

Epping Forest

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

Charity registration number 232990

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ORIGINS OF THE CHARITY

As one of the earliest publicly accessible wild landscapes in England, Epping Forest predates the UK's National Parks by nearly 80 years and shares a common bond in seeking to preserve the wildness of a treasured landscape whilst guaranteeing widespread public access.

Purchased by the City of London Corporation under founding legislation The Epping Forest Act 1878, the Forest was then dedicated by Queen Victoria "for the enjoyment of my people forever", and as the custodian of the Forest, the City and the Forest's Conservators have continued to conserve it for everyone to enjoy.

Promoting and enabling public access to the Forest remains our guiding principle and we strive to exceed visitors' expectations by providing a safe and welcoming environment, rich in wildlife, which offers activity and excitement, and peace and tranquillity in equal measure. We welcome 4.2 million people to the Forest every year, and we want all Londoners to continue to value their Forest, and for visitors from further afield to benefit from all that the Forest has to offer.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

The governing documents are the Epping Forest Acts 1878 and 1880 as amended. 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 Epping Forest. 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. For Epping Forest, Elected Aldermen and Members of the City of London Corporation are appointed to the Epping Forest and Commons Committee, together with four Verderers - locally elected by Epping Forest Commoners in elections held every seven years - governing Epping Forest for the Court of Common Council of the City of London Corporation.

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.
- **Investment Committee** – responsible for the strategic oversight and monitoring of the performance of the charity's investments which are managed by three separate sub-committees, namely the Financial Investment Board, the Property Investment Board and the Social Investment Board.
- **Epping Forest & Commons Committee** – responsible for the activities undertaken at Epping Forest, approving budget allocations for the forthcoming year and acting as Trustee of the charity.
- **Epping Forest Consultative Committee** – considers and discusses areas of concern or debate at Epping Forest with representative user groups across the Forest– particularly those due to be raised at Epping Forest and Commons Committee.

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

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

The trustee believes that good governance is fundamental to the success of the charities. 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 commence in 2023/24 as part of a review of 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 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 36.

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

INDUCTION AND TRAINING OF MEMBERS

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

OBJECTIVES AND ACTIVITIES

The objective of the charity is the preservation of Epping Forest in perpetuity, as an open space for the recreation and enjoyment of the public. The open space consists of the lands known as Epping Forest including Wanstead Park and Highams Park in Essex. Various buffer lands have been acquired by the City Corporation around the edges of Epping Forest.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity number: 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 36.

Volunteers

Epping Forest welcomes volunteers both directly and through partner organisation in all aspects of Forest management from conservation, to front of house and Rangers.

Remuneration Policy

The charities 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 charities 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 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 were reviewed by Policy and Resources and Corporate Services Committees in April 2023. Following committee approval, a period of 12 weeks consultation with stakeholders will be undertaken and then analysis of consultation responses and amendments made in August 2023. 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”. Although Epping Forest charity does not undertake widespread fundraising from the general public, any such amounts receivable is 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 Epping Forest webpage, inviting and enabling the public to make online donations to either the Epping Forest Common Toad Conservation Project or the Epping Forest New Sculptures and Trail campaign.

The charity received no complaints in relation to fundraising activities in 2022/23 (2021/2022 was also 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 Epping Forest’s aims and objectives and in planning future activities. The purpose of the charity is the preservation of Epping Forest in perpetuity by the City of London Corporation as the Conservators of Epping Forest, as an Open Space for the recreation and enjoyment of the public.

This charity is operated as part of the City of London Corporation’s City’s Cash. The City of London Corporation is committed to fund the ongoing net operational costs of the charity in accordance with the purpose which is the preservation of Epping Forest in perpetuity by the City of London Corporation as the Conservators of Epping Forest, as an Open Space for the recreation and enjoyment of the public.

Consequently, the Trustee considers that Epping Forest 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 36.

ACHIEVEMENTS AND PERFORMANCE

Epping Forest's 2022/23 aims together with their outcomes were:

Corporate Restructure – This process continues, with staff being consulted on initial structure plans during February-March 2023. Outcomes of consultation to be communicated and implemented through 2023/24.

Carbon Removal – An accurate calculation of the carbon captured by the City of London Corporation's open spaces was undertaken showing 16.4kt of carbon is absorbed every year. Epping Forest captures the most carbon of all the open spaces sites. Opportunities to increase carbon capture through habitat works has been identified and consultants are also looking at how our existing woodlands, which provide the greatest carbon capture capacity, can be better protected.

Special Areas of Conservation (SAC) Mitigation Strategy – All participating authorities have agreed the SAC Mitigation Strategy – Governance Agreement. Authorities have already commenced the collection of SAMMS payments from developments within their boroughs.

Wanstead Parkland Plan – Feasibility study complete for sustainable urban drainage scheme funded by Mayor of London. Engineers report complete for large, raised reservoir. Natural play area created. Restoration of landing stage at the Grotto phase one complete.

Baldwins & Birch Hall Park Ponds Small Raised Reservoirs. Birch Hall Park works complete. Baldwins Pond undergoing further review and retender.

Sustainable Visitor Strategy and Car Parking – Visitor Management Plan completed awaiting consultation. Phase 3 car parking roll out in progress.

Byelaw Review – Initial plans for amendments and additions have been drawn up. Due to resourcing issues this is next due for progress in September 2023.

Implementation of new Customer Service and Regulatory Software– CiviCRM Customer Relationship Management software has been delivered and is in the process of being fully embedded to business as usual. The StarTraQ system, used to capture and support enforcement processes has completed development and training, but integration delayed due to resourcing issues.

Developing sporting partnership opportunities – City of London match funding agreed towards Football Hub scheme.

Lodges – Barn Hoppitt Lodge at Rangers Road has been successfully launched as Epping Forest's second holiday let and is receiving an excellent level of bookings and good reviews. Other empty lodges are being refurbished, as far as resources allow, ready for staff occupation or letting according to needs on completion of corporate restructure.

Countryside Stewardship Scheme (CSS) – The two-year capital works programme to undertake the initial major wood pasture restoration works was completed in October. Just under 80 veteran trees have received tree pruning to stabilise and reinvigorate the old, pollarded trees. Volunteers have been delivering heathland, pond and other wood pasture restoration works. On the heathlands, small areas of competitive grasses were removed to encourage sensitive heathland species to colonise and expand their populations. A new application was submitted in April 2023 for a CSS grant for the rest of Epping Forest.

Conservation Cattle Grazing – Budget provided for improvements to cattle overwintering facilities. Planning permission received for hay barn.

Sustainable Fleet and Operations – A number of new road vehicles and tractors have been purchased this year, all compliant with increasing environmental legislation including ULEZ. The replacement programme will continue into future years.

PLANS FOR FUTURE PERIODS

Key projects for 2023/24 include:

Corporate Restructure This process continues with staff being consulted on initial structure plans during February- March 2023. Outcomes of consultation to be communicated and implemented through 2023/24

Charity Review – Scoping phase of a review of the governance and operations of the natural environment charities of which the City of London Corporation is Trustee (including Epping Forest charity) will take place in 2023/24, with initial recommendations implemented where applicable and areas for further work identified.

Byelaws – Continuation of the existing project to review and update EF Byelaws where necessary or desirable.

Lodges and Property – Following the Residency Strategy, to then continue the programme of refurbishment of properties suited to their planned use, including various letting options.

Visitor Management Plan – Consultation stages and implementation.

Countryside Steward Scheme (CSS) – Continue to deliver the existing grant programme of habitat management, and work towards being awarded a second CSS grant for the remaining areas of Epping Forest.

Conservation Management Plan – to be completed for The Temple.

Sustainable Urban Drainage Scheme (SUDS) – to be implemented in Wanstead Park pending funding award.

Great Gregories – Commencement of construction of improved overwintering facilities.

Carbon Reduction Strategy – To continue to participate in the City of London Climate Action Strategy.

Natural Capital Programmes – to further research and programmes where possible.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 20.

The Trustee is monitoring the situation and will continue with its purpose to preserve of Epping Forest in perpetuity by the City of London Corporation as the Conservators of Epping Forest, as an Open Space for recreation and enjoyment of the public.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2022/23 the charity's total income for the year was £8,188,103, an overall increase of £924,445 against the previous year (£7,263,658). The principal source of income was from City of London Corporation's City's Cash fund (see below).

Income from Charitable Activities totalled £2,480,124 (2021/22: £2,001,464), including £1,845,995 from charges for use of facilities and licences (2021/22: £1,359,149), £488,724 from rents (2021/22: £541,531) and £145,405 from sales of goods, products and materials (2021/22: £100,784).

In total, grant income of £778,947 was received in the year, towards programmes administered by the charity (2021/22: £502,243) (see below).

- A restricted government grant of £207,654 was received in the year from the Countryside Stewardship Scheme (CSS) which provides funding to farmers and land managers to farm in a way that supports biodiversity, enhances the landscape, and improves the quality of water, air and soil. (2021/22: £264,469).
- Capital property receipts of £427,652 (2021/22: £118,000) was received in 2022/23. Capital receipts relating to easements from Woodredon Farm and Mornington Road, Woodford, were credited to the Epping Forest Capital Fund which can be used for the acquisition of Forest land or capital projects in the Forest.

Donations – being amounts received from the public including through donation boxes at the Temple and at the View as well as via the Epping Forest webpage. Unrestricted donations amounted to £39,178 during 2022/23 (2021/22: £894) and included a contribution from the Lord Mayor to support the maintenance of ancient trees at Epping Forest in addition to sponsorship income received. In total £60 in restricted donations income was received during the year (2021/22: £185) via the website. Donations can be made on the Epping Forest webpage, to either the Epping Forest Common Toad Conservation Project or the Epping Forest New Sculptures and Trail campaign.

Investment income of £11,212 (2021/22: £3,171) received during the year consists of distributions from the Charities Pool and interest receivable on cash balances held on behalf of the charity.

No other income was received (2021/22: £3,112 was received in relation to Coronavirus Job Retention Scheme).

An amount of £4,878,582 (2021/22: £4,527,135) 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 relating to charitable activities expenditure was £7,601,136 (2021/22: £7,351,365). The increase in expenditure can be explained by additional repairs and maintenance costs, equipment purchases and professional fees being required in 2022/23 in addition to an increase in recharges from the Natural Environment Directorate.

Funds held

The charity's total funds held increased by £586,876 to £6,885,338 as at 31 March 2023 (2021/22: £6,298,463).

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 £6,627,298 (2021/22: £6,171,657). In addition, unrestricted general funds amounted to £6,109 as at 31 March 2023 (2021/22: £0) in relation to surplus donations income.

Restricted funds of £251,932 (2021/22: £126,806) were held at year-end. These relate to Campaign Donations of £60 and £251,147 in relation to the Countryside Stewardship Scheme. Donations can be made on the Epping Forest webpage, to either the Epping Forest Common Toad Conservation Project or the Epping Forest New Sculptures and Trail campaign. Plans are being put in place for utilising these funds.

In addition to the above restricted funds, £38,000 was received in 2022/23 from the Greater London Authority (GLA) to fund the Wetlands Project at Wanstead Park. £10,000 was also received from the Heritage of London Trust to support Phase One Landing Stage Works at The Grotto. The funding for both of these projects was fully spent during 2022/23.

Details of all funds held, including their purposes, is set out within note 17 to the financial statements.

Investments performance

Over the course of 2022/23 the Charities Pool investment strategy delivered an absolute return (gross of fees) of +2.22% which was below the FTSE All Share Index benchmark return of +2.92% (2021/22: the investment strategy gained +11.1% versus +13.0% from the benchmark). However, over the longer term three and five year horizon, performance of the Charities Pool Investments, as displayed in the table below, was above the benchmark. 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 year	5 year	3 year	5 year
FTSE All Share	14.1%	5.6%	7.3%	6.2%
Fund outperformance	0.3%	0.6%	2.0%	1.5%

Reserves

The charity is wholly supported by the City of London Corporation which is committed to maintain and preserve Epping Forest out of its City's Cash Funds. These Funds are used to meet the deficit on running expenses on a year by year basis. Consequently, a reserves policy is considered by the trustee to be inappropriate. Free reserves of £6,109 were held

as at 31 March 2023 (2021/22: £nil) relating to surplus unrestricted donation income held in reserve.

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
Health & Safety incidents/Catastrophic Health and Safety Failure	Staff roles linked to essential and desirable training needs. Continual and annual review Clear role and responsibilities set out in documentation and reinforced by training. Structure of local H&S meeting arrangements enables cascading of decisions, issues, responsibilities, and communications. H&S checks undertaken annually for all refreshments and food outlets under licence in the forest, excluding ice cream vans. Provide support to staff where possible.
Decline in Assets condition	Schedule of statutory checks and visits carried out by City Surveyor or delegated to site. Joint inspection of all buildings including residential by site and City Surveyor to capture maintenance needs. Improvements to Great Gregories. Capital funding being sought for essential works to Aldersbrook changing facilities.
Raised Reservoirs	Weekly inspection of reservoirs / dams. Statutory inspection visits by engineer every six months. Complete works on Birch Hall Park Pond. Undertake surveys and investigate funding options for works on other ponds.
Invasive Non-Native Species (INNS)	Develop an INNS policy - particular focus on Oak Processionary Moth, although other pathogens and areas of concern to be tackled. Track works done to mitigate the spread of Oak Processionary Moth in Epping Forest.
Loss of forest and buffer land and/or concession of prescriptive rights	Audits of all forest compartments to be completed. Work with City Surveyor's and Comptroller and City Solicitor's Departments to consider whether legal action is required to settle disputes.
Loss of knowledge of skilled staff/difficulties in recruitment	Succession plan approved and to be reviewed annually. Talent Management Strategy to be developed but deferred awaiting outcome of TOM process. Increase documentation of memory-based knowledge.

Risk	Actions to manage risks
	<p>Ensure that information needed for emergency situations and out of hours is written down forming part of a pack. Move collected data onto the GIS system. Ability to recruit overlapping positions to allow transfer of knowledge. Budgetary consideration and proactive support from HR</p>
Public behaviour	<p>Public Spaces Protection Orders (PSPO's) are in place. These and other dog control measures are monitored and action taken where appropriate. Multi-disciplinary approach with enforcement and outreach team. Develop relationships with local authority neighbours, police services, fire service etc.</p>
Pathogens	<p>Implement actions arising from Massaria survey. Annual inspection of all Rhododendron and Larch to ensure Ramorum disease does not spread. Develop a biosecurity policy for whole Forest, building on Ramorum security policy approach. Measures will be integrated into the INNS Action Plan for completion in 2024.</p>
Development Consents close to Forest Land	<p>Continue to influence the Epping Forest District Council, London Borough of Waltham Forest and other surrounding local plans. Look to embed the Epping Forest Special Area of Conservation (SAC) Mitigation Strategy in Local Plans and to ensure robust monitoring of the effectiveness of mitigation measures. Development and ongoing work on the Forest Transport Strategy</p>
Financial management and loss of income	<p>Working to deficit budget reduction targets by increasing income generation e.g., from car parking charges. Further efficiencies and income enhancement to be sought.</p>
Declining Site of Special Scientific Interest (SSSI)/Special Area of Conservation (SAC) Condition	<p>Application for a further Countryside Stewardship grant is likely to be submitted in 2023. Create plan of action for 5 compartments within existing resources to ensure consideration of priorities for CSS application.</p>
Severe Weather Events	<p>Incident Management Plan updated to incorporate wildfire planning and JESIP protocols for joint action across authorities. Site visits by fire services to confirm infrastructure is satisfactory have been scheduled. Tree safety survey has identified necessary works. Relevant works are being prioritised and options for employing additional staff or contractors to carry them out are being considered.</p>

Risk	Actions to manage risks
Wanstead Park – Heritage at Risk Register	Identify potential funding / partners and submit bid. Funders may include HLF
Major Incident resulting in prolonged ‘Access Denial’	The Emergency Action Plan was tested successfully during the pandemic using JESIP (Joint Emergency Services Interoperability Principles) and has been implemented and supported by additional measures.

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.

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

30th January 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF EPPING FOREST

Opinion

We have audited the financial statements of Epping Forest ('the charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Other information

The trustee is responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient and proper accounting records have not been kept by the Charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustee

As explained more fully in the trustee's responsibilities statement set out on page 13 and 14, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Health and safety legislation, and Employment legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustee and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory

correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

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 2022/23 £	Restricted Funds 2022/23 £	2022/23 Total Funds £	2021/22 £
Income from:					
Voluntary activities	2	562,471	255,714	818,185	728,776
Charitable activities	3	2,480,124	-	2,480,124	2,001,464
Grant from City of London Corporation	4	4,878,582	-	4,878,582	4,527,135
Investments	5	11,212	-	11,212	3,171
Other income	6	-	-	-	3,112
Total income		7,932,389	255,714	8,188,103	7,263,658
Expenditure on:					
Charitable activities:					
Preservation of Epping Forest	7	7,470,548	130,588	7,601,136	7,351,365
Total expenditure		7,470,548	130,588	7,601,136	7,351,365
Net gains/(losses) on investments	12	(92)	-	(92)	185
Net expenditure		461,750	125,126	586,876	(87,522)
Transfers between funds					
				-	-
Net movement in funds		461,750	125,126	586,876	(87,522)
Reconciliation of funds:					
Total funds brought forward	17	6,171,657	126,806	6,298,463	6,385,985
Total funds carried forward	17	6,633,407	251,932	6,885,339	6,298,463

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 20 to 35 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 Total £	2022 Total £
Fixed assets:			
Heritage assets	10	377,950	378,911
Tangible assets	11	4,619,544	4,849,752
Investments	12	3,966	4,058
Total fixed assets		5,001,460	5,232,721
Current assets			
Stock		31,293	28,077
Debtors	13	531,993	443,120
Cash at bank and in hand		2,026,358	1,428,251
Total current assets		2,589,644	1,899,448
Creditors: Amounts falling due within one year	14	(643,680)	(769,946)
Net current assets/(liabilities)		1,945,964	1,129,502
Total assets less current liabilities		6,947,424	6,362,223
Creditors: Amounts falling due after more than one year	15	(62,085)	(63,760)
Total net assets		6,885,339	6,298,463
The funds of the charity:			
Restricted income funds	17	251,932	126,806
Unrestricted income funds	17	6,633,407	6,171,657
Total funds		6,885,339	6,298,463

The notes on pages 20 to 35 form part of these financial statements.

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

30th 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 charity.

(a) Basis of preparation

The financial statements of the charities, which is a public benefit entity under FRS102, have been prepared under the historical cost convention as modified by the valuation 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 financial statements being signed to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the current high inflationary pressures on the financial position, including future income levels, planned expenditure and the liquidity of the charity over the next 12-month period. The assessment helps to provide assurances that the charity can continue to keep operating over the next 12-month period from these financial statements being signed. 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.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP 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 2023 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 donations, charges for services and 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. These costs are recharged, and 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.

(g) 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%. Contribution rates adopted for the financial years 2020/21, 2021/22 and 2022/23 had been set at 21%.

(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) Fixed Assets

Heritage Land and Associated Buildings

Epping Forest comprises 2,485 hectares (6,142 acres) of land stretching 12 miles from Manor Park in East London to just north of Epping in Essex, together with associated buildings. The object of the charity is the preservation of Epping Forest in perpetuity as an Open Space for the recreation and enjoyment of the public. Epping Forest is considered to be inalienable (i.e. may not be disposed of without specific statutory powers).

Land and the original associated buildings are considered to be heritage assets. In respect of the original land and buildings, cost or valuation 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
Heavy vehicles and plant	5

(j) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to “pool” small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments 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.

(k) 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.

(l) 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.

(m) Funds structure

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

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 held representing unrestricted funds. Specifically, this represents any surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

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

(n) Insurance

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

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted funds	Restricted funds	Total 2022/23	Unrestricted funds	Restricted funds	Total 2021/22
	£	£	£	£	£	£
Grants	523,293	255,654	778,947	237,774	264,469	502,243
Donations and legacies	39,178	60	39,238	894	225,639	226,533
Total	562,471	255,714	818,185	238,668	490,108	728,776

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022/23	Unrestricted funds 2021/22
	£	£
Charges for use of facilities	1,845,995	1,359,149
Sales	145,405	100,784
Rental income	488,724	541,531
Total	2,480,124	2,001,464

4. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds 2022/23	Unrestricted funds 2021/22
	£	£
Revenue and capital grants from City of London Corporation	4,878,582	4,527,135

5. INCOME FROM INVESTMENTS

	Unrestricted funds 2022/23 £	Unrestricted funds 2021/22 £
Interest	<u>11,212</u>	<u>3,171</u>

6. OTHER INCOME

	Unrestricted funds 2022/23 £	Unrestricted funds 2021/22 £
Other income	<u>-</u>	<u>3,112</u>

Income for the year included:

Grants – being amounts received from organisations towards programmes operated by the charity.

Donations – being amounts received from the public through donation boxes at the Temple and at the View. A donations page has also been created on the Epping Forest webpage, inviting and enabling the public to make on-line donations to either the Epping Forest Common Toad Conservation Project or the Epping Forest New Sculptures and Trail campaign. Donations income also refers to income generated from contributions and sponsorship.

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.

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

7. EXPENDITURE

Expenditure on charitable activities

	Direct costs £	Support costs £	Total 2022/23 £	Direct costs £	Support costs £	Total 2021/22 £
Preservation of Epping Forest	<u>6,137,313</u>	<u>1,463,823</u>	<u>7,601,136</u>	<u>6,225,588</u>	<u>1,125,777</u>	<u>7,351,365</u>

Charitable activity

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

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 provide assurance services to all of the different charities of which it is Trustee. In 2022/23 an audit fee of £5,500 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:

	Charitable activities £	Governance £	2022/23 £	2021/22 £
Department:				
Chamberlain	175,703	-	175,703	170,320
Comptroller & City Solicitor	30,698	-	30,698	32,965
Town Clerk	-	151,410	151,410	104,294
City Surveyor	336,134	-	336,134	334,933
Natural Environment directorate	536,894	-	536,894	223,295
Other governance & support costs	83,324	5,500	88,824	89,877
Digital Services	144,160	-	144,160	170,093
Sub-total	1,306,913	156,910	1,463,823	1,125,777
Reallocation of governance costs	156,910	(156,910)	-	-
Total support costs	1,463,823	-	1,463,823	1,125,777

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

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 67 (2021/22: 77).

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

	2022/23	2021/22
	£	£
Salaries and wages	2,274,886	2,237,668
National Insurance costs	229,211	213,948
Employer's pension contributions	448,193	478,609
Total emoluments of employees	2,952,290	2,930,225

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).

	2022/23	2021/22
£70,000 - £79,999	1.0	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 Open Spaces who manages the seven open spaces funded by the City of London Corporation. A proportion of the Directors' employment benefits are allocated to this charity.

Support is also provided by other chief officers and their departments from across the City of London Corporation, including the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor and City Surveyor.

The amount of employee benefits received by key management personnel totalled £87,357 (2021/22: £45,781). No members received any remuneration for acting on behalf of the Trustee, with directly incurred expenses reimbursed, if claimed. No expenses were claimed in 2022/23 (2021/22: nil).

10. HERITAGE ASSETS

	2019 £	2020 £	2021 £	2022 £	2023
Cost					
At 1 April	388,382	388,382	388,382	388,382	388,382
At 31 March	388,382	388,382	388,382	388,382	388,382
Depreciation					
At 1 April	5,628	6,589	7,550	8,510	9,471
Charge for the year	961	961	960	961	961
At 31 March	6,589	7,550	8,510	9,471	10,432
Net book value					
At 31 March	381,793	380,832	379,872	378,911	377,950
At 31 March	382,754	381,793	380,832	379,872	378,911

Since 1878 the primary purpose of the charity has been the preservation of Epping Forest for the recreation and enjoyment of the public. As set out in Note 1(i), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of Epping Forest are contained in the Epping Forest Conservation Management Plan. Records of heritage assets owned and maintained by Epping Forest can be obtained from the Director of Natural Environment at the principal address as stated on page 36.

11. TANGIBLE FIXED ASSETS

	Land and Buildings £	Infrastructure £	Vehicles and Plant £	Equipment £	Total £
Cost					
At 1 April 2022	3,942,370	4,340,120	305,528	409,738	8,997,756
Additions		146,844	53,050	-	199,894
At 31 March 2023	3,942,370	4,486,964	358,578	409,738	9,197,650
Depreciation					
At 1 April 2022	1,895,618	1,744,626	157,663	350,097	4,148,004
Charge for the year	163,720	231,723	25,904	8,755	430,102
At 31 March 2023	2,059,338	1,976,349	183,567	358,852	4,578,106
Net book value					
At 31 March 2023	1,883,032	2,510,615	175,011	50,886	4,619,544
At 31 March 2022	2,046,752	2,595,494	147,865	59,641	4,849,752

12. FIXED ASSET INVESTMENTS

The investments are held in 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:

	2023	2022
	£	£
Market value 1 April	4,058	3,873
Gain/(loss) for the year	(92)	185
Market value 31 March	3,966	4,058
Cost 31 March	438	438
Units held in Charities Pool	438	438

The geographical spread of listed investments as at 31 March 2023 was as follows:

	Held	Held	Total at 31	Held	Held	Total at 31
	in the	outside the	March	in the	outside the	March
	UK	UK	2023	UK	UK	2022
	£	£	£	£	£	£
Equities	3,218	540	3,758	3,299	463	3,762
Pooled Units	130	-	130	239	-	239
Cash held by Fund Manager	78	-	78	57	-	57
Total	3,426	540	3,966	3,595	463	4,058

13. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

	2023	2022
	£	£
Rental debtors	33,220	24,576
Prepayments and accrued income	34,924	39,049
Recoverable VAT	126,115	119,586
Other debtors	337,734	259,909
Total	531,993	443,120

14. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	248,097	263,919
Accruals	263,142	352,531
Deferred income	76,037	123,899
Other creditors	56,404	29,597
Total	643,680	769,946

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

	2023	2022
	£	£
Deferred income analysis within creditors:		
Balance at 1 April	123,899	70,619
Amounts released to income	(123,899)	(70,619)
Amounts deferred in the year	76,037	123,899
Balance at 31 March	76,037	123,899

15. CREDITORS – AMOUNTS DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Sundry deposits	62,085	63,760

Sundry deposits relate to rent deposits held on behalf of tenants.

16. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2023	Unrestricted Income Funds		Restricted Funds	Total at 31 March 2023	Total at 31 March 2022
	General Funds	Designated Funds			
	£	£			
Heritage Assets	-	377,950	-	377,950	378,911
Tangible Assets	-	4,619,542	-	4,619,542	4,849,752
Investments	-	3,966	-	3,966	4,058
Current Assets	711,874	1,625,838	251,932	2,589,644	1,899,448
Current Liabilities	(643,680)	-	-	(643,680)	(769,946)
Non-Current Liabilities	(62,085)	-	-	(62,085)	(63,760)
Total	6,109	6,627,296	251,932	6,885,337	6,298,463

At 31 March 2022	Unrestricted Income Funds		Restricted Funds	Total at 31 March 2022	Total at 31 March 2021
	General Funds	Designated Funds			
	£	£			
Heritage Assets	-	378,911	-	378,911	379,872
Tangible Assets	-	4,849,752	-	4,849,752	4,971,853
Investments	-	4,058	-	4,058	3,873
Current Assets	833,706	938,936	126,806	1,899,448	1,490,011
Current Liabilities	(769,946)	-	-	(769,946)	(411,114)
Non-Current Liabilities	(63,760)	-	-	(63,760)	(48,510)
Total	-	6,171,657	126,806	6,298,463	6,385,985

17. MOVEMENT IN FUNDS

At 31 March 2023	Total as at 1 April 2022 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	Total as at 31 March 2023 £
Restricted funds:						
Campaign Donations	725	60	-	-	-	785
Countryside Stewardship Scheme	126,081	207,654	(82,588)	-	-	251,147
Wanstead Park Wetlands Project Funding from Greater London Authority (GLA)						
Heritage of London Trust funding for Phase One Landing Stage Works at The Grotto	-	38,000	(38,000)	-	-	-
	-	10,000	(10,000)	-	-	-
Total restricted funds	126,806	255,714	(130,588)	-	-	251,932
Unrestricted funds:						
General funds	-	7,289,843	(6,987,561)	-	(296,173)	6,109
Designated funds:						
Tangible fixed assets	4,849,752	199,894	(430,102)	-	-	4,619,544
Heritage assets	378,911	-	(961)	-	-	377,950
Capital fund	418,483	427,652	(50,973)	-	-	795,162
Sports ground deposit	4,153	-	-	(92)	-	4,061
Golf course machinery fund	57,717	-	-	-	(45,000)	12,717
Knighton Wood maintenance	5,801	-	-	-	-	5,801
Branching Out project	42,423	-	-	-	-	42,423
Future green infrastructure fund	6,002	-	(951)	-	-	5,051
Cattle purchase fund	107,765	-	-	-	45,023	152,788
Wanstead Park/Flats future projects fund	100,000	-	-	-	-	100,000
South Lodge The Warren	200,650	-	-	-	296,150	496,800
Ancient Trees Maintenance	-	15,000	-	-	-	15,000
Total designated funds	6,171,657	642,546	(482,987)	(92)	296,173	6,627,298
Total unrestricted funds	6,171,657	7,932,389	(7,470,548)	(92)	-	6,633,407
Total funds	6,298,463	8,188,103	(7,601,136)	(92)	-	6,885,339

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	Total as at 31 March 2022 £
Restricted funds:						
Campaign Donations	90	635	-	-	-	725
Transport for London Cycle Stands	-	9,000	(9,000)	-	-	-
Countryside Stewardship Scheme	-	264,469	(138,388)	-	-	126,081
Orion Harriers	-	216,004	-	-	(216,004)	-
Total restricted funds	90	490,108	(147,388)	-	(216,004)	126,806
Unrestricted funds:						
General funds	-	6,598,676	(6,558,078)	-	(40,598)	-
Designated funds:						
Tangible fixed assets	4,971,853	56,874	(460,113)	-	281,138	4,849,752
Heritage assets	379,872	-	(961)	-	-	378,911
Capital fund	549,620	118,000	(184,003)	-	(65,134)	418,483
Sports ground deposit	3,968	-	-	185	-	4,153
Golf course machinery fund	27,716	-	-	-	30,001	57,717
Knighton Wood maintenance	5,801	-	-	-	-	5,801
Branching Out project	42,423	-	-	-	-	42,423
Future green infrastructure fund	6,824	-	(822)	-	-	6,002
Cattle purchase fund	97,168	-	-	-	10,597	107,765
Wanstead Park/Flats future projects fund	100,000	-	-	-	-	100,000
South Lodge The Warren	200,650	-	-	-	-	200,650
Total designated funds	6,385,895	174,874	(645,899)	185	256,602	6,171,657
Total unrestricted funds	6,385,895	6,773,550	(7,203,977)	185	216,004	6,171,657
Total funds	6,385,985	7,263,658	(7,351,365)	185	-	6,298,463

Purposes of restricted funds

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

- i. *Campaign Donations* - donations can be made on the Epping Forest webpage, to either the Epping Forest Common Toad Conservation Project or the Epping Forest New Sculptures and Trail campaign. In total £60 was received in restricted donations during the year (2021/22: £635) which is restricted income for 'Campaign Donations'.
- ii. *Countryside Stewardship Scheme* – 10 year grant funding from the Rural Payment Agency towards a specific programme administered by the charity providing financial incentives for farmers, woodland owners, foresters and land managers to look after and improve the environment. At 31 March 2023, £251,147 was held in a restricted fund for the Countryside Stewardship Scheme (2021/22: £126,081).
- iii. *Wanstead Park Wetlands Project Funding* – grant funding from the Greater London Authority (GLA) to support the Wetlands Project at Wanstead Park. £38,000 grant funding was received from the GLA in 2022/23 which was all fully spent by 31 March 2023.
- iv. *Heritage of London Trust Funding* - £10,000 was received from the Heritage of London Trust during 2022/23 to fund the Phase One Landing Stage Works project at The Grotto. The grant monies were fully spent by 31 March 2023.

Purposes of designated funds

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

- i. *Fixed Assets* – these are included at historic cost less depreciation on a straight line basis to write off their costs over their estimated useful lives and less any provision

- for impairment. At 31 March 2023 the net book value of fixed assets relating to direct charitable purposes amounted to £4,997,493 (2021/22: £5,228,663).
- ii. *Heritage Assets* – additions to land and capital expenditure on buildings and other assets are included as fixed assets at historic cost, less provision for depreciation and any impairment. The net book value of heritage assets to direct charitable purposes at 31 March 2023 was £377,950 (2021/22: £378,911).
 - iii. *Capital Fund* - the Epping Forest capital fund was established under the Epping Forest and Open Spaces Act 1878. The fund finances the purchase, construction, or repair of Forest buildings and can also be used to purchase further charitable land. The income of the fund is comprised of income from the sale of buildings and by any contribution the City of London Corporation may wish to make to the fund. Capital property receipts of £427,652 (2021/22: £118,000) were received in 2022/23 primarily relating to easements from Woodredon Farm and Mornington Road, Woodford. Proceeds were credited to the Epping Forest Fund which can be used for the acquisition of Forest land or capital projects in the Forest.
 - iv. *Sports grounds deposit* – sum of money was invested in 1968 relating to the Sports ground.
 - v. *Golf course machinery fund* – the purpose of this fund is to provide for the future replacement of plant and equipment at Chingford Golf Course. At 31 March 2023, the fund balance relating to the Golf course machinery fund amounted to £12,717 (2021/22: £57,717). During 2022/23, two mowers were purchased at a cost of £45,000 which was funded through this reserve.
 - vi. *Knighton Wood maintenance* - a gift was made in 1930 to be spent on maintaining the beauty of Knighton Wood. The unused balance of the fund was invested in 1931 for future use. Charity Pool units relating to E.N. Buxton Knighton Wood were sold in 2016/17. It is anticipated that the balance of £5,801 will be spent in 2023/24.
 - vii. *Branching Out project* - Epping Forest was awarded a £4.76m Stage 3 grant by Heritage Lottery Fund in March 2009, towards the £6.8m cost of the 'Branching Out' project. The fund is used to finance the costs of the project that are not met by the grant and are to be provided by Epping Forest. The scheme was completed in 2017/18. Verification of final accounts is underway.
 - viii. *Future green infrastructure fund* - The Green Arc Partnership takes a strategic view of future 'green' infrastructure, principally the provision of further public open space in London's peri-urban fringe and metropolitan green belt. The City of London as the lead authority holds the funding and meets expenditure when required. Expenditure amounted to £951 in 2022/23 (2021/22: £822).
 - ix. *Cattle purchase fund* - The purpose of this fund is to provide for the future purchase of cattle. Surplus net income of £45,023 from sale of livestock and produce was transferred into reserve as at 31 March 2023 (2021/21: £10,597) to fund future herd expansion at Epping Forest
 - x. *Wanstead Park/Flats future projects fund* - the City of London Corporation received a payment of £195,000 as a fee-in-lieu-of-rent in compensation for the temporary use of part of Wanstead Flats for 90 days spanning the 2012 Olympic and Paralympic Games. No expenditure incurred during the accounting period. The balance of £100,000 will be used for future projects at Wanstead Park and Wanstead Flats.
 - xi. *South Lodge The Warren* - in August 2020, the charity received a cash settlement of £200,650 from the RSA Insurance Group in relation to a subsidence damage claim at South Lodge, on the Warren Estate). The full amount was transferred into reserve. These funds were set aside by the Trustee to fund replacement for operational needs elsewhere in the Forest.

- xii. *Ancient Trees Maintenance* – a designated reserve was established in 2022/23 for the purpose of funding the maintenance of ancient trees at Epping Forest. A £15k contribution was received from the Lord Mayor during 2022/23 to support this purpose.

18. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 3. 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 7.

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.

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 transactions				
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	4,878,582	4,527,135	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		(nil)	(nil)	
		1,463,823	1,125,777	Administrative services provided for the charity
		(nil)	(nil)	
		11,212	3,171	Distribution from the Charities Pool
		(nil)	(nil)	

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Epping Forest

Registered charity number: 232990

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 & 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, EC4M 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