

City of London Corporation Committee Report

Committee(s): Audit and Risk Management Committee – For decision	Dated: 17/11/2025
Subject: 2024-25 City's Estate Financial Statements	Public report: For Decision
This proposal: <ul style="list-style-type: none">• provides statutory duties	Compliance with external audit requirements
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/a
What is the source of Funding?	N/a
Has this Funding Source been agreed with the Chamberlain's Department?	N/a
Report of:	The Chamberlain
Report author:	Daniel Peattie, Assistant Director Strategic Finance

Summary

The Consolidated Financial Statements for City's Estate, for the year ending 31 March 2025 are attached at Appendix 1 for approval alongside the Audit Findings Report from Crowe UK LLP, Appendix 3.

In addition, the 9 Annual Reports and Financial Statements of the Open Spaces and Sundry Trust charities which are consolidated within the City's Estate accounts (listed at paragraph 1 below) are attached at Appendix 2 for delegated approval subject to consideration and Audit and Risk Management Committee.

Recommendation(s)

The **Audit and Risk Management Committee** is requested to:

- **Consider** the contents of the City's estate Audit Findings Report 2024-25 issued by Crowe UK LLP as set out in Appendix 3;
- **Recommend** approval of the 2024-25 City's Estate Financial statements, and the financial statements of each of the 9 consolidated charities, for the year ending 31 March 2025 to Finance Committee.

Main Report

Background

1. The Annual Reports and Financial Statements for each of the consolidated charities for the same period are attached at Appendix 2 for approval. The 9 charity financial statements are listed below with their charity numbers, and are made up of the Open Spaces and other consolidated sundry trusts:
 - i. Ashtead Common (registered charity no. 1051510)
 - ii. Highgate Wood and Queen's Park Kilburn (registered charity no. 232986)
 - iii. West Ham Park (registered charity no. 206948)
 - iv. Hampstead Heath Charity (registered charity no. 803392), incorporating the linked charity the Hampstead Heath Trust Fund (registered charity no. 803392- 1)
 - v. Sir Thomas Gresham Charity (registered charity no. 221982)
 - vi. Keats House (registered charity no. 1053381)
 - vii. Burnham Beeches and Stoke Common (registered charity no. 232987)
 - viii. Epping Forest (registered charity no. 232990)
 - ix. West Wickham Common and Spring Park Wood (registered charity no. 232988) & Coulsdon and Other Commons (registered charity no. 232988-1)
2. It should be noted that the City's Estate accounts shown at Appendix 1 are the draft accounts submitted to the auditors and do not yet include the audit adjustments set out in this report and accompanying Audit Findings Report. The charity accounts at Appendix 2 are the audited accounts, unless otherwise indicated.
3. Members will be aware that in order to comply with the covenants in the private placement Note Purchase Agreement, the audited City's Estate consolidated financial statements along with an opinion that states that such financial statements give a true and fair view of the financial position of City's Estate, must be submitted to the private placement lenders as soon as they become available but in any event within 270 days after the end of each financial year (i.e. by 26 December).
4. The 9 sets of charity financial statements must be submitted to the Charity Commission within 10 months of their financial year end, i.e. by 31 January 2026. The financial statements for Barking Power and Thames Power, which are consolidated within the City Estate accounts, must be submitted to Companies House within 9 months of their financial year end, i.e. by 31 December 2025.
5. The overall movement on the City's Estate balance sheet is a decrease in net assets of -£80.6m. This movement is comprised of the following items:
 - Decrease in Investment Properties of -£83.4m
 - Increase in Tangible Assets of +£10.7m
 - Decrease in Non-Property Investments of -£130.0m
 - Increase in Short Term Non-Property Investments of +£86.7m
 - Increase in Cash and Cash Equivalents of +£15.0m
 - Movement in Deferred Income of -£4.5m

- Movement in Defined benefit pension scheme liability of +£21.7m
- Other movements of +£3.2m

Current Position and Audit Findings report

6. To date, no new audit recommendations or material audit adjustments have been identified by Crowe on the City's Estate accounts at the time of drafting the report. The table below sets out the adjustments that will be amended within the City's Estate accounts.

Table 1: City's Estate audit adjustments

Adjustment description	Increase / (decrease) in net income £k	Increase / (decrease) in assets £k	Increase / (decrease) in liabilities £k	Increase / (decrease) in funds £k
1. Ashtead Common Dr Fixed Assets - £70k Cr Expenditure - £70k From review of repairs and maintenance expenditure it was identified transactions which are capital in nature but not capitalised due to the capitalisation policy of £50k which is not deemed appropriate to the entity.	70	70		70
2. Ashtead Common Dr Cash - £223k Cr Debtors - £223k Cash receipt received pre-year end however not allocated to the individual entity until post year end		223 (223)		
3. Burnham Beeches Dr Cash - £166k Cr Debtors - £166k Cash receipt received pre-year end however not allocated to the individual entity until post year end.		166 (166)		
4. Epping Forest Dr Fixed Assets - £218k Cr Expenditure - £218k From review of repairs and maintenance expenditure it was identified transactions which are capital in nature but not capitalised due to the capitalisation policy of £50k which is not deemed appropriate to the entity	218	218		218
5. Epping Forest Dr Cash - £292k Cr Debtors - £292k Cash receipt received pre-year end however not allocated to the individual entity until post year end.		292 (292)		
6. West Wickham and Spring Park Wood, Coulsdon and Other Commons Dr Cash - £95k Cr Debtors - £95k Cash receipt received pre-year end however not allocated to the individual entity until post year end.		95 (95)		
Total Impact	288	288	-	288

Approval of the financial statements

7. Finance Committee delegated approval of the City's Estate Financial Statements for the 2024-25 financial year, along with the financial statements of the 9 consolidated charities to the Chair and Deputy of the Committee subject to the approval of and any observations from this Audit and Risk Management Committee on 17 November 2025.
8. Whilst not a statutory deadline, due to the availability of the audit partner working on the City's Estate audit, the accounts need to be signed by the end of November as they are then unavailable to sign until the new year. It was therefore not possible to wait until the December Finance Committee meeting to obtain approval for signing.
9. Additionally, the Finance Committee authorised the Chamberlain, in consultation with the Chairman and Deputy Chairman of the Finance Committee, to approve any significant changes to the draft accounts and annual reports presented. The accounts included within this report contain those changes and at the time of writing there are no further changes expected.

Corporate & Strategic Implications

Strategic implications – There are no specific links to the Corporate Plan. However, the accounts assist the City Corporation in maintaining a clear and transparent dialogue regarding its activities with residents and other stakeholders

Financial implications - None

Resource implications - None

Legal implications - None

Risk implications - None

Equalities implications – None

Climate implications - None

Security implications - None

Appendices

- Appendix 1 – City's Estate Annual Report and Financial Statements 2024-25
- Appendix 2a – Ashted Common 2024-25
- Appendix 2b – Highgate Wood and Queen's Park Kilburn 2024-25
- Appendix 2c – West Ham Park 2024-25
- Appendix 2d – Hampstead Heath Charity incorporating Hampstead Heath Trust Fund 2024-25
- Appendix 2e – Sir Thomas Gresham Charity 2024-25
- Appendix 2f – Keats House 2024-25
- Appendix 2g – Burnham Beeches and Stoke Common 2024-25
- Appendix 2h – Epping Forest 2024-25

- Appendix 2i – West Wickham and Coulsdon 2024-25
- Appendix 3 – City's Estate Audit Findings Report 24-25

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