

# City of London Corporation Committee Report

|                                                                                                                                                      |                                                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| <b>Committee(s):</b><br>Highgate Wood and Queen's Park, Highgate Wood and Queen's Park Committee                                                     | <b>Dated:</b><br>03/02/2026                               |
| <b>Subject:</b><br>Operational Finance Progress Report - Quarter 3 (December 2025) 2025/26 – Highgate Wood and Queen's Park                          | <b>Public report:</b><br>For Information                  |
| <b>This proposal:</b> <ul style="list-style-type: none"><li>• delivers Corporate Plan 2024-29 outcomes</li><li>• provides statutory duties</li></ul> | Providing Excellent Services<br>Flourishing Public Spaces |
| <b>Does this proposal require extra revenue and/or capital spending?</b>                                                                             | No                                                        |
| <b>If so, how much?</b>                                                                                                                              | £0                                                        |
| <b>What is the source of Funding?</b>                                                                                                                | N/A                                                       |
| <b>Has this Funding Source been agreed with the Chamberlain's Department?</b>                                                                        | N/A                                                       |
| <b>Report of:</b>                                                                                                                                    | Chamberlain                                               |
| <b>Report author:</b>                                                                                                                                | Niranjan Shanmuganathan,<br>Chamberlain's Department      |

## Summary

This report provides an update on the operational finance position for Quarter 3 for 2025/26 for Highgate Wood and Queen's Park charity (charity registration no: 232986). This includes the charity's revenue budget to date to the end of December 2025 and projected year-end outturn position, current live capital projects and outstanding debt position. It also provides additional information on the various reserve funds held and other relevant finance information for Highgate Wood and Queen's Park charity.

As part of the ongoing Charity Review, future training sessions will also be designed for both Members and Officers on key aspects of charity finance.

## Recommendation(s)

Members are asked to:

- Note the content of this report and its appendices.

## Main Report

### Background

1. For additional context, various financial appendices and commentary have been produced to enable greater clarity of revenue budgets and other financial information needed to allow greater scrutiny of the financial performance of the Highgate Wood and Queen's Park charity (charity registration no: 232986) as well as to provide assurance that the Executive Director Environment remains within her local risk resources for 2025/26.
2. To ensure your Committee is kept informed, an update on progress made against budgets as well as other financial matters will be reported to you on a periodic (quarterly) basis. This approach will allow Members to ask questions and have a timely input into areas of particular importance to them.
3. Please be advised that in the report below, income and favourable budget variances are represented by brackets, whereas figures without brackets indicate expenditure or adverse budget variances in line with the convention used across the Financial Services Division. Members should also note that generally only budget variances above £50k have been commented on in the report and in Appendix 1.

### Revenue Operating Budget – 2025/26

4. The budget for Highgate Wood and Queen's Park for 2025/26 amounts to £2.176m net expenditure. Actual net expenditure as at December 2025 amounted to £1.395m with a current forecast outturn for 2025/26 of £2.162m net expenditure. This amounts to a projected net underspend for 2025/26 of (£14k), equivalent to 0.64% of the total net expenditure budget.
5. A summary of the revenue budget position for 2025/26 is shown in Table 1 below, with further detailed information provided in Appendix 1, including reasons for significant budget variances. Information has also been presented in a way that distinguishes between expenditure and income budgets in line with best practice for the financial reporting of charities. Please note that the information presented below comprises operating revenue budgets (local and central risk) as well as budgets for recharges and support services and repairs and maintenance budgets managed by the City Surveyor.

**Table 1 – Revenue Operating Budget Summary – 2025/26 – Highgate Wood and Queen's Park**

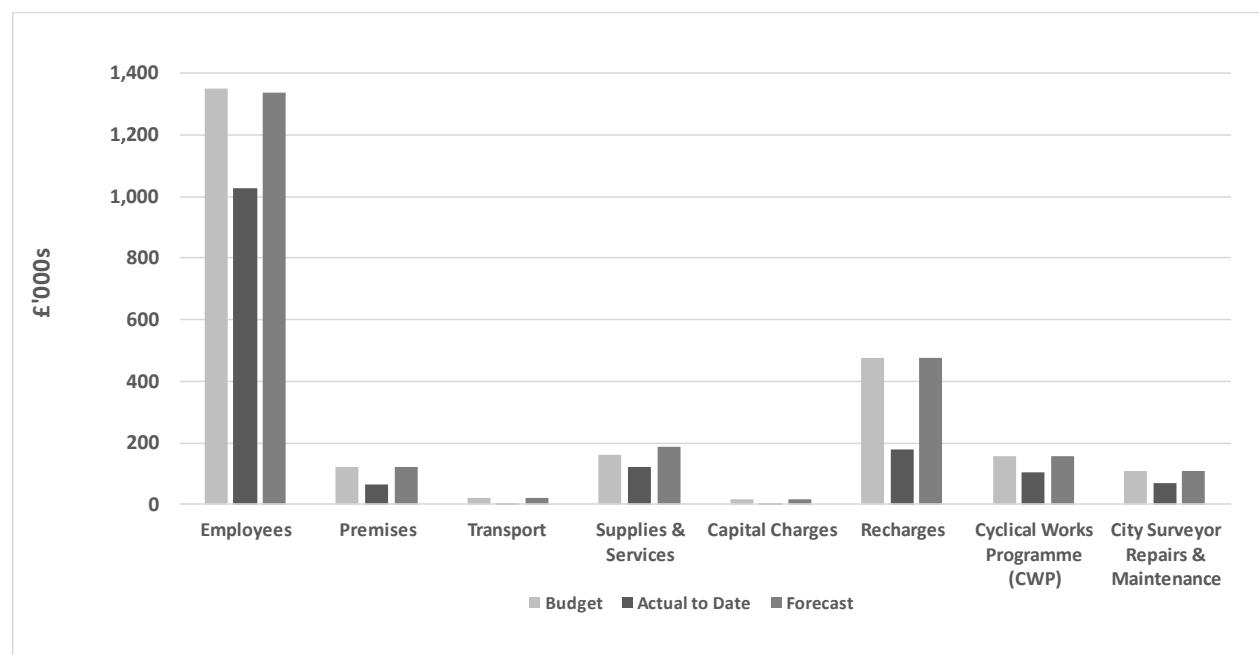
|                          | <b>Budget<br/>£'000s</b> | <b>Actual –<br/>Dec 2025<br/>£'000s</b> | <b>Forecast<br/>Outturn<br/>£'000s</b> | <b>Budget<br/>Variance<br/>£'000s</b> | <b>Variance<br/>%</b> |
|--------------------------|--------------------------|-----------------------------------------|----------------------------------------|---------------------------------------|-----------------------|
| <b>Gross Expenditure</b> | 2,405                    | 1,571                                   | 2,421                                  | 16                                    | 0.67                  |
| <b>Gross Income</b>      | (229)                    | (176)                                   | (259)                                  | (30)                                  | (13.10)               |
| <b>Net Expenditure</b>   | 2,176                    | 1,395                                   | 2,162                                  | (14)                                  | (0.64)                |

6. As can be seen from the table above, Highgate Wood and Queen's Park are currently forecasting a total net underspend of (£14k) compared with the total net expenditure budget for 2025/26. The underspend can be attributed to a (£164k) underspend on the charity's central risk budget as shown in Appendix 1.
7. The major budget variances for Highgate Wood and Queen's Park for 2025/26 are set out below and are explained further in Appendix 1:
  - (£13k) staffing underspend due to delayed recruitment of operative ranger and conservation officer roles across Highgate Wood;
  - Projected (£12k) increase in tuition fees income expected;
  - This has been offset against £17k overspend due to essential spend required for fencing as well as the purchase of equipment and other materials for extensive repair works;

### Expenditure

8. As at December 2025, total gross expenditure for Highgate Wood and Queen's Park amounted to £1.571m. This represents 65.34% of the total gross expenditure budget for 2025/26 of £2.405m.
9. For 2025/26, the charity are currently forecasting total gross expenditure of £2.421m amounting to an overspend on expenditure of £16k, 0.67% compared with the total gross expenditure budget for 2025/26 of £2.405m.
10. Graph 1 below provides a summary of the different categories of expenditure incurred to December 2025 along with current forecasts for 2025/26.

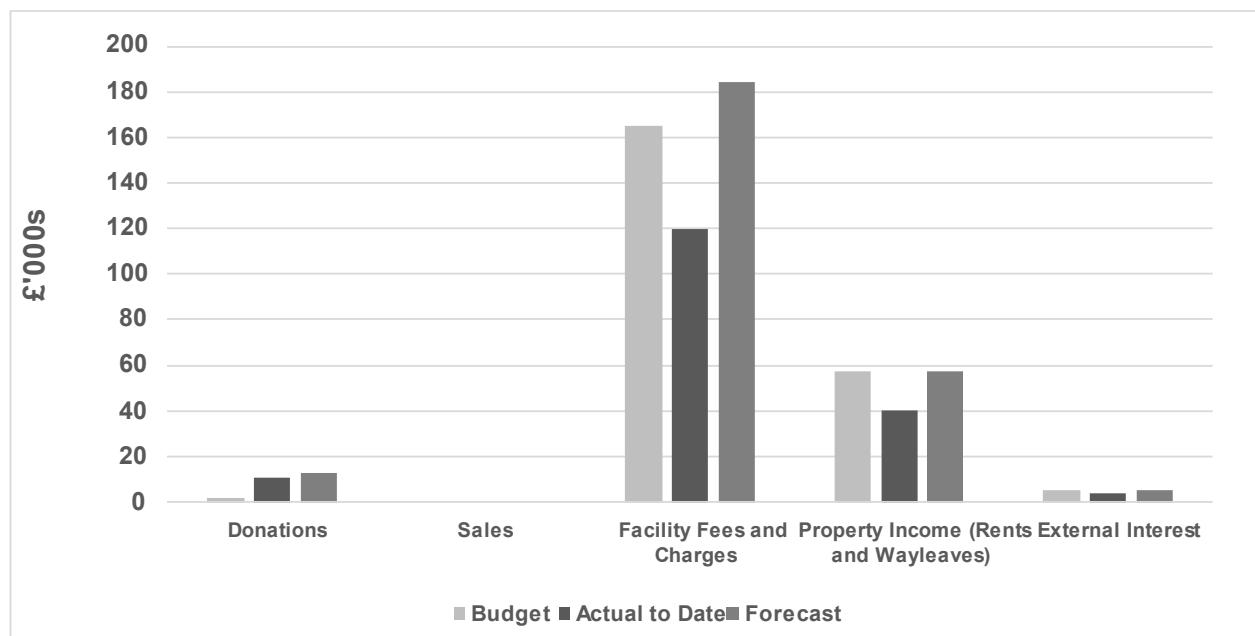
**Graph 1 – Expenditure Categories – Highgate Wood and Queen's Park – 2025/26**



## Income

11. As at December 2025, total gross income for Highgate Wood and Queen's Park amounted to (£176k). This represents 77.21% of the charity's total gross income budget for 2025/26 of (£229k).
12. For 2025/26, the charity are currently forecasting total gross income of (£259k), amounting to an increase in gross income of (£30k), (13.10%) compared with the gross income budget of (£229k).
13. Graph 2 below provides a summary of the different categories of income received to December 2025 along with current forecasts for 2025/26.

**Graph 2 – Income Categories – Highgate Wood and Queen's Park – 2025/26**



## Capital Projects

14. Appendix 2 outlines the current list of live capital projects for the charity in progress against their currently approved budget. It should be noted that the “current approved budget” is the amount currently agreed by Committee to progress the project to either the next project gateway or until Officers request further release of capital funds to progress the scheme and may not equal the total estimated cost of the project to finalisation.
15. Out of a current approved budget of £152k, £148k has been spent or committed to date, leaving a remaining budget of £4k to progress the various projects to the next project gateway, release of further capital funds or completion.

## Outstanding Debts

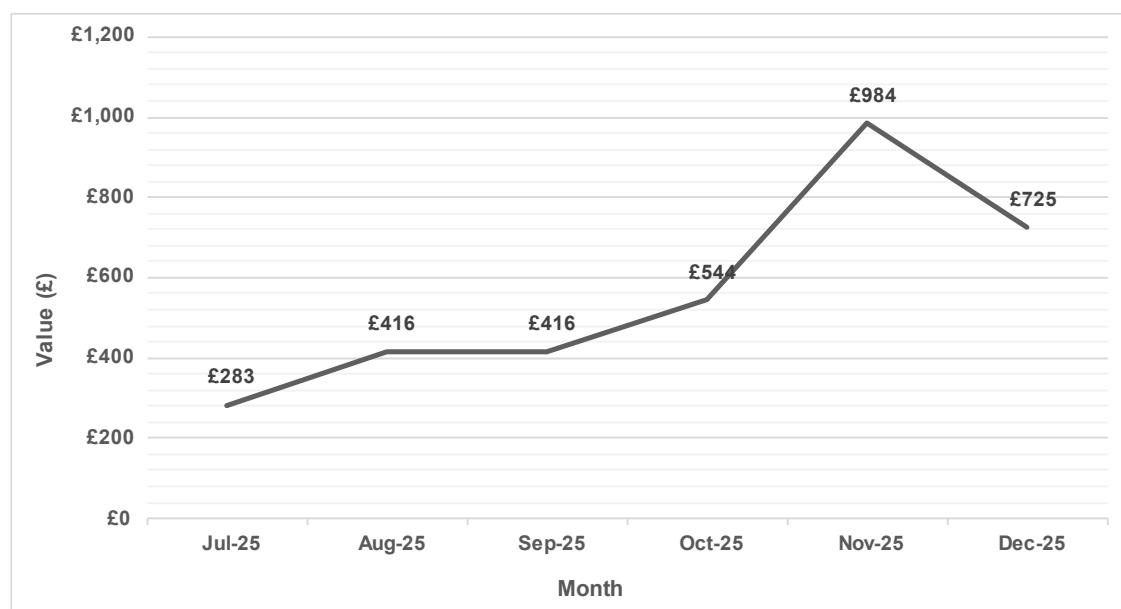
16. At the end of December 2025, total outstanding debts for Highgate Wood and Queen's Park was £6,602. A breakdown of the charity's debts by age bracket is provided in Table 2 below

**Table 2 – Outstanding Debt Arrears Age Profile – Highgate Wood and Queen's Park**

| Age of Debt  | Debt Arrears (£) | % of Total Debts |
|--------------|------------------|------------------|
| 0-30 Days    | 3,458            | 52.38            |
| 31-60 Days   | 0                | 0.00             |
| 61-90 Days   | 589              | 8.92             |
| 91-120 Days  | 1,831            | 27.72            |
| 121-365 Days | 725              | 10.98            |
| 365+ Days    | 0                | 0.00             |
| <b>Total</b> | <b>6,602</b>     | <b>100.00</b>    |

17. As part of a previous best value review into outstanding debts, the maximum age of debt set by the Chamberlain to fully recover outstanding sums was set at 120 days. During this period, automatic debt reminder letters, physical debt chasing of customers and liaison with Comptrollers & City Solicitors takes place to ensure debts are resolved within the corporately agreed debt repayment terms. Graph 3 below sets out the trend of the charity's outstanding debts over 120 days over the previous six-month period. As can be seen from the graph, debts over 120 days amounted to £725 in December 2025, an increase of £441 over the previous six-month period..

**Graph 3 – Outstanding Debts Over 120 Days – July to December 2025**



18. Members should note that outstanding debts over 120 days at Highgate Wood and Queen's Park consist Football pitch hire and coaching. Please also note that provisions for these debts are currently held in the event that there is a requirement for the debts to be written off.

### **Charity Funds (Restricted, Unrestricted and Designated)**

19. Appendix 3 lists the various restricted, unrestricted and designated funds held by Highgate Wood and Queen's Park. It details the opening balance for 2025/26 and any movements in the current financial year to date. Appendix 3 also provides a definition for each type of charity reserve fund.
20. A summary of the current balances held by the charity for each type of reserve fund and movements in the reserves in 2025/26 is also shown below in Table 3:

**Table 3 – Highgate Wood and Queen's Park Reserve Funds Summary – December 2025**

|                        | <b>Restricted</b> | <b>Unrestricted</b> | <b>Designated</b> | <b>Total</b>  |
|------------------------|-------------------|---------------------|-------------------|---------------|
|                        | <b>£'000s</b>     | <b>£'000s</b>       | <b>£'000s</b>     | <b>£'000s</b> |
| Opening Balance        | 0                 | 200                 | 296               | 496           |
| Income                 | 0                 | 0                   | 0                 | 0             |
| Expenditure            | 0                 | 0                   | 0                 | 0             |
| <b>Current Balance</b> | <b>0</b>          | <b>200</b>          | <b>296</b>        | <b>496</b>    |

### **Contributions from City's Estate**

21. The current funding model for the charities is for the total net expenditure to be fully funded from City's Estate, including the cost of any capital expenditure incurred during the year as well any works managed by the City Surveyor under the Cyclical Works Programme (CWP). Any changes to the amount of expenditure incurred or income generated over the course of the year will have an impact on the overall contribution required by the charities at year end. The total contribution is therefore calculated based on the actual total net running costs for the year in addition to any capital expenditure and CWP costs incurred.
22. Members should note that from 2026/27, the charities will be moving to a grant funded model on its operational (local risk) budget with other elements of the charities budgets continuing to be deficit funded for the time being.
23. The table below details the actual level of contribution provided from City's Estate for the previous four financial years along with the current forecast projected for 2025/26. The table is broken down according to the different elements comprising the charities contribution from City's Estate.

**Table 4 – Contributions from City's Estate – 2021/22 to 2025/26 – Highgate Wood and Queen's Park Charity**

| Highgate Wood & Queens Park                   | 2021/22      | 2022/23      | 2023/24      | 2024/25      | 2025/26<br>(Est.) |
|-----------------------------------------------|--------------|--------------|--------------|--------------|-------------------|
|                                               | £'000s       | £'000s       | £'000s       | £'000s       | £'000s            |
| Gross Expenditure                             | 1,294        | 1,338        | 1,728        | 2,268        | 2,266             |
| Cyclical Works Expenditure                    | 64           | 165          | 134          | 517          | 155               |
| Capital Expenditure                           | 0            | 0            | 46           | 54           | 7                 |
| Gross Income                                  | (321)        | (233)        | (374)        | (238)        | (259)             |
| <b>Total Contribution from City of London</b> | <b>1,037</b> | <b>1,270</b> | <b>1,533</b> | <b>2,601</b> | <b>2,169</b>      |

24. Table 4 illustrates the decreased contribution projected to be provided to the charity from City's Estate for 2025/26. The contribution is currently forecast to decrease by £432k (16.61%) compared with the total contribution for 2024/25. The decrease is mainly to be incurred in 2025/26 on works falling under CWP projects managed by the City Surveyor as part of the backlog of CWP works.

## Corporate & Strategic Implications

Strategic implications – none

Financial implications – none

Resource implications – none

Legal implications – none

Risk implications – none

Equalities implications – none

Climate implications – none

Security implications – none

## Conclusion

25. This report provides an update on the operational finance position for Quarter 3 for 2025/26 for Highgate Wood and Queen's Park on a range of financial related matters to the end of December 2025.

## Appendices

Appendix 1 – Highgate Wood and Queen's Park Revenue Budget Summary – 2025/26

Appendix 2 – Highgate Wood and Queen's Park Capital Projects 2025/26 – Quarter 3

Appendix 3 – Charity Funds (Restricted, Unrestricted and Designated) - Highgate Wood and Queen's Park

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