

Epping Forest

Annual Report and Financial Statements for the  
year ended 31 March 2022

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 elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 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 Trustees 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.

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

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at [www.cityoflondon.gov.uk](http://www.cityoflondon.gov.uk)

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 charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

## ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 38.

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 London Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

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

## **INDUCTION AND TRAINING OF MEMBERS**

The City Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of 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 38.

### **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 charity's senior staff are employees of the City Corporation and, alongside all staff, pay is reviewed annually. The City Corporation is committed to attracting, recruiting and retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for the payment of recognition awards.

The above policy applies to staff within the charity's key management personnel, as defined within note 9 to the financial statements.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established to actively promote equality, diversity and inclusion in service delivery and employment practices. The Board is responsible for monitoring the delivery of the Equality and Inclusion Action Plan and progress against the Equality Objectives. This also includes addressing the City Corporation's gender, ethnicity and disability pay gaps.

Owing to the COVID 19 pandemic and the recommendations from the Tackling Racism Taskforce, which was set up last year to identify the actions that the City Corporation could implement to tackle racism in all its forms, the Corporate Equality and Inclusion Plan will be updated in the autumn. There is work ongoing relating the new Equalities and Inclusion objectives, that will include internal and external consultation. This is expected to take place

at the end of April 2023, with publication of the revised Equalities and Inclusion objectives by September 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 are presented in the financial statements as “voluntary income” including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

From March 2021 a donations page has 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.

The charity has received no complaints in relation to fundraising activities in 2021/22 (2020/21: 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 38.

## ACHIEVEMENTS AND PERFORMANCE

The Teams across Epping Forest have ensured that the Forest remained open and accessible throughout the COVID-19 pandemic. However, with the focus on keeping the Forest open, tidy and safe, this did impact on the delivery of some of the projects planned for 2021/22 which will roll over into 2022/23.

**Epping Forest's 2021/22 aims together with their outcomes were:**

**Carbon Reduction** -The Carbon reduction project aims and objectives continue to be reviewed centrally. Key role descriptions have been drawn up and grades assessed, with recruitment planned alongside corporate restructures.

**Epping Forest Management Plan and Strategy** – The Plan has been finalised and published, with progress being made on key documents, policies and projects detailed within. Some reprioritisation has been necessary due to Covid-19 and corporate restructure.

**Local Planning Process** - The Charity continues to represent concerns regarding the conservation of Epping Forest through the Local Planning Process with Local Authorities in order to protect the unique and delicate nature of the Epping Forest habitat.

**Wanstead Parkland Plan** – is progressing and continues to address areas such as Reservoir Risk, Heritage at Risk, Water Abstraction and Flood Risk to address statutory obligations in these areas.

**Car Parking** - Car parking charging phases one and two are complete with charging introduced at 38 car parks during 2021. Further work on remaining sites is underway, as are complementary workstreams to review Byelaws.

**Implementation of Customer Relationship Management (CRM)** – Implementation of CiviCRM™ software to enable efficient and compliant handling of contact data, event booking, licensing, work requests, fundraising and other customer contacts has been slower than originally planned but initial testing was completed in March 2022 with go-live expected early in 2022-23 financial year. A concurrent project to adopt StarTraq® software to manage, monitor and support payments and fines for Fixed Penalty Notices (FPNs) and Penalty Charge Notices (PCNs) is almost complete.

**Developing sporting partnership opportunities** - The charity continues to investigate the benefit of working with partner organisations to improve the sporting offer at Epping Forest, particularly in the existing offer of football and golf, but possibly to include other formal sports, or improve opportunities for informal fitness activities for Forest users. This should also address the issues of the costs of providing these facilities and likely income to the charity. Projects have been delayed due to Covid-19 and the effect this has had, particularly on partner organisations, but projects are being pursued once again.

**Lodges** – Renovation of lodges particularly at Jubilee Retreat, Blake Hall Road and Wanstead Park have slowed due to structural and internal complications of scheduling and priority. Rangers Road is close to completion of extensive overhaul to become a second holiday let, following the success of the first at Baldwins Hill. Plans for alternative routes for investment in such properties are being considered.



**Countryside Stewardship Scheme (CSS)** - The work programme for the CSS has begun, including final stage procurement of several felling contracts, under 100% capital grant aid, for work across two years from 2021 to 2023.

**New Cattle Grazing System** - GPS-driven invisible fencing is proving successful and new areas for grazing are being considered following a successful trial at Wanstead Park.

**Special Areas of Conservation (SAC) Mitigation Strategy** - The Oversight Group has completed negotiations over the strategy's governance and financing arrangements and the first transfer of tariff monies from the local authorities to Epping Forest to pay for the Strategic Access Management and Monitoring Strategy (SAMMS) works is still under discussion. The priority SAMMS works are likely to include work at Leyton Flats and High Beach on new pathways to reduce damage to ancient trees and flora from visitor pressure.

**Sustainable Fleet and Operations** – A number of vehicles with much improved environmental performance have been sourced to achieve compliance with recently extended ULEZ.

**Budget Management** – Financial targets achieved particularly through income diversification, chiefly introduction of parking charges.

**Corporate Restructure** – Epping Forest is now part of the Environment Department, with structures currently under review.

## PLANS FOR FUTURE PERIODS

The global pandemic of Coronavirus was still very much part of operations at the start of 2021/22. This may have an impact on income and ability to deliver some projects in the next 12 months.

### Key projects for 2022/23 include:

**Corporate Restructure** – To continue with the corporate restructure review designed to implement the new City Corporation Corporate Plan as set out, consulting on and embedding new structures in 2022/23 that improve efficiency and bring greater ability to seek opportunities for improved income diversification.

**Carbon Reduction** - The Carbon Recovery Project has commenced delivery with the arable reversion of Epping Forest Buffer Land at Patmores Field. Specialist Land Agents are advancing discussions on the surrender of arable tenancies, and recruitment to project staff roles are on hold until the completion of the Land use Consultants' detailed evaluation of the Natural Environment Division's potential sequestration capacity.

**Special Areas of Conservation (SAC) Mitigation Strategy** - The Oversight Group has agreed the governance and finance arrangements of the strategy and the City of London await confirmation of approval by all the relevant Local Authority decision making committees. The City of London will act as the 'banker' for the Strategic Access Management and Monitoring Strategy (SAMMS) contributions. The priority SAMMS works will focus on improvements to access infrastructure at Leyton Flats and High Beach, due to their high visitor attraction.

**Wanstead Parkland Plan** – In association with local community partners, initial funding to undertake a phased development of a natural play area has been achieved and work is scheduled. The second phase of community-funded Grotto restoration will be underway in summer 2022; assessments and works to stabilise the Grotto façade are also planned. Next phases for replacing the derelict pump house by the River Roding and for installing land drainage within the Glade will commence. Following the completion of flood modelling research, some £1m of works to strengthen dam faces and level dam tops are anticipated to address the ‘High Risk’ flood safety status notified by the Environment Agency.

**Baldwins & Birch Hall Park Ponds Small Raised Reservoirs** - Managed under the Health and Safety at Work Act, these Victorian sub-25,000 cubic metre raised reservoirs require significant works to manage leakage and safe overtopping, using procured external specialist contractors.

**Sustainable Visitor Strategy and Car Parking** – To draw up and publish an Epping Forest Sustainable Visitor Strategy setting out our aims and objectives for balancing visitor numbers and enjoyment of the Forest with protection of this valuable habitat. This includes completion of the final stages of the car parking plan and move to business as usual. The coming year should see a reduction in penalties and vandalism to car parking infrastructure.

**Byelaw Review** – Last updated in 1980, a very necessary review of the current byelaws in place for Epping Forest and Wanstead Park will be carried out to reflect wider changes to the law, the manner in which our visitors engage with the Forest and additional statutory designations, and where change is needed, the review will engage with Defra to explore how the byelaws can be brought up-to-date in line with the modern demands on the open space.

**Implementation of new Customer Service and Regulatory Software** - To complete build and testing of CiviCRM™ and StarTraq® software which together will enable efficient and compliant handling of contact data, event booking, licensing, work requests, fundraising, Penalty Charge Notices (PCNs) and other customer contacts, and all associated payment streams.

**Developing sporting partnership opportunities** - The charity continues to investigate the benefit of working with partner organisations to improve the sporting offer at Epping Forest, particularly in the existing offer of football and golf, but possibly to include other formal sports where possible, or improve opportunities for informal fitness activities for Forest users. This should also address the issues of the costs of providing these facilities and likely income to the charity. Projects have been delayed due to Covid-19 and the effect this has had, particularly on partner organisations, but projects are being pursued once again.

**Lodges** – To review and reprioritise renovation of lodges, particularly in the light of changing staff terms and conditions through corporate restructure. To review financial structures allowing for more sustainable investment and improved efficiency moving forward.

**Countryside Stewardship Scheme (CSS)** - The work programme for the CSS Epping Forest #1 Grant has commenced, including final stage procurement of several felling contracts, under 100% capital grant aid, for work across two years from 2021 to 2023. Further bids are in progress for Epping Forest #2, Wanstead Park and Copped Hall Park.

**Conservation Cattle Grazing** – To improve cattle housing buildings at the Great Gregories overwintering facility, test the extension of the cattle grazing season and increase cattle grazing days in the Forest, including new areas identified by the GIS-based Grassland Gazetteer assessment.

**Sustainable Fleet and Operations** – We will continue to upgrade our ageing fleet to improve environmental performance and achieve compliance with recently extended ULEZ requirements.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 22.

The Trustee is monitoring the situation and will continue with its purpose to preserve 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 2021/22 the charity's total income for the year was £7,263,658, an overall increase of £623,546 against the previous year (£6,640,112). The principal source of income was from City of London Corporation's City's Cash fund (see below).

Income from Charitable Activities comprised £1,359,149 from charges for use of facilities and licences (2020/21: £742,416), £541,531 from rents (2020/21: £430,703) and £100,784 from sales of goods, products and materials (2020/21: £76,905). 2021/22 saw an increase in fees and charges for use of facilities owing to car parking charges being introduced during 2021 and a large scale licenced use of Forest Land for works compound. The increase in rent income was due to a rent review and lettings of Forest lodges.

In total, grant income of £502,243 was received in the year, towards programmes administered by the charity (2020/21: £302,944) (see below).

- A government grant of £119,774 was received in the year from the Rural Payment Agency (RPA), 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. (2020/21: £175,944).
- A capital property receipt of £118,000 (2020/21: £127,000) was received in 2021/22 from proceeds from the Deed of Easement in relation to three properties on Epping Forest Land. The full amount of income was designated in the Epping Forest Capital Fund which can be used for the acquisition of Forest land or capital projects in the Forest.
- A new restricted government grant of £264,469 in relation to the 10 year Countryside Stewardship Scheme was received in the year 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 (2020/21: £nil).

A restricted donation of £9,000 was received from Transport for London (TfL) for implementation of cycle stands including delivery, materials and staff costs at Epping Forest (2020/21: £12,821 received from the Highams Park Community CIC for improvements at Epping Forest).

Donations – being amounts received from the public through donation boxes at the Temple and at the View. In total £894 was received during the year (2020/21: £56). 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, £635 was received during the year (2020/21: £90). The full amount was held at 31 March 2022 in a restricted fund for 'Campaign Donations'. Furthermore, £216,004 was received during the year from Orion Harriers towards Epping Jubilee Retreat extension costs for the Staff Welfare Facilities at Epping Forest (2020/21: £nil).

Investment income of £3,171 (2020/21: £6,283) received during the year consists of distributions from the Charities Pool and interest receivable on cash balances held on behalf of the Trust.

Other income of £3,112 was received in relation to Coronavirus Job Retention Scheme (2020/21: £8,916). There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

An amount of £4,527,135 (2020/21: £5,058,978) 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 £7,351,365 (2020/21: £6,665,397). The increase in expenditure in the year mainly relates to premises related expenses, transport related expenses and supplies and services.

## Funds held

The charity's total funds held decreased by £87,522 to £6,298,463 as at 31 March 2022 (2020/21: decreased of £24,521 to £6,385,985).

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 2022 totalled £6,171,657 (2020/21: £6,385,895).

A restricted fund of £126,806 (2020/21: £90) was held at year-end. This relates to Campaign Donations of £725 and to the Countryside Stewardship Scheme of £126,081. 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.

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

## Investments performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three and five year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

| Fund                | 2021/22       |               | 2020/21 |         |
|---------------------|---------------|---------------|---------|---------|
|                     | 3 years       | 5 years       | 3 years | 5 years |
| Fund                | <b>+7.35%</b> | <b>+6.16%</b> | +5.04%  | +7.19%  |
| FTSE All Share      | <b>+5.31%</b> | <b>+4.69%</b> | +3.19%  | +6.29%  |
| Fund outperformance | <b>+2.04%</b> | <b>+1.47%</b> | +1.85%  | +0.90%  |

## 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, this charity has no free reserves and a reserves policy is considered by the trustee to be inappropriate.

Donations are now being sought which may be carried forward into future years to contribute to a larger project, but there is currently no intention to hold them as a minimum amount owing to the deficit funded status of the Charity.

## 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   |
|--|---|
| <b>Decline in Assets condition</b>               | Schedule of statutory checks and visits carried out by City Surveyor or delegated to site.<br>Joint inspection of all buildings including residential by site and City Surveyor to capture maintenance needs.<br>Improvements to Great Gregories.<br>Capital funding being sought for essential works to Aldersbrook changing facilities. |
| <b>Wanstead Park Reservoirs</b>                  | Engineering study was completed in November 2020 which recommended a lower level of activity than originally envisaged.<br>Outline options are being considered with procurement of professional expertise to refine options.   |
| <b>Raised Reservoirs</b>                         | Weekly inspection of reservoirs / dams.<br>Statutory inspection visits by engineer every six months.<br>Complete works on Birch Hall Park Pond.<br>Undertake surveys and investigate funding options for works on other ponds.  |
| <b>Accelerated long-term damage to site</b>      | Implement mitigation program which was developed from results of Path Survey. Funding for works is being sought.  |
| <b>Invasive Non-Native Species (INNS)</b>        | Develop an INNS policy - particular focus on Oak Processionary Moth, although other pathogens and areas of concern to be tackled.<br>Track works done to mitigate the spread of Oak Processionary Moth in Epping Forest.  |
| <b>Development Consents close to Forest Land</b> | Continue to influence the Epping Forest District Council, London Borough of Waltham Forest and other surrounding local plans. Look to embed the Epping Forest   |

| Risk   | Actions to manage risks  |
|--|--|
|  | Special Area of Conservation (SAC) Mitigation Strategy in Local Plans and to ensure robust monitoring of the effectiveness of mitigation measures.   |
| <b>Loss of Forest Land and/or concession of prescriptive rights</b>                                      | 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.   |
| <b>Financial management and loss of income</b>   | Working to deficit budget reduction targets by increasing income generation e.g. from car parking charges. Further efficiencies and income enhancement to be sought.   |
| <b>Declining Site of Special Scientific Interest (SSSI)/Special Area of Conservation (SAC) Condition</b> | Application for a further Countryside Stewardship grant is likely to be submitted in 2023. Remodel the in-house grazing expansion plan using the new GPS invisible fencing system.   |
| <b>Pathogens</b>   | 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 during 2022.   |
| <b>Increase in Health and Safety incidents/Catastrophic Health &amp; Safety failure</b>                  | Health & Safety training (operational) system in place. Clear role and responsibilities set out in documentation and reinforced by training. Annual Health & Safety checks on all licensed refreshment and food outlets in the forest (excluding ice cream vans). Works identified from tree survey are being prioritised and options for employing additional staff to undertake the works are being considered.. |
| <b>Wanstead Park – Heritage at Risk Register</b>   | Sources of funding continue to be investigated. An application for Countryside Stewardship for 2023 is being actively considered.  |
| <b>Major Incident resulting in prolonged 'Access Denial'</b>   | 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.  |
| <b>Public behaviour</b>  | 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.  |
| <b>Severe Weather Events</b>   | Incident Management Plan updated to incorporate wildfire planning and JESIP protocols for joint action across authorities.   |

| Risk  | Actions to manage risks  |
|---|--|
|   | <p>Site visits by fire services to confirm infrastructure is satisfactory have been scheduled.</p> <p>Tree safety survey has identified necessary works.</p> <p>Relevant works are being prioritised and options for employing additional staff or contractors to carry them out are being considered.</p> |
| <b>Loss of knowledge of skilled staff/difficulties in recruitment</b> | <p>Succession plan approved and to be reviewed annually.</p> <p>Talent Management Strategy to be developed but deferred awaiting outcome of corporate restructure.</p>   |



## 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.

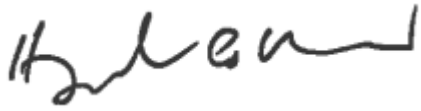
The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the 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

31 January 2023



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

# 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 2022 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 2022 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 the Trustee**

As explained more fully in the Trustee's responsibilities statement set out on page 15 and 16, 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](http://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

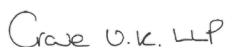
on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the 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 2023

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 2022

|                                       | Notes     | Unrestricted<br>Funds<br>2021/22<br>£ | Restricted<br>Funds<br>2021/22<br>£ | 2021/22<br>Total Funds<br>£ | 2020/21<br>Total Funds<br>£ |
|---------------------------------------|-----------|---------------------------------------|-------------------------------------|-----------------------------|-----------------------------|
| <b>Income from:</b>                   |           |                                       |                                     |                             |                             |
| Voluntary activities                  | 2         | 238,668                               | 490,108                             | <b>728,776</b>              | 315,911                     |
| Charitable activities                 | 3         | 2,001,464                             | -                                   | <b>2,001,464</b>            | 1,250,024                   |
| Grant from City of London Corporation | 4         | 4,527,135                             | -                                   | <b>4,527,135</b>            | 5,058,978                   |
| Investments                           | 5         | 3,171                                 | -                                   | <b>3,171</b>                | 6,283                       |
| Other income                          | 6         | 3,112                                 | -                                   | <b>3,112</b>                | 8,916                       |
| <b>Total income</b>                   |           | <b>6,773,550</b>                      | <b>490,108</b>                      | <b>7,263,658</b>            | <b>6,640,112</b>            |
| <b>Expenditure on:</b>                |           |                                       |                                     |                             |                             |
| Charitable activities:                |           |                                       |                                     |                             |                             |
| Preservation of Epping Forest         | 7         | 7,203,977                             | 147,388                             | <b>7,351,365</b>            | 6,665,397                   |
| <b>Total expenditure</b>              |           | <b>7,203,977</b>                      | <b>147,388</b>                      | <b>7,351,365</b>            | <b>6,665,397</b>            |
| Net gains on investments              | 12        | 185                                   | -                                   | <b>185</b>                  | 764                         |
| <b>Net expenditure</b>                |           | <b>(430,242)</b>                      | <b>342,720</b>                      | <b>(87,522)</b>             | <b>(24,521)</b>             |
| <b>Transfers between funds</b>        |           | <b>216,004</b>                        | <b>(216,004)</b>                    | <b>-</b>                    | <b>-</b>                    |
| <b>Net movement in funds</b>          |           | <b>(214,238)</b>                      | <b>126,716</b>                      | <b>(87,522)</b>             | <b>(24,521)</b>             |
| <b>Reconciliation of funds:</b>       |           |                                       |                                     |                             |                             |
| Total funds brought forward           | 17        | 6,385,895                             | 90                                  | <b>6,385,985</b>            | 6,410,506                   |
| <b>Total funds carried forward</b>    | <b>17</b> | <b>6,171,657</b>                      | <b>126,806</b>                      | <b>6,298,463</b>            | <b>6,385,985</b>            |

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 22 to 38 form part of these financial statements.

# BALANCE SHEET

## AS AT 31 MARCH 2022

|  | Notes | 2022<br>Total<br>£ | 2021<br>Total<br>£ |
|--|-------|--------------------|--------------------|
| <b>Fixed assets:</b>   |       |                    |                    |
| Heritage assets  | 10    | 378,911            | 379,872            |
| Tangible assets  | 11    | 4,849,752          | 4,971,853          |
| Investments  | 12    | 4,058              | 3,873              |
| <b>Total fixed assets</b>                                      |       | <b>5,232,721</b>   | <b>5,355,598</b>   |
| <b>Current assets</b>  |       |                    |                    |
| Stock  |       | 28,077             | 46,671             |
| Debtors  | 13    | 443,120            | 262,751            |
| Cash at bank and in hand                                       |       | 1,428,251          | 1,180,589          |
| <b>Total current assets</b>                                    |       | <b>1,899,448</b>   | <b>1,490,011</b>   |
| <b>Creditors: Amounts falling due within one year</b>          | 14    | <b>(769,946)</b>   | <b>(411,114)</b>   |
| <b>Net current assets/(liabilities)</b>                        |       | <b>1,129,502</b>   | <b>1,078,897</b>   |
| <b>Total assets less current liabilities</b>                   |       | <b>6,362,223</b>   | <b>6,434,495</b>   |
| <b>Creditors: Amounts falling due after more than one year</b> | 15    | <b>(63,760)</b>    | <b>(48,510)</b>    |
| <b>Total net assets</b>  |       | <b>6,298,463</b>   | <b>6,385,985</b>   |
| <b>The funds of the charity:</b>                               |       |                    |                    |
| Restricted income funds  | 17    | 126,806            | 90                 |
| Unrestricted income funds                                      | 17    | 6,171,657          | 6,385,895          |
| <b>Total funds</b>   |       | <b>6,298,463</b>   | <b>6,385,985</b>   |

The notes on pages 22 to 38 form part of these financial statements

Approved and signed on behalf of the Trustee.



Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

31 January 2023

# 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 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 potential ongoing impact of the Covid-19 pandemic and current high inflationary pressures on the financial position, including future income levels and planned expenditure and the liquidity of the charity over the next 12-month period. 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 2022 which is publicly available at [www.cityoflondon.gov.uk](http://www.cityoflondon.gov.uk).

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

All income is included in the Statements of Financial Activities (SOFA) when the 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. 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. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities, and these costs are included with support costs.

**(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 £832.7m as at 31 March 2022 (£919.7m as at 31 March 2021). 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 2019, using the projected unit method. The 31 March 2022 valuation is being carried out in 2022/23 and must be finalised before 31 March 2023, which will set contribution rates for the period 01 April 2023 to 31 March 2026. Contribution rates adopted for the financial years 2020/21, 2021/22 and 2022/23 have been set at 21% (2019/20: 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.

## 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 from the year following that 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<br>funds | Restricted<br>funds | Total<br>2021/22 | Unrestricted<br>funds | Restricted<br>funds | Total<br>2020/21 |
|------------------------|-----------------------|---------------------|------------------|-----------------------|---------------------|------------------|
|                        | £                     | £                   | £                | £                     | £                   | £                |
| Grants                 | 237,774               | 264,469             | <b>502,243</b>   | 302,944               | -                   | 302,944          |
| Donations and legacies | 894                   | 225,639             | <b>226,533</b>   | 12,877                | 90                  | 12,967           |
| <b>Total</b>           | <b>238,668</b>        | <b>490,108</b>      | <b>728,776</b>   | <b>315,821</b>        | <b>90</b>           | <b>315,911</b>   |

## 3. INCOME FROM CHARITABLE ACTIVITIES

|                               | Unrestricted<br>funds<br>2021/22<br>£ | Unrestricted<br>funds<br>2020/21<br>£ |
|-------------------------------|---------------------------------------|---------------------------------------|
| Charges for use of facilities | <b>1,359,149</b>                      | 742,416                               |
| Sales                         | <b>100,784</b>                        | 76,905                                |
| Rental income                 | <b>541,531</b>                        | 430,703                               |
| <b>Total</b>                  | <b>2,001,464</b>                      | <b>1,250,024</b>                      |

## 4. INCOME FROM THE CITY OF LONDON CORPORATION

|  | Unrestricted<br>funds<br>2021/22<br>£ | Unrestricted<br>funds<br>2020/21<br>£ |
|--|---------------------------------------|---------------------------------------|
| Revenue and capital grants from City of London Corporation | <b>4,527,135</b>                      | <b>5,058,978</b>                      |

## 5. INCOME FROM INVESTMENTS

|          | Unrestricted<br>funds<br><b>2021/22</b><br>£ | Unrestricted<br>funds<br>2020/21<br>£ |
|----------|--|---------------------------------------|
| Interest | <u>3,171</u>                                 | <u>6,283</u>                          |

## 6. OTHER INCOME

|              | Unrestricted<br>funds<br><b>2021/22</b><br>£ | Unrestricted<br>funds<br>2020/21<br>£ |
|--------------|--|---------------------------------------|
| Other income | <u>3,112</u>                                 | <u>8,916</u>                          |

### Income for the year included:

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

- Grant income received from the Rural Payment Agency (RPA) 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.
- A capital property receipt was credited to the Epping Forest Fund from proceeds from the Deed of Easement in relation to three properties which can be used for the acquisition of Forest land or capital projects in the Forest.
- 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.

**Donations** – being amounts received from the public through donation boxes at the Temple and at the View. 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. A restricted donation was received from Transport for London (TfL) for implementation of cycle stands including delivery, materials and staff costs at Epping Forest.

**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.

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

## 7. EXPENDITURE

### Expenditure on charitable activities

|                               | Direct<br>costs<br>£ | Support<br>costs<br>£ | <b>Total<br/>2021/22<br/>£</b> | Direct<br>costs<br>£ | Support<br>costs<br>£ | <b>Total<br/>2020/21<br/>£</b> |
|-------------------------------|----------------------|-----------------------|--------------------------------|----------------------|-----------------------|--------------------------------|
| Preservation of Epping Forest | <u>6,225,588</u>     | <u>1,125,777</u>      | <u><b>7,351,365</b></u>        | <u>5,564,546</u>     | <u>1,100,851</u>      | <u><b>6,665,397</b></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. The City of London Corporation charges the audit fee to its City's Cash Fund. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fee incurred from each of its charities. In 2021/22 an audit fee of £5,000 was recharged (2020/21: £nil). No other services were provided to the charity by its auditors during the year (2020/21: £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<br>activities<br>£ | Governance<br>£ | 2021/22<br>£     | 2020/21<br>£ |
|----------------------------------|-------------------------------|-----------------|------------------|--------------|
| Department:                      |                               |                 |                  |              |
| Chamberlain                      | 170,320                       | -               | <b>170,320</b>   | 161,195      |
| Comptroller & City Solicitor     | 32,965                        | -               | <b>32,965</b>    | -            |
| Town Clerk                       | -                             | 104,294         | <b>104,294</b>   | 123,958      |
| City Surveyor                    | 334,933                       | -               | <b>334,933</b>   | 368,381      |
| Open Spaces directorate          | 223,295                       | -               | <b>223,295</b>   | 163,511      |
| Other governance & support costs | 84,877                        | 5,000           | <b>89,877</b>    | 78,147       |
| Digital Services                 | 170,093                       | -               | <b>170,093</b>   | 205,659      |
| Sub-total                        | 1,016,483                     | 109,294         | <b>1,125,777</b> | 1,100,851    |
| Reallocation of governance costs | 109,294                       | (109,294)       | -                | -            |
| Total support costs              | 1,125,777                     | -               | <b>1,125,777</b> | 1,100,851    |

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 77 (2020/21: 81).

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

|                                  | 2021/22<br>£     | 2020/21<br>£ |
|----------------------------------|------------------|--------------|
| Salaries and wages               | <b>2,237,668</b> | 2,328,878    |
| National Insurance costs         | <b>213,948</b>   | 219,772      |
| Employer's pension contributions | <b>478,609</b>   | 486,762      |
| Total emoluments of employees    | <b>2,930,225</b> | 3,035,412    |

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 (2020/21: 1.0).

|                   | 2021/22    | 2020/21 |
|-------------------|------------|---------|
| £70,000 - £79,999 | <b>1.0</b> | 1.0     |

### Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and the Director of Natural Environment who manages the seven open spaces funded by the City of London Corporation. A proportion of the Directors' employment benefits are allocated to this charity.

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

The amount of employee benefits received by key management personnel totalled £45,781 (2020/21: £29,721). The members of the Finance Committee of the City of London Corporation are not remunerated and expenses are not reimbursed for acting on behalf of the Trustee during 2021/22 (2020/21: £nil).

## 10. HERITAGE ASSETS

|                         | 2018<br>£      | 2019<br>£      | 2020<br>£      | 2021<br>£      | 2022<br>£      |
|-------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>Cost</b>             |                |                |                |                |                |
| At 1 April              | 388,382        | 388,382        | 388,382        | 388,382        | <b>388,382</b> |
| <b>At 31 March</b>      | <b>388,382</b> | <b>388,382</b> | <b>388,382</b> | <b>388,382</b> | <b>388,382</b> |
| <b>Depreciation</b>     |                |                |                |                |                |
| At 1 April              | 4,667          | 5,628          | 6,589          | 7,550          | <b>8,510</b>   |
| Charge for the year     | 961            | 961            | 961            | 960            | <b>961</b>     |
| <b>At 31 March</b>      | <b>5,628</b>   | <b>6,589</b>   | <b>7,550</b>   | <b>8,510</b>   | <b>9,471</b>   |
| <b>Net book value</b>   |                |                |                |                |                |
| <b>At 31 March 2022</b> | <b>382,754</b> | <b>381,793</b> | <b>380,832</b> | <b>379,872</b> | <b>378,911</b> |
| At 31 March 2021        | 384,675        | 382,754        | 381,793        | 380,832        | 379,872        |

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 Executive Director Environment at the principal address as stated on page 38.



## 11. TANGIBLE FIXED ASSETS

|                         | Land and<br>Buildings<br>£ | Infrastructure<br>£ | Vehicles and<br>Plant<br>£ | Equipment<br>£ | Total<br>£       |
|-------------------------|----------------------------|---------------------|----------------------------|----------------|------------------|
| <b>Cost</b>             |                            |                     |                            |                |                  |
| At 1 April 2021         | 3,661,845                  | 4,332,633           | 255,528                    | 409,738        | <b>8,659,744</b> |
| Additions               | 280,525                    | 7,487               | 50,000                     | -              | <b>338,012</b>   |
| At 31 March 2022        | 3,942,370                  | 4,340,120           | 305,528                    | 409,738        | <b>8,997,756</b> |
| <b>Depreciation</b>     |                            |                     |                            |                |                  |
| At 1 April 2021         | 1,697,785                  | 1,513,672           | 131,759                    | 344,675        | <b>3,687,891</b> |
| Charge for the year     | 197,833                    | 230,954             | 25,904                     | 5,422          | <b>460,113</b>   |
| At 31 March 2022        | 1,895,618                  | 1,744,626           | 157,663                    | 350,097        | <b>4,148,004</b> |
| <b>Net book value</b>   |                            |                     |                            |                |                  |
| <b>At 31 March 2022</b> | 2,046,752                  | 2,595,494           | 147,865                    | 59,641         | <b>4,849,752</b> |
| At 31 March 2021        | 1,964,060                  | 2,818,961           | 123,769                    | 65,063         | 4,971,853        |

## 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:

|                              | 2022<br>£    | 2021<br>£    |
|------------------------------|--------------|--------------|
| Market value 1 April         | 3,873        | 3,109        |
| Gain/(loss) for the year     | 185          | 764          |
| <b>Market value 31 March</b> | <b>4,058</b> | <b>3,873</b> |
| <b>Cost 31 March</b>         | <b>438</b>   | <b>438</b>   |
| Units held in Charities Pool | <b>438</b>   | <b>438</b>   |

The geographical spread of listed investments as at 31 March 2022 was as follows:

|                           | Held in the<br>UK<br>£ | Held<br>outside the<br>UK<br>£ | Total at 31<br>March<br>2022<br>£ | Held in the<br>UK<br>£ | Held<br>outside the<br>UK<br>£ | Total at 31<br>March<br>2021<br>£ |
|---------------------------|------------------------|--------------------------------|-----------------------------------|------------------------|--------------------------------|-----------------------------------|
| Equities                  | 3,299                  | 463                            | <b>3,762</b>                      | 3,164                  | 449                            | 3,613                             |
| Bonds                     | -                      | -                              | -                                 | -                      | -                              | -                                 |
| Pooled Units              | 239                    | -                              | <b>239</b>                        | 206                    | -                              | 206                               |
| Cash held by Fund Manager | 57                     | -                              | <b>57</b>                         | 54                     | -                              | 54                                |
| <b>Total</b>              | <b>3,595</b>           | <b>463</b>                     | <b>4,058</b>                      | <b>3,424</b>           | <b>449</b>                     | <b>3,873</b>                      |

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

|                                | 2022<br>£      | 2021<br>£      |
|--------------------------------|----------------|----------------|
| Rental debtors                 | 24,576         | 85,573         |
| Prepayments and accrued income | 39,049         | 36,119         |
| Recoverable VAT                | 119,586        | 48,296         |
| Other debtors                  | 259,909        | 92,763         |
| <b>Total</b>                   | <b>443,120</b> | <b>262,751</b> |

Other debtors consist of non-property related debtors of £65,013 (2020/21: £23,411) and sundry debtors of £194,896 (2020/21: £69,352). The increase in sundry debtors relates to the new Countryside Stewardship Scheme.

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

|                 | 2022<br>£      | 2021<br>£      |
|-----------------|----------------|----------------|
| Trade creditors | 263,919        | 86,460         |
| Accruals        | 352,531        | 228,177        |
| Deferred income | 123,899        | 70,619         |
| Other creditors | 29,597         | 25,858         |
| <b>Total</b>    | <b>769,946</b> | <b>411,114</b> |

Other creditors consist of sundry creditors.

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

|   | 2022<br>£      | 2021<br>£     |
|---|----------------|---------------|
| <b>Deferred income analysis within creditors:</b> |                |               |
| Balance at 1 April                                | 70,619         | 85,802        |
| Amounts released to income                        | (70,619)       | (85,802)      |
| Amounts deferred in the year                      | 123,899        | 70,619        |
| <b>Balance at 31 March</b>                        | <b>123,899</b> | <b>70,619</b> |

**15. CREDITORS – AMOUNTS DUE AFTER MORE THAN ONE YEAR**

|                 | 2022<br>£ | 2021<br>£ |
|-----------------|-----------|-----------|
| Sundry deposits | 63,760    | 48,510    |

These consist of rent deposits due after more than one year.

## 16. ANALYSIS OF NET ASSETS BY FUND

| 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          | -                | <b>378,911</b>         | 379,872                |
| Tangible Assets         | -                         | 4,849,752        | -                | <b>4,849,752</b>       | 4,971,853              |
| Investments             | -                         | 4,058            | -                | <b>4,058</b>           | 3,873                  |
| Current Assets          | 833,706                   | 938,936          | 126,806          | <b>1,899,448</b>       | 1,490,011              |
| Current Liabilities     | (769,946)                 | -                | -                | <b>(769,946)</b>       | (411,114)              |
| Non-Current Liabilities | (63,760)                  | -                | -                | <b>(63,760)</b>        | (48,510)               |
| <b>Total</b>            | <b>-</b>                  | <b>6,171,657</b> | <b>126,806</b>   | <b>6,298,463</b>       | <b>6,385,985</b>       |

| At 31 March 2021        | Unrestricted Income Funds |                  | Restricted Funds | Total at 31 March 2021 | Total at 31 March 2020 |
|-------------------------|---------------------------|------------------|------------------|------------------------|------------------------|
|                         | General Funds             | Designated Funds |                  |                        |                        |
|                         | £                         | £                | £                | £                      | £                      |
| Heritage Assets         | -                         | 379,872          | -                | 379,872                | 380,832                |
| Tangible Assets         | -                         | 4,971,853        | -                | 4,971,853              | 5,357,428              |
| Investments             | -                         | 3,873            | -                | 3,873                  | 3,108                  |
| Current Assets          | 459,624                   | 1,030,297        | 90               | 1,490,011              | 1,075,484              |
| Current Liabilities     | (411,114)                 | -                | -                | (411,114)              | (357,836)              |
| Non-Current Liabilities | (48,510)                  | -                | -                | (48,510)               | (48,510)               |
| <b>Total</b>            | <b>-</b>                  | <b>6,385,895</b> | <b>90</b>        | <b>6,385,985</b>       | <b>6,410,506</b>       |

## 17. MOVEMENT IN FUNDS

| At 31 March 2021                         | Total as at 1<br>April 2021<br>£ | Income<br>£      | Expenditure<br>£   | Gains &<br>(losses)<br>£ | Transfers<br>£   | Total as at 31<br>March 2022<br>£ |
|--|----------------------------------|------------------|--------------------|--------------------------|------------------|-----------------------------------|
| Restricted funds:                        |                                  |                  |                    |                          |                  |                                   |
| Campaign Donations                       | 90                               | 635              | -                  | -                        | -                | <b>725</b>                        |
| Transport for London Cycle Stands        | -                                | 9,000            | (9,000)            | -                        | -                |                                   |
| Countryside Stewardship Scheme           | -                                | 264,469          | (138,388)          | -                        | -                | <b>126,081</b>                    |
| Orion Harriers                           | -                                | 216,004          | -                  | -                        | (216,004)        | -                                 |
| <b>Total restricted funds</b>            | <b>90</b>                        | <b>490,108</b>   | <b>(147,388)</b>   | <b>-</b>                 | <b>(216,004)</b> | <b>126,806</b>                    |
| 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          | <b>4,849,752</b>                  |
| Heritage assets                          | 379,872                          | -                | (961)              | -                        | -                | <b>378,911</b>                    |
| Capital fund                             | 549,620                          | 118,000          | (184,003)          | -                        | (65,134)         | <b>418,483</b>                    |
| Sports ground deposit                    | 3,968                            | -                | -                  | 185                      | -                | <b>4,153</b>                      |
| Golf course machinery fund               | 27,716                           | -                | -                  | -                        | 30,001           | <b>57,717</b>                     |
| Knighton Wood maintenance                | 5,801                            | -                | -                  | -                        | -                | <b>5,801</b>                      |
| Branching Out project                    | 42,423                           | -                | -                  | -                        | -                | <b>42,423</b>                     |
| Future green infrastructure fund         | 6,824                            | -                | (822)              | -                        | -                | <b>6,002</b>                      |
| Cattle purchase fund                     | 97,168                           | -                | -                  | -                        | 10,597           | <b>107,765</b>                    |
| Wanstead Park/Flats future projects fund | 100,000                          | -                | -                  | -                        | -                | <b>100,000</b>                    |
| South Lodge The Warren                   | 200,650                          | -                | -                  | -                        | -                | <b>200,650</b>                    |
| <b>Total designated funds</b>            | <b>6,385,895</b>                 | <b>174,874</b>   | <b>(645,899)</b>   | <b>185</b>               | <b>256,602</b>   | <b>6,171,657</b>                  |
| <b>Total unrestricted funds</b>          | <b>6,385,895</b>                 | <b>6,773,550</b> | <b>(7,203,977)</b> | <b>185</b>               | <b>216,004</b>   | <b>6,171,657</b>                  |
| <b>Total funds</b>                       | <b>6,385,985</b>                 | <b>7,263,658</b> | <b>(7,351,365)</b> | <b>185</b>               | <b>-</b>         | <b>6,298,463</b>                  |
| At 31 March 2021                         | Total as at 1<br>April 2020<br>£ | Income<br>£      | Expenditure<br>£   | Gains &<br>(losses)<br>£ | Transfers<br>£   | Total as at 31<br>March 2021<br>£ |
| Restricted funds:                        |                                  |                  |                    |                          |                  |                                   |
| Campaign Donations                       | -                                | 90               | -                  | -                        | -                | 90                                |
| <b>Total restricted funds</b>            | <b>-</b>                         | <b>90</b>        | <b>-</b>           | <b>-</b>                 | <b>-</b>         | <b>90</b>                         |
| Unrestricted funds:                      |                                  |                  |                    |                          |                  |                                   |
| General funds                            | -                                | 6,245,348        | (6,195,820)        | -                        | (49,528)         | -                                 |
| Designated funds:                        |                                  |                  |                    |                          |                  |                                   |
| Tangible fixed assets                    | 5,357,428                        | 67,024           | (467,833)          | -                        | 15,234           | 4,971,853                         |
| Heritage assets                          | 380,832                          | -                | (960)              | -                        | -                | 379,872                           |
| Capital fund                             | 437,854                          | 127,000          | -                  | -                        | (15,234)         | 549,620                           |
| Sports ground deposit                    | 3,204                            | -                | -                  | 764                      | -                | 3,968                             |
| Golf course machinery fund               | 27,716                           | -                | -                  | -                        | -                | 27,716                            |
| Knighton Wood maintenance                | 5,801                            | -                | -                  | -                        | -                | 5,801                             |
| Branching Out project                    | 42,423                           | -                | -                  | -                        | -                | 42,423                            |
| Future green infrastructure fund         | 7,608                            | -                | (784)              | -                        | -                | 6,824                             |
| Cattle purchase fund                     | 47,640                           | -                | -                  | -                        | 49,528           | 97,168                            |
| Wanstead Park/Flats future projects fund | 100,000                          | -                | -                  | -                        | -                | 100,000                           |
| South Lodge The Warren                   | -                                | 200,650          | -                  | -                        | -                | 200,650                           |
| <b>Total designated funds</b>            | <b>6,410,506</b>                 | <b>394,674</b>   | <b>(469,577)</b>   | <b>764</b>               | <b>49,528</b>    | <b>6,385,895</b>                  |
| <b>Total unrestricted funds</b>          | <b>6,410,506</b>                 | <b>6,640,022</b> | <b>(6,665,397)</b> | <b>764</b>               | <b>-</b>         | <b>6,385,895</b>                  |
| <b>Total funds</b>                       | <b>6,410,506</b>                 | <b>6,640,112</b> | <b>(6,665,397)</b> | <b>764</b>               | <b>-</b>         | <b>6,385,985</b>                  |

## 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 £635 was received during the year (2020/21: £90) which is all 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 2022 £126,081 was held in a restricted fund for the Countryside Stewardship Scheme (2020/21: £nil).
- iii. *Transport for London Cycle Stands* - a restricted donation of £9,000 was received from Transport for London (TfL) for implementation of cycle stands including delivery, materials and staff costs at Epping Forest in the year. Funds were fully utilised in 2021/22.
- iv. *Orion Harriers* - the transfer out of this fund in 2021/22 related to the use of the fund for the purchase of unrestricted fixed assets in line with the donor's intention.

## 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 2022 the net book value of fixed assets relating to direct charitable purposes amounted to £4,849,752 (2020/21: £4,971,853). In the year there were transfers into this fund totalling £281,138, being amounts transferred from the Orion Harriers Fund for fixed asset additions, and amounts from the Capital Fund employed for purchase of new fixed assets in the year.
- 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 2022 was £378,911 (2020/21: £379,872).
- 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. In 2021/22 income of £118,000 arose from a capital property receipt (2020/21: £127,000) from proceeds from the Deed of Easement in relation to three properties which can be used for the acquisition of Forest land or capital projects in the Forest. The transfer out of this fund in the year related to employment of funds in purchase of new tangible fixed assets.
- 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 2022 the fund balance relating to the Golf course machinery fund amounted to £57,717 (2020/21: £27,716). The transfer into this fund in the year related to purchasing two ex-demo machines in 2021/22, a rough mower and a fairway mower.

- 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 2022/23.
- 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 and 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 £822 in 2021/22 (2020/21: £784).
- ix. *Cattle purchase fund* - The purpose of this fund is to provide for the future purchase of cattle. Surplus net income of £10,597 from sale of livestock and produce was transferred into reserve as at 31 March 2022 (2020/21: £49,528) 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* - 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 in the previous year. These funds were set aside by the Trustee to fund replacement for operational needs elsewhere in the Forest. No expenditure incurred during the accounting period.

## 18. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in note 6.

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at [www.cityoflondon.gov.uk](http://www.cityoflondon.gov.uk).

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

| Related party              | Connected party   | 2021/22<br>£       | 2020/21<br>£       | Detail of transaction   |
|----------------------------|---|--------------------|--------------------|---|
| City of London Corporation | The City of London Corporation is the Trustee for the charity | 4,527,135<br>(nil) | 5,058,978<br>(nil) | The City of London Corporation's City's Cash meets the deficit on running expenses of the charity |
|                            |   | 1,125,777<br>(nil) | 1,100,851<br>(nil) | Administrative services provided for the charity  |
|                            |   | 3,171<br>(nil)     | 6,283<br>(nil)     | Distribution from the Charities Pool  |

## 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 (retired 31 December 2022)

**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 (appointed 2 August 2021)

Colin Buttery – Director of Open Spaces (retired 31 October 2021)

**AUDITORS:**

Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW

**BANKERS:**

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

**INVESTMENT ADVISORS:**

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

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

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