	-	-	2,233
<b>Total restricted funds</b>	<b>2,233</b>	<b>7,352</b>	<b>-</b>	<b>-</b>	<b>9,585</b>
Unrestricted funds:					
General funds	-	7,426,535	(7,424,800)	-	1,735
Designated funds:					
Tangible fixed assets	19,390,365	429,457	(212,154)	-	19,607,668
Capital fund	3,331	-	-	-	3,331
<b>Total unrestricted funds</b>	<b>19,393,696</b>	<b>7,855,992</b>	<b>(7,636,954)</b>	<b>-</b>	<b>19,612,734</b>
<b>Total funds</b>	<b>19,395,929</b>	<b>7,863,344</b>	<b>(7,636,954)</b>	<b>-</b>	<b>19,622,319</b>

## Charity 2 – Hampstead Heath Trust Fund

<b>At 31 March 2023</b>	Total as at 1 April 2022 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	<b>Total as at 31 March 2023 £</b>
Endowment funds:						
Expendable endowment	782,826	-	-	(13,562)	-	<b>769,264</b>
Permanent endowment	33,768,864	-	(163,923)	599,107	-	<b>34,204,048</b>
<b>Total endowment funds</b>	<b>34,551,690</b>	<b>-</b>	<b>(163,923)</b>	<b>585,545</b>	<b>-</b>	<b>34,973,312</b>
Unrestricted funds:						
General funds	566,888	1,543,905	(1,379,983)	-	-	<b>730,810</b>
<b>Total funds</b>	<b>35,118,578</b>	<b>1,543,905</b>	<b>(1,543,906)</b>	<b>585,545</b>	<b>-</b>	<b>35,704,122</b>

<b>At 31 March 2022</b>	Total as at 1 April 2021 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	<b>Total as at 31 March 2022 £</b>
Endowment funds:						
Expendable endowment	755,386	-	-	27,440	-	<b>782,826</b>
Permanent endowment	32,168,625	-	-	1,600,239	-	<b>33,768,864</b>
<b>Total endowment funds</b>	<b>32,924,011</b>	<b>-</b>	<b>-</b>	<b>1,627,679</b>	<b>-</b>	<b>34,551,690</b>
Unrestricted funds:						
General funds	216,877	2,025,319	(1,675,308)	-	-	<b>566,888</b>
<b>Total funds</b>	<b>33,140,888</b>	<b>2,025,319</b>	<b>(1,675,308)</b>	<b>1,627,679</b>	<b>-</b>	<b>35,118,578</b>

## Charities 1 & 2 – total

At 31 March 2023	Total as at 1 April 2022 £	Income £	Expenditure £	Gains & (losses) £	Total as at 31 March 2023 £
Endowment funds:					
Permanent endowment funds	33,768,864	-	(163,923)	599,107	<b>34,204,048</b>
Expendable endowment funds	782,826	-	-	(13,562)	<b>769,264</b>
Total endowment funds	34,551,690	-	(163,923)	585,545	<b>34,973,312</b>
Restricted funds:					
Campaign Donations	7,352	42,904	(32,160)	-	<b>18,096</b>
Parliament Hill Outdoor Gym	2,233	-	-	-	<b>2,233</b>
Installation of Non-Turf Pitches	-	46,845	-	-	<b>46,845</b>
Total restricted funds	9,585	89,749	(32,160)	-	<b>67,174</b>
Unrestricted funds:					
General funds	568,623	9,295,278	(9,129,273)	-	<b>734,628</b>
Designated funds:					
Tangible fixed assets	19,607,668	61,970	(206,196)	-	<b>19,463,442</b>
Capital fund	3,331	-	-	-	<b>3,331</b>
Total unrestricted funds	20,179,622	9,357,248	(9,335,469)	-	<b>20,201,401</b>
<b>Total funds</b>	<b>54,740,897</b>	<b>9,446,997</b>	<b>(9,531,552)</b>	<b>585,545</b>	<b>55,241,887</b>

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Gains & (losses) £	Total as at 31 March 2022 £
Endowment funds:					
Permanent endowment funds	32,168,625	-	-	1,600,239	33,768,864
Expendable endowment funds	755,386	-	-	27,440	782,826
Total endowment funds	32,924,011	-	-	1,627,679	34,551,690
Restricted funds:					
Campaign Donations	-	7,352	-	-	7,352
Parliament Hill Outdoor Gym	2,233	-	-	-	2,233
Total restricted funds	2,233	7,352	-	-	9,585
Unrestricted funds:					
General funds	216,877	9,451,854	(9,100,108)	-	568,623
Designated funds:					
Tangible fixed assets	19,390,365	429,457	(212,154)	-	19,607,668
Capital fund	3,331	-	-	-	3,331
Total unrestricted funds	19,610,573	9,881,311	(9,312,262)	-	20,179,622
<b>Total funds</b>	<b>52,536,817</b>	<b>9,888,663</b>	<b>(9,312,262)</b>	<b>1,627,679</b>	<b>54,740,897</b>

## Purpose of the endowment funds

The expendable endowment fund is invested 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 2022/23 the surplus was £168,358 (2021/22: £350,011). 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.

### **Purposes of restricted funds**

The restricted fund represents funds received from London Borough of Camden (Sports and Physical Activity Service) for the creation of a new outdoor gym at Parliament Hill. This is in addition to a grant received from the England and Wales Cricket Board for the supply and installation of non turf pitches at Parliament Hill and the Heath Extension.

### **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. As at 31 March 2023 the net book value of fixed assets relating to direct charitable purposes amounted to £19,463,442 (2021/22: £19,607,668). There were additions of £61,970 during the year relating to the East Heath Car Parking Resurfacing, Swimming Facilities and Mixed Pond Rewire projects.
- ii. *Capital Fund* - as part of an Open Spaces wide Fleet Management project a disposal exercise of redundant fleet and equipment was undertaken. 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.

## **17. 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 8.

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the

provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

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](http://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	2022/23 £	2021/22 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity	<b>4,841,585</b>	5,356,031	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		<b>(nil)</b>	(nil)	
		<b>1,817,105</b>	1,310,531	Administrative services provided for the charity
		<b>(nil)</b>	(nil)	
		<b>23,405</b>	31,536	Distribution from the Charities Pool and interest receivable on cash balances
		<b>(nil)</b>	(nil)	
<hr/>				
Hampstead Heath Trust Fund	The Hampstead Heath Trust Fund is incorporated within the Hampstead Heath financial statements as a linked charity.	<b>1,375,547</b>	1,482,422	Contribution to preservation and enhancement of Hampstead Heath as an open space
		<b>(nil)</b>	(nil)	

## REFERENCE AND ADMINISTRATION DETAILS

**CHARITY NAMES:** Hampstead Heath, Hampstead Heath Trust Fund

Registered charity number: 803392, 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 (resigned 31 December 2022)

Ian Thomas CBE – The Town Clerk and Chief Executive of the City of London Corporation (appointed 06 February 2023)

**Treasurer**

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation

**Solicitor**

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

**Environment Department**

Juliemma McLoughlin – Executive Director of Environment

Sally Agass – Interim Director of Natural Environment (resigned 31 March 2023)

**AUDITORS:**

Crowe U.K. LLP, 55 Ludgate Hill, London, EM4M 7JW

**BANKERS:**

Lloyds Bank Plc., P.O.Box 1000, BX1 1LT

**INVESTMENT ADVISORS:**

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

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

CHBOffice-BusinessSupport@cityoflondon.gov.uk