

HAMPSTEAD HEATH

England & Wales · Charity number 803392

Details

Status Registered

Legal form Other

Registered 1990-05-04

Register [View on the Charity Commission register](#)

Contact

Address Corporation Of London
Po Box 270
London
EC2P 2EJ

Phone 02073321363

Email Clem.Harcourt@cityoflondon.gov.uk

Website www.cityoflondon.gov.uk

Activities

Objects: THE PRESERVATION OF HAMPSTEAD HEATH IN PERPETUITY BY THE CORPORATION OF LONDON AS THE TRUSTEES OF HAMPSTEAD HEATH, AS AN OPEN SPACE FOR THE RECREATION AND ENJOYMENT OF THE PUBLIC.

Activities: The objective of the charity is the preservation of Hampstead Heath for the recreation and enjoyment of the public.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training, Arts/culture/heritage/science, Amateur Sport, Environment/conservation/heritage, Recreation
- **Who:** The General Public/mankind

Geography

- Barnet
- Camden

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£11,475,212	£11,418,242	£63,042,037	83
2024-03-31	£13,248,437	£10,259,935	£60,281,421	88
2023-03-31	£9,446,997	£9,531,552	£55,241,887	83
2022-03-31	£9,888,663	£9,312,262	£54,740,897	100
2021-03-31	£9,460,415	£9,469,987	£52,536,817	97

Trustees

Name	Role	Appointed
The Mayor and Commonalty and Citizens of the City of London		

Linked charities

- HAMPSTEAD HEATH TRUST FUND (803392-1)

HAMPSTEAD HEATH

England & Wales - Charity number 803392

Accounts

Hampstead Heath

Incorporating:

Hampstead Heath Trust Fund

Annual Report and Financial Statements for the
year ended 31 March 2025

Charity registration numbers 803392 and 803392-1

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ORIGINS OF THE CHARITIES

Hampstead Heath is the collective name for an area of land in North London, including Parliament Hill and Golders Hill, comprising a total of 791 acres (320 hectares). The origins of Hampstead Heath lie in the transfer of Hampstead Heath into public ownership on the terms of the Hampstead Heath Act 1871. Subsequent land has been added over the years. The Heath is held by City of London Corporation, as Trustee, as an open space for the recreation and enjoyment of the public. The Heath falls within two London Boroughs: Camden and Barnet.

The Heath was transferred to the London Residuary Body on 1 April 1986, on the abolition of the Greater London Council, and was transferred to the City of London Corporation on 31 March 1989 under provisions of the London Government Reorganisation (Hampstead Heath) Order 1989. This Order covered the transfer of the Heath and the related rights and liabilities, the functions of the Corporation, the financial arrangements, and the establishment of the Hampstead Heath Trust Fund for future revenue funding.

By virtue of this Order, the City of London Corporation acquired responsibility for the management of Hampstead Heath with effect from 31 March 1989. At the same time, the London Residuary Body transferred £15 million to the City of London Corporation for the establishment of the Hampstead Heath Trust Fund.

The City of London Corporation is committed to conserving the Heath and its wildlife and vegetation and providing recreational facilities for the public appropriate to such an important London open space.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

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

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of Hampstead Heath and the Hampstead Heath Trust Fund. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. Members of the Court of Common Council are elected by the electorate of the City of London and are unpaid for support provided to Hampstead Heath and the Hampstead Heath Trust Fund. 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.

In line with the terms of the 1989 Order, elected Members of the City of London Corporation are appointed to the Hampstead Heath, Highgate Wood and Queen's Park Committee by the Court of Common Council. Membership of the Committee also comprises six non City of London Corporation members appointed by the Court of Common Council: one appointed after consultation with the London Borough of Barnet, one appointed after consultation with the London Borough of Camden, one appointed after consultation with the owners of the Kenwood lands and three who are appointed after consultation with bodies representing local, archaeological, environmental or sporting interests governing Hampstead Heath.

The Key Committees which had responsibility for directly managing matters related to the Hampstead Heath charity during 2024/25 were as follows:

- **Hampstead Heath, Highgate Wood and Queen's Park Committee** – pursuant to the 1989 Order, responsible for the activities undertaken at Hampstead Heath, including: oversight of the City of London Corporation's policies and programmes of work; approving budget allocations for the forthcoming year, and considering any representations from the Hampstead Heath Consultative Committee.
- **Natural Environment Board** – responsible for considering policies and strategies in relation to the activities of the City Corporation's Natural Environment Division within the Environment Department.
- **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 investments.
- **Corporate Services Committee** – responsible for personnel and establishment matters, including negotiations with the recognised trade unions.

All the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held at the Trustee's discretion in public (except where it is not considered in a charity's best interest to do so), 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

In addition, the Hampsted Heath Consultative Committee was established pursuant to the 1989 Order, and is responsible for making representations to the Hampstead Heath Committee about any matter it considers to affect the Heath. It consists of representatives of local organisations, sporting interests, nature conservation, the disabled and those concerned with the Heath, and provides a forum for local residents and users of the Heath to comment upon the management of the Heath.

The charities are consolidated within City's Estate as the City of London Corporation exercises operational control over their activities. City's Estate 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 Estate to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London.
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The Trustee believes that good governance is fundamental to the success of the charities. An initial review of governance was undertaken to ensure that the charities are effective in fulfilling their objectives, and further more detailed work is underway as part of a corporate review of the open space charities of which the City Corporation is the Trustee. Reference is being made to the good practices recommended within the Charity Governance Code, with a focus on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charities are administered in accordance with their governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 43.

Each Member by virtue of their membership of the Court of Common Council, and 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 charities by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

INDUCTION AND TRAINING OF MEMBERS AND COMMITTEE MEMBERS

The City Corporation makes seminars and briefings on various aspects of its activities, including those concerning the charities, available to its Members and others serving on committees which are involved with the charities to enable them to carry out their duties efficiently and effectively. If suitable seminars or other training options are identified that are relevant to the charities, Members and other committee members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

Hampstead Heath (charity 1)

The objective of the charity is the preservation of Hampstead Heath in perpetuity, as an open space for the recreation and enjoyment of the public.

In support of these objectives the Hampstead Heath Management Strategy sets out the themes which are underpinned by the Heath Vision; developed in collaboration with stakeholders. The themes are:

- We protect and conserve the Heath.
- The Heath enriches our lives.
- The Heath is inclusive and welcoming.
- Together we care for the Heath.

By means of these outcomes the management of the Heath can be focussed to ensure that the elements vital to the maintenance, care and management of the open space are delivering the objectives of the charity.

Hampstead Heath Trust Fund (charity 2)

By virtue of the London Government Reorganisation (Hampstead Heath) Order 1989, the City of London Corporation acquired responsibility for the management of Hampstead Heath with effect from 31 March 1989. At the same time the London Residuary Body transferred £15 million to the City of London Corporation for the establishment of the Hampstead Heath Trust Fund, the purpose of which is the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

Contributions towards the running cost of the Heath are assessed on a triennial basis. The aim for the Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it.

Investment Policy

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with

the Charity Commission (charity number: 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London & Chief Financial Officer, at the email address stated on page 43.

Volunteers

Hampstead Heath is particularly successful in providing volunteer opportunities. Working in partnership with a dedicated charity, Heath Hands, Hampstead Heath had a contribution in excess of 13,896 hours of volunteer input for 2024/25.

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 7 to the financial statements.

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

The City's Equality Objectives were reviewed in accordance with the Equality Act 2010 which requires public bodies to publish equality objectives every four years. The City's Equality Objectives were approved by Policy and Resources Committee in March 2024 covering the five year period from 2024 to 2029 to coincide with the City's Corporate Plan for 2024-29.

Fundraising

Section 162A of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". Donations are presented in the financial statements as "voluntary income" including grants.

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

The charity has received no complaints in relation to fundraising activities in 2024/25 (2023/24: £nil). Individuals are not approached for funds; hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Hampstead Heath and the Hampstead Heath Trust Fund's aims and objectives and in planning future activities. The purpose of charity 1 is the preservation in perpetuity of Hampstead Heath as an open space for the recreation and enjoyment of the public; the purpose of charity 2 is the preservation and enhancement of Hampstead Heath as an open space for the recreation and enjoyment of the public.

Consequently, the Trustee considers that Hampstead Heath and Hampstead Heath Trust Fund operate to benefit the general public and satisfy the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charities are stated on page 43.

ACHIEVEMENTS AND PERFORMANCE

A full programme of conservation management, community engagement and educational activity was delivered by staff, volunteers and contractors. These activities are considered to contribute to meeting the objects of the charities, including: the preservation in perpetuity of Hampstead Heath as an open space for the recreation and enjoyment of the public; and the preservation and enhancement of Hampstead Heath as an open space for the recreation and enjoyment of the public.

Hampstead Heath's 2024/25 aims together with their outcomes were:

Maintain Green Flag Award and Green Heritage Accreditation for 2024/25

Hampstead Heath has retained both the Green Flag Award and Green Heritage Site Accreditation in 2024/25.

Work to Golders Hill Park Pergola – work with City Surveyors to identify restoration needs to retain public access.

This is ongoing and will continue into next fiscal year. CSD appointed Andrew Coles architect who completed full review and survey of the Pergola; there were 11 urgent issues. Structural repair and timber strengthening works began in December 2024 funded through Cyclical Works Programme, and will continue into 2025 and further funding is being sourced.

Cafe retendering – complete during 2024/25.

This has been delayed and will be progressed during 2025/26.

Management plan – perform mid-term review of Hampstead Heath management strategy.

Officers worked with external consultants for the half-way review of the Heath's 10-year management strategy, consulting with local groups and stakeholders. This was accepted by committee in early 2025.

Ponds access to be completed - snagging list completed and signed off.

The Ponds project has been completed, but there are still some items on the snagging list which are being followed up by CSD and appointed contractor in financial year 2025/26.

Budgets - perform as per stated budget and continue to maximise income where possible and appropriate.

This target was achieved in 2024/25. We are looking to carry forward around £50k into the next financial year subject to approval by committees for the Pond aerators project.

Introduction of ANPR across car parks including implementation.

ANPR was implemented during this fiscal year resulting in increased revenue for the charity to fund operations.

Complete recruitment of staff following implementation of staffing restructure.

Recruitment complete and operations teams fully staffed.

PLANS FOR FUTURE PERIODS

Hampstead Heath

The team will focus on delivering the following key projects over the next 12 months:

- Apply and be successful in Green Flag, London in Bloom and Green Heritage Award
- Cafe retendering – complete during 2025/26.
- Work to Golders Hill Park Pergola – work with City Surveyors to identify restoration needs to retain public access.
- Budgets - perform as per stated budget and continue to maximise income where possible and appropriate.
- Continue to participate in the City Corporation Climate Action Strategy by working towards achieving net zero by 2027.
- Progress work on flood mitigation measures, with the creation of leaky dams, new ponds and Natural Flood Management (NFM) from Business Plan. Continue working with Barnet and Camden's Resilience Teams on NFM.
- Continue work with Nature Recovery operations & explore feasibility of Biodiversity Net Gain (BNG) opportunities.
- Refurbishment of the playgrounds and trim trail at Parliament Hill, and major refurbishment of the playground and sandpit at Golders Hill Park funded by NCIL (Barnet Council).
- Continue to manage Health and Safety issues relating to West Heath.
- Recruit to the Constabulary team to fill vacant positions, complete full induction and training for all Constables.
- Implement new Leisure Management System for swimming bookings to streamline booking process for swimming facilities.
- Renovation of shotput area within the Athletics Track
- Installation of PV panels at the Lido building which will help reduce energy consumption in line with Carbon Net Zero targets.
- Review and redesign of Golder's Hill Park Zoo enclosures.
- Gain BIAZA Accreditation for the Zoo

Hampstead Heath Trust Fund

The charity continues to be affected by the global economic environment and the impact of inflation in the UK during 2024/25. There has been a significant recovery in the market value of the investments held by the charity although and, the current economic environment continues to affect the income generating abilities of the charity's investments and may impact upon the future level of distributable income available to meet the grant-making objectives of the charity.

During 2023/24, the charity made several strategic adjustments to manage risk and optimize long-term growth. A resilient global economy, as well as inflation that has continued to moderate, has created a supportive environment for equities, and the charity's portfolio is set to deliver a high calibre of cash flow.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2024/25, Hampstead Heath's Charity total income for the year was £11,475,212 an overall decrease of £1,773,225 against the previous year (£13,248,437). The principal source of income was from City of London Corporation's City's Estate fund (see below).

Income from Charitable Activities comprised £3,591,317 from fees charged (2023/24: £3,272,770), £257,247 from rents (2023/24: £232,553) and £38,976 from sales of goods, products and materials (2023/24: £688). Grant Income of £23,000 from the EW Cricket Trust was received in 2024/25 (2023/24: £nil). A busy 2024 summer, in part due to good weather, caused a general increase in the use of facilities. The increase in income from sales compared with the previous year can be explained by a one-off sale of a chipper taking place during 2024/25.

£3,000 in donations were received to support improvements to the playground (2023/24: £9,956). Donations can also be made on the Hampstead Heath webpage, to either Hampstead Heath Bird and Mammal Shelters campaign or Hampstead Heath Model Boating Pond Island – Wildlife Sanctuary campaign. In total, £44,000 was received during the year (2023/24: £4,337). An amount was held of £44,000 (2023/24: £18,617) as at 31 March 2025 in a restricted fund for 'Campaign Donations'.

Investment income of £1,598,575 (2023/24: £1,360,948) was received during the year from the Hampstead Heath Trust Fund.

An amount of £6,233,927 (2023/24: £8,591,335) was received from the City of London Corporation's City's Estate as a contribution towards the running costs of the charity. The decrease compared with 2023/24 is explained by a reduction in funding received from the City Corporation to meet the cost of capital expenditure incurred during the previous year.

Expenditure

Total expenditure for the year was £11,418,242 (2023/24: £10,259,935) with charitable activities expenditure in the year totalling £9,819,667 (2023/24: £8,898,987). The decrease in expenditure can be explained by a combination of lower costs related to staffing and greater than expected parking income. Expenditure on raising funds for the year was £203,267 (2023/24: £168,359).

Funds held

The charities' combined total funds held increased by £2,760,616 to £63,042,037 as at 31 March 2025 (2023/24: £60,281,421). The net gain on investments represents the difference in the market value of investments between 1 April 2024 and 31 March 2025 after taking account of any purchases and sales which were made during 2024/25.

Within the total funds held, £39,353,272 (2023/24: £36,852,892) represent permanent and expendable endowment funds.

The permanent endowment is held in perpetuity as a capital fund to generate income for the activities of the charity, with income arising from this capital being available to contribute to the running costs of the Heath in accordance with the terms of the endowment.

The expendable endowment funds are used for the primary objectives of the charity.

Should net income from the endowment funds be greater than the required contribution towards the running costs of the Heath, then the surplus is retained within unrestricted funds held for use in future years in accordance with the objectives of the charity. A surplus of £203,267 was generated in the year (2023/24: £185,640).

Unrestricted funds (General funds) – these funds can be used in accordance with the charitable object at the discretion of the Trustee and include income generated by assets representing unrestricted funds. For the Hampstead Heath Charity this represents surplus of income of £11,181 (2023/24: £7,313). For the Hampstead Heath Trust this represents surplus of income of £1,105,399 (2023/24: £902,261) over and above expenditure of the Trust distributed annually towards the running costs of the Heath.

The charity's designated funds consist of unrestricted funds which the Trustee has chosen to set aside for specific purposes. Such designations are not legally binding, and the Trustee can decide to "indesignate" these funds at any time. Designations as at 31 March 2025 totalled £22,492,553 (2023/24: £22,485,136). These represent designated funds within the unrestricted fund which represents the Capital fund and the net book value of fixed assets held.

Restricted funds of £79,633 (2023/24: £33,819) were held at year-end for the Parliament Hill Outdoor Gym project and from campaign donations as well as unspent grant monies received to fund the installation of non-turf pitches at Hampstead Heath.

Details of all funds held, including their purposes, are set out within note 15 to the financial statements.

Investments performance

The investments are held within both a segregated portfolio primarily invested in UK shares and the City of London Corporation Charities Pool. The performance of these investments are analysed as follows:

1) Segregated portfolio

The funds of the charity are managed by Artemis Investment Management LLP. Market values and performance against benchmarks for the year was as follows:

	Market Value		Returns		Benchmark	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
	£	£	%	%	%	%
Hampstead Heath Trust	39,351,070	36,694,482	+11.47%	+14.10%	+10.46%	+8.43%
City of London Charities Pool						
(part of)	697,054	827,434	+11.44%	+14.18%	+10.46%	+8.43%
	<u>40,048,124</u>	<u>37,521,916</u>				

2) Hampstead Heath Trust Fund

As at 31 March 2025, the investments held in the Hampstead Heath Trust Fund achieved a return of +11.47% (2023/24: +14.10%) compared to the FTSE All Share Index return of +10.46% (2023/24: +8.43%). Over three years this fund achieved a return of +9.13% (2023/24: +9.01%) compared to the FTSE All Share Index return of +7.22% (2023/24: +8.05%). Over five years, the fund achieved a return of +13.53% (2023/24: +7.64%) compared to the FTSE All Share Index return of +12.04% (2023/24: +5.44%).

Fund	2024/25		2023/24	
	3 years	5 years	3 years	5 years
Fund	+9.13%	+13.53%	+9.01%	+7.64%
FTSE All Share	+7.22%	+12.04%	+8.05%	+5.44%
Fund outperformance	+1.91%	+1.49%	+0.96%	+2.20%

3) City of London Corporation Charities Pool

As at 31 March 2025, the investments held in the Charities Pool achieved a return of +11.44% (2023/24: +14.18%) compared to the FTSE All Share Index return of +10.46% (2023/24: +8.43%). Over three years this fund achieved a return of +9.16% (2023/24: +9.03%) compared to the FTSE All Share Index return of +7.22% (2023/24: +8.05%). Over five years, the fund achieved a return of +13.56% (2023/24: +7.62%) compared to the FTSE All Share Index of +12.04% (2023/24: +5.44%).

Fund	2024/25		2023/24	
	3 years	5 years	3 years	5 years
Fund	+9.16%	+13.56%	+9.03%	+7.62%
FTSE All Share	+7.22%	+12.04%	+8.05%	+5.44%
Fund outperformance	+1.94%	+1.52%	+0.98%	+2.18%

Reserves

The charity receives significant support from the City of London Corporation which contributes as necessary to the funds of the Charity; it does so out of City's Estate. These funds are currently used to meet the deficit on running expenses on a year-by-year basis. From 2025/26, the charity will instead receive a grant from City's Estate and so the development of a reserves policy will be kept under review. Unrestricted funds of £1,116,579 were held as at 31 March 2025 (2023/24: £909,574) relating to surplus unrestricted donations income held in reserve as well as amounts formerly held as designated funds which the Trustee previously agreed to 'indesignate' until a purpose to utilise the funds has been identified.

The Hampstead Heath Trust Fund contribution towards the running costs of Hampstead Heath is determined in accordance with a formula set out in the governing document. Reserves therefore represent the accumulated net income that cannot be distributed under the existing governance arrangements.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 24.

Spending Policy

The reserves policy of the charity is that the original endowment of £15 million (now worth £39.4 million) should produce income to cover a proportion of the running costs of Hampstead Heath. The contribution for 2024/25 of £1,395,308 (2023/24: £1,175,309) consists of £1,363,658 from the permanent endowment (2023/24: £1,148,059), and income arising from the former T.J. Barratt Trust, which was transferred to the Hampstead Heath Trust Fund in November 2011, of £31,651 (2023/24: £27,250).

Should the actual income earned in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment. The contribution of £1,395,308 for 2024/25 from the permanent endowment was met entirely from net income and no further allocation from the permanent endowment reserves was required.

Principal Risks and Uncertainties

The Trustee has given consideration to the major risks to which the charities are exposed and is satisfied that systems or procedures are established in order to manage those risks.

The charities are committed to a programme of risk management to support effective charity governance (consistent with its various trustee duties), to help ensure that the aims and objectives of the charities are achieved more successfully, and as an element of their strategy to protect and preserve the charities assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an ongoing review of activity, and that appropriate advice and support is provided. A key risk register has been prepared for the charities, which is reviewed regularly by the Trustee. This identifies the potential impact of key risks and the measures which are in place to manage and mitigate such risks.

The principal risks faced by the charity, and actions taken to manage and mitigate them, are as follows:

Risks which are specific to Hampstead Heath:

Risk	Actions to manage risks
Decline in condition of assets	Structures are kept under regular review to ensure they remain safe and in usable condition. Officers work closely with colleagues in the City Corporation's City Surveyor's Department to identify repair and maintenance needs and arrange for works to be undertaken. A full review of built assets has been undertaken.
Impacts of anti-social behaviour on staff and site	Enforcement partnerships with relevant local agencies and partners are ongoing, with supplemental security resource provided where necessary. Social media messaging, press releases, signage, and face to face engagement with members of the public to encourage responsible behaviours is ongoing as appropriate. Processes are in place to tackle abuse of staff as well as conflict management training for front-line employees.
Work related stress	Work is underway to identify additional funding to increase staff resource. Staff rotas are being reviewed to update schedules and identify staffing gaps. Ongoing liaison with HR and the Occupational Health service enables the provision of appropriate support to staff.
Budget pressures	The budget position is kept under regular review. Income generation opportunities are sought and developed.
Adverse impacts of extreme weather and climate change	Extreme weather event warnings are monitored and managed. This includes MET Office Storm and Flood Alerts and the Fire Severity Index.

	An Emergency Action Plan is place and kept under regular review. Sites are closed during extreme weather events such as high winds, lightning/storms or flooding.
Negative impacts of visitor pressure	A range of ongoing actions are undertaken to mitigate the impacts of visitor pressure including: Surveys to monitor visitor numbers and evaluate environmental impacts; educational and messaging campaigns encouraging responsible use of the site; programmed restoration work; regular Ranger and Constable activity; temporary closure of severely affected areas to enable recovery.
Outbreak of fire in woodland/heathland	Fire Safety Plans are in place and are reviewed annually. An Emergency Action Plan is reviewed and updated annually and/or after an emergency event. Signage and social media messaging reminds visitors not to light fires or barbecues. Staff receive appropriate training on fire prevention and response.
Risk to health and safety	Proactive Health and Safety management is in place, including appropriate procedures, audits, inspections, communications and staffing. Staff receive training in H&S awareness, compliance and to ensure they are fully aware of their responsibilities.
Water facilities - safety	Supervised water facilities are fully staffed during opening hours with trained lifeguards and swimming stewards. The facilities are subject to an annual assessment of health and safety compliance, undertaken by an independent auditor. Unsupervised water facilities are not designated swimming facilities and suitable signage is erected and maintained. Front-line staff continue to patrol non-lifeguarded ponds, particularly during extreme weather conditions.
Deterioration of water bodies	Recommendations within the Ponds and Wetlands Plan is being implemented to conserve the water bodies. New aeration equipment has been installed in one pond and options for installing this at other ponds are being investigated.
Recruitment of suitable staff	Recruitment to vacant posts is progressing. Support and training are provided to existing and new staff to enable the creation of strong, supportive teams with consistent management support and good development opportunities.
Tree event or failure	Robust tree management systems are in place, including regular inspections of trees to identify any which are more likely to fail due to structural or health issues. Works are prioritised to ensure the most urgent issues are addressed quickly.

	An Extreme Weather Protocol includes criteria for closing relevant parts of the Heath or Golders Hill in extreme weather conditions.
Negative impacts of pests and diseases	Staff continue to be vigilant and inspect for all tree pest and diseases. Tree provenance is considered with planting stock sourced and used in accordance with best practice.

Risks which are specific to Hampstead Heath Trust Fund:

Risk	Actions to manage risks
Decline in income	• Implementing strict controls. • The charity's funds are invested by a professional fund manager. • The Financial Investment Board regularly monitors the performance of this fund manager.
Where the Trustee has a conflict of interest	• Those concerned having a specific understanding of trust law. • Adopting the protocol for disclosing any potential conflict
Losing directly employed staff and/or the support staff	• Documenting systems, plans and projects. • Having any necessary training programmes.

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee is aware:

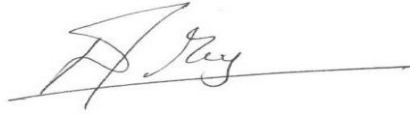
- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.



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



Andrien Gereith Dominic Meyers
Deputy Chairman, Finance Committee
City of London Corporation

11th December 2025

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

Opinion

We have audited the financial statements of Hampstead Heath incorporating Hampstead Heath Trust Fund for the year ended 31 March 2025 which comprise the Statement of Financial Activities, 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 2025 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 opinions

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 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 charities' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustee

As explained more fully in the trustee's responsibilities statement set out on page 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 determine 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 charities' 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 intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charities' ability to operate or to avoid a material penalty. 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.

A handwritten signature in dark ink that reads "Crowe U.K. LLP". The signature is written in a cursive, slightly slanted style.

Crowe U.K. LLP

Statutory Auditor

55 Ludgate Hill, London, EC4M 7JW

Date: 11th December 2025

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 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024/25 Total Funds £	2023/24 Total Funds £
Income and endowments from:						
Voluntary activities	2	1,840	49,682		51,522	23,384
Charitable activities	3	3,568,317	23,000		3,591,317	3,272,770
Grant from City of London Corporation	4	6,233,927	-		6,233,927	8,591,335
Investments	5	1,598,446	-	-	1,598,446	1,360,948
Total income and endowments		11,402,530	72,682	-	11,475,212	13,248,437
Expenditure on:						
Raising funds	6	-	-	203,267	203,267	185,640
Charitable activities:		1,395,308	-		1,395,308	
Preservation of Hampstead Heath	6	9,792,799	26,868		9,819,667	10,074,295
Total expenditure		11,188,107	26,868	203,267	11,418,242	10,259,935
Net gains on investments	11			2,703,646	2,703,646	2,051,032
Net income		214,423	45,814	2,500,379	2,760,616	5,039,534
Net movement in funds		214,423	45,814	2,500,379	2,760,616	5,039,534
Reconciliation of funds:						
Total funds brought forward	15	23,394,709	33,819	36,852,893	60,281,421	55,241,887
Total funds carried forward	15	23,609,132	79,633	39,353,272	63,042,037	60,281,421

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 24 to 43 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2025

Balance Sheet as at 31 March 2025			
	Notes	2025 Total £	2024 Total £
Fixed assets:			
Tangible assets	10	22,489,223	22,481,805
Fixed asset investments	11	39,696,492	36,873,090
Total fixed assets		62,185,715	59,354,895
Current assets			
Debtors	12	695,395	461,997
Investments	11	351,632	471,518
Cash at bank and in hand		986,371	1,211,992
Total current assets		2,033,398	2,145,507
Creditors: Amounts falling due within one year	13	(1,177,076)	(1,218,981)
Net current assets		856,322	926,526
Total assets less current liabilities		63,042,037	60,281,421
The funds of the charity:			
Endowment funds	15	39,353,272	36,852,893
Restricted income funds	15	79,633	33,819
Unrestricted income funds	15	23,609,132	23,394,709
Total funds		63,042,037	60,281,421

The notes on pages 24 to 43 form part of these financial statements

Approved and signed on behalf of the Trustee.



Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

11th December 2025

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charities.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention 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 require the City of London Corporation to preserve Epping Forest for the benefit of the public. Funding is contributed from the City of London Corporation's City's Estate. On an annual basis, a medium-term financial forecast is prepared for City's Estate, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these financial statements being signed to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the current inflationary pressures on the financial position, including future income levels, planned expenditure and the liquidity of the charity over the next 12-month period. The assessment helps to provide assurances that the Charity can continue to keep operating over the next 12-month period from these financial statements being signed. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

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

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

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP (the exemption in FRS102 (paragraph 1.12b)) the Charity is not required to produce a statement of cash flows on the grounds that it is a qualifying entity.

A Statement of Cash Flows is included within the City's Estate Annual Report and Financial Statements 2024 which is publicly available at www.cityoflondon.gov.uk.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charities are legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of donations, charges for use of facilities, contributions, grants (including government grants), investment income, interest, sales and rental income.

The City of London Corporation's City's Estate meets the deficit on running expenses of the charity and also provides funding for certain capital works. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed, and is recognised in the SOFA at this point.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management of functions inherent in the activities undertaken. These include the costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in note 8.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid. Costs incurred for the administration of the charity are recharged by the Corporation and these costs are included within support costs.

(g) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are valued at the year-end rate exchange. All gains or losses on translation are taken to Statement of Financial Activities in the year in which they occur.

(h) Pension costs

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefit scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of its three main funds (City Fund, City's Estate 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 £2.7m as at 31 March 2025 (£49.9m as at 31 March 2024). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2022, using the projected unit method. The 31 March 2022 valuation was carried out in 2022/23 and has set the contribution rates for the period 01 April 2023 to 31 March 2026 at 21%. Contribution rates adopted for the financial years 2020/21, 2021/22 and 2022/23 had been set at 21%.

(i) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(j) Fixed Assets

Heritage Land and Associated Buildings

Hampstead Heath comprises 275 hectares (680 acres) of land located in the London Boroughs of Camden and Barnet, together with associated buildings. The object of the charity is the preservation of Hampstead Heath in perpetuity as an open space for the recreation and enjoyment of the public. Hampstead Heath is considered to be inalienable (i.e. may not be disposed of without specific statutory powers).

Land and the original associated buildings acquired prior to 1 April 2009 are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting

records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts.

Additions to the original land and capital expenditure on buildings and other assets would be included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

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*
Vehicles	up to 10

With the exception of certain ponds infrastructure whose useful life has been determined at 120 years. The Hampstead Heath Ponds Project major Civil Engineering earthworks/structures (such as the foundations, sheet piling and earth bunds) fall into design working Life category 5 which is set out in the BS EN 1990:2002+A1:2005, Eurocode — Basis of structural design, with Indicative design working Life being 120 years.

(k) Investments

The major part of the investments are in a segregated mandate externally managed by Artemis Investment Management LLP. Hampstead Heath Trust Fund also holds investments in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to “pool” small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(l) Stocks

Stocks are valued at the lower of cost or net realisable value. All stocks are finished goods and are held for resale as part of the charity operation.

(m) Cash

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

(n) Funds structure

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

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Expendable endowment fund – the purpose of this fund is to provide income for the benefit of the charity as a result of conditions imposed by the original donors and trusts.

Restricted funds – these include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include income generated by assets representing unrestricted funds. Specifically for the Hampstead Heath Trust, this represents the net undistributed income and for Hampstead Heath the surplus unrestricted donations.

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

(o) Insurance

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

2. INCOME FROM VOLUNTARY ACTIVITIES

Charity 1 – Hampstead Heath

	Unrestricted funds	Restricted funds	Total funds 2024/25	Total funds 2023/24
	£	£	£	£
Donations and legacies	1,840	49,682	51,522	23,384

3. INCOME FROM CHARITABLE ACTIVITIES

Charity 1 - Hampstead Heath	Unrestricted funds 2024/25	Restricted funds 2024/25	Total 2024/25	Total funds 2023/24
	£	£	£	£
Charges for use of facilities	3,272,094	-	3,272,094	3,039,529
Sales	38,976	-	38,976	688
Rental income	257,247	-	257,247	232,553
Grant income	-	23,000	23,000	-
Total	3,568,317	23,000	3,591,317	3,272,770

4. INCOME FROM THE CITY OF LONDON CORPORATION

Charity 1 - Hampstead Heath	Unrestricted funds 2024/25 £	Unrestricted funds 2023/24 £
Revenue and capital grants from City of London Corporation	6,233,927	8,591,335
Total	6,233,927	8,591,335

5. INCOME FROM INVESTMENTS

Charity 2 - Hampstead Heath Trust Fund	Unrestricted funds 2024/25 £	Unrestricted funds 2023/24 £
Investment income	1,595,481	1,353,438
Interest	2,965	7,510
Total	1,598,446	1,360,948

Income for the year included:

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

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

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Estate 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.

6. Expenditure

Expenditure on raising funds

Charity 2 – Hampstead Heath Trust Fund

	Endowment funds Direct costs £	Unrestricted funds Support costs £	Total funds 2024/25 £	Direct costs £	Support costs £	Total 2023/24 £
Investment management fees	187,826	6,327	194,153	171,451	6,554	169,925
Interest payable	-	9,114	9,114	-	7,635	(1,566)
Total	187,826	15,441	203,267	171,451	14,189	168,359

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

Expenditure on charitable activities

Charity 1 – Hampstead Heath

	Unrestricted funds Direct costs £	Restricted funds £	Unrestricted funds Support costs £	Total 2024/25 £	Direct costs £	Support costs £	Total 2023/24 £
Preservation of Hampstead Heath	7,842,384	26,868	1,950,414	9,819,667	7,304,461	1,594,526	8,898,987
Total	7,842,384	26,868	1,950,414	9,819,667	7,304,461	1,594,526	8,898,987

Charity 2 – Hampstead Heath Trust Fund

	Unrestricted funds Direct costs £	Restricted funds £	Unrestricted funds Support costs £	Total 2024/25 £	Direct costs £	Support costs £	Total 2023/24 £
Preservation of Hampstead Heath	1,395,308	-	-	1,395,308	1,175,309	-	1,175,309
Total	1,395,308	-	-	1,395,308	1,175,309	-	1,175,309

Charities 1 & 2 – total

	Unrestricted funds Direct costs £	Restricted funds £	Unrestricted funds Support costs £	Total 2024/25 £	Direct costs £	Support costs £	Total 2023/24 £
Preservation of Hampstead Heath	9,237,693	26,868	1,950,414	11,214,975	8,479,770	1,594,526	10,074,296
Total	9,237,693	26,868	1,950,414	11,214,975	8,479,770	1,594,526	10,074,296

Charitable activities

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

Auditor's remuneration and fees for other services

Crowe U.K. LLP are the auditors of the City of London's City's Estate Fund and all of the different charities of which it is Trustee. In 2024/25 an audit fee of £24,800 was recharged (2023/24: £6,930). No other services were provided to the charity by its auditors during the year (2023/24: £nil).

7. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

Charity 1 – Hampstead Heath

	Charitable activities £	Governance £	2024/25 £	2023/24 £
Department:				
Chamberlain	134,738	-	134,738	144,096
Comptroller & City Solicitor	-	-	-	-
Town Clerk	-	216,055	216,055	146,683
City Surveyor	406,207	-	406,207	329,564
Natural Environment directorate	801,325	-	801,325	582,626
Other governance & support costs	109,289	24,800	134,089	98,892
Digital Services	258,000	-	258,000	292,665
Sub-total	1,709,559	240,855	1,950,414	1,594,526
Reallocation of governance costs	240,855	(240,855)	-	-
Total	1,950,414	-	1,950,414	1,594,526

Charity 2 – Hampstead Heath Trust Fund

	Raising funds £	Governance £	2024/25 £	2023/24 £
Chamberlain	15,440	-	15,440	14,189
Total	15,440	-	15,440	14,189

Charities 1 & 2 – total

	Raising funds £	Charitable activities £	Governance £	2024/25 £	2023/24 £
Department:					
Chamberlain	15,440	134,738	-	150,178	158,285
Comptroller & City Solicitor	-	-	-	-	-
Town Clerk	-	-	216,055	216,055	146,683
City Surveyor	-	406,207	-	406,207	329,564
Natural Environment directorate	-	801,325	-	801,325	582,626
Other governance & support costs	-	109,289	24,800	134,089	98,892
Digital Services	-	258,000	-	258,000	292,665
Sub-total	15,440	1,709,559	240,855	1,965,854	1,608,715
Reallocation of governance costs	-	240,855	(240,855)	-	-
Total	15,440	1,950,414	-	1,965,854	1,608,715

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.

8. DETAILS OF STAFF COSTS

Charity 1 – Hampstead Heath

All staff that work on behalf of the charity are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 83 (2023/24: 88).

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

	2024/25 £	2023/24 £
Salaries and wages	4,213,641	4,285,788
National Insurance costs	409,251	415,087
Employer's pension contributions	690,183	703,165
Total emoluments of employees	5,313,075	5,404,040

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 0.0 (2023/24: 0.0).

	2024/25	2023/24
£60,000 - £69,999	-	-
Total	-	-

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 eight open spaces for which the City of London Corporation is a charity trustee. 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 £42,174 (2023/24: £44,025). No Members received any remuneration for acting on behalf of the Trustee, with directly incurred expenses reimbursed, if claimed. No expenses were claimed in 2024/25 (2023/24: nil).

9. HERITAGE ASSETS

Charity 1 – Hampstead Heath

Since 1871 the primary purpose of the charity has been the preservation of Hampstead Heath for the recreation and enjoyment of the public. As set out in Note 1(j), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of Hampstead Heath are contained in the Hampstead Heath Management Plan. Records of heritage assets owned and maintained by Hampstead Heath can be obtained from the Executive Director Environment at the principal address as stated on page 43.

10. TANGIBLE FIXED ASSETS

Charity 1 – Hampstead Heath

	Buildings	Infrastructure	Vehicles	Infrastructure (WIP)	Equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	1,257,724	23,253,684	94,197	-	272,479	24,878,084
Additions		248,558			136,839	385,397
At 31 March 2025	1,257,724	23,502,242	94,197	-	409,318	25,263,481
Depreciation						
At 1 April 2024	275,229	1,899,806	-	-	221,244	2,396,279
Charge for the year	31,641	332,557	9,420		4,361	377,979
At 31 March 2025	306,870	2,232,363	9,420	-	225,605	2,774,258
Net book value						
At 31 March 2025	950,854	21,269,879	84,777	-	183,713	22,489,223
At 31 March 2024	982,495	21,353,878	94,197	-	51,235	22,481,805

11. FIXED ASSET INVESTMENTS

Charity 2 – Hampstead Heath Trust Fund

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	Total 2025 £	Total 2024 £
Long Term Fixed Investments		
Market value 1 April	36,873,091	34,188,534
Additions	7,295,803	7,797,461
Disposals	(7,176,048)	(7,163,937)
(Loss)/gain for the year	2,703,646	2,051,032
Market value 31 March	39,696,492	36,873,090
Short Term Investments		
Cash held by fund managers	351,632	471,518
Other Cash Balances	177,308	177,308
Short Term Investments	528,940	648,826
Total investments 31 March	40,225,432	37,521,916
Cost 31 March	34,697,611	32,144,545

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

	2025 £	2024 £
Long term	39,696,492	36,873,090
Short term	528,940	648,826
Total	40,225,432	37,521,916

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

	Held in the UK £	Held outside the UK £	Total at 31 March 2025 £	Held in the UK £	Held outside the UK £	Total at 31 March 2024 £
Unit trusts	1,232,381	-	1,232,381	1,389,982	-	1,389,982
Equities	35,976,922	2,487,189	38,464,111	31,836,971	3,646,137	35,483,108
Cash	528,940	-	528,940	648,826	-	648,826
Total	37,738,243	2,487,189	40,225,432	33,875,779	3,646,137	37,521,916

12. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

Charity 1 - Hampstead Heath

	2025	2024
	£	£
Rental debtors	51,736	26,326
Prepayments and accrued income	57,966	46,577
Recoverable VAT	25,014	26,920
Other debtors	227,476	42,008
Total	362,192	141,831

Charity 2 - Hampstead Heath Trust Fund

	2025	2024
	£	£
Sundry debtors	8,982	-
Other debtors	324,221	320,167
Total	333,203	320,167

Charities 1 & 2 – total

Charity 1 & 2 total

	2025	2024
	£	£
Rental debtors	51,736	26,326
Prepayments and accrued income	57,966	46,577
Recoverable VAT	25,014	26,920
Sundry debtors	8,982	-
Other debtors	551,697	362,175
Total	695,395	461,998

Other debtors consist of non-property related debtors of £227,476 (2023/24: £42,008) and dividends of £324,221 receivable from the fund manager (2023/24: £320,167).

13. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	369,439	81,878
Accruals	206,502	218,368
Deferred income	253,853	231,655
Rent deposits	15,425	15,425
VAT liability	12,935	41,277
Other creditors	218,958	543,450
Total	1,077,112	1,132,053

Charity 2 - Hampstead Heath Trust Fund

	2025	2024
	£	£
Bank overdraft	51,084	41,433
Other creditors	48,880	45,495
Total	99,964	86,928

Charities 1 & 2 – total

	2025	2024
	£	£
Bank overdraft	51,084	41,433
Trade creditors	369,439	81,878
Accruals	206,502	218,368
Deferred income	253,853	231,655
Rent deposits	15,425	15,425
VAT liability	12,935	41,277
Other creditors	267,838	588,945
Total	1,177,076	1,218,981

	2025	2024
	£	£
Deferred income analysis within creditors:		
Balance at 1 April	231,655	235,157
Amounts released to income	(231,655)	(235,157)
Amounts deferred in the year	253,853	231,655
Balance at 31 March	253,853	231,655

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

14. ANALYSIS OF NET ASSETS BY FUND

Charity 1 – Hampstead Heath

At 31 March 2025	Unrestricted Funds		Restricted Funds	Total at 31 March 2025	Total at 31 March 2024
	General Funds	Designated Funds			
	£	£	£	£	£
Tangible Assets	-	22,489,223	-	22,489,223	22,481,805
Current Assets	1,088,291	3,331	79,633	1,171,255	1,176,515
Current Liabilities	(1,077,112)	-	-	(1,077,112)	(1,132,053)
Total	11,179	22,492,554	79,633	22,583,366	22,526,267

At 31 March 2024	Unrestricted Funds		Restricted Funds	Total at 31 March 2024	Total at 31 March 2023
	General Funds	Designated Funds			
	£	£	£	£	£
Tangible Assets	-	22,481,805	-	22,481,805	19,463,442
Current Assets	1,139,365	3,331	33,819	1,176,515	814,381
Current Liabilities	(1,132,053)	-	-	(1,132,053)	(740,058)
Total	7,312	22,485,136	33,819	22,526,267	19,537,765

Charity 2 – Hampstead Heath Trust Fund

At 31 March 2025	Unrestricted General Funds	Endowment funds	Total at 31 March 2025	Total at 31 March 2024
	£	£	£	£
Fixed assets - investments	243,255	39,453,237	39,696,492	36,873,090
Current assets	862,143	0	862,143	968,993
Current liabilities	-	(99,964)	(99,964)	(86,928)
Total	1,105,398	39,353,273	40,458,671	37,755,155

At 31 March 2024	Unrestricted General Funds	Endowment funds	Total at 31 March 2024	Total at 31 March 2023
	£	£	£	£
Fixed assets - investments	(66,732)	36,939,822	36,873,090	34,188,534
Current assets	968,993	-	968,993	3,100,871
Current liabilities	-	(86,928)	(86,928)	(1,585,283)
Total	902,261	36,852,894	37,755,155	35,704,122

Charities 1 & 2 – total

At 31 March 2025	Unrestricted Funds		Restricted Funds	Endowment Funds	Total at 31 March 2025	Total at 31 March 2024
	General Funds	Designated Funds				
	£	£	£	£	£	£
Tangible Assets	-	22,489,223	-	-	22,489,223	22,481,805
Fixed Asset Investments	243,255	-	-	39,453,237	39,696,492	36,873,090
Current Assets	1,950,434	3,331	79,633	0	2,033,398	2,145,507
Current Liabilities	(1,077,112)	-	-	(99,964)	(1,177,076)	(1,218,981)
Total	1,116,577	22,492,554	79,633	39,353,273	63,042,037	60,281,421

At 31 March 2024	Unrestricted Funds		Restricted Funds	Endowment Funds	Total at 31 March 2024	Total at 31 March 2023
	General Funds	Designated Funds				
	£	£	£	£	£	£
Tangible Assets	-	22,481,805	-	-	22,481,805	19,463,442
Fixed Asset Investments	(66,732)	-	-	36,939,822	36,873,090	34,188,534
Current Assets	2,108,357	3,331	33,819	-	2,145,507	3,915,252
Current Liabilities	(1,132,053)	-	-	(86,928)	(1,218,981)	(2,325,341)
Total	909,573	22,485,136	33,819	36,852,894	60,281,421	55,241,887

Expendable endowment movements 2011-2025

Expendable endowment movements 2011-2025

	Balance at 1 April	Revaluation of investments	Balance at 31 March	Cash	Expendable endowment
	£	£	£	£	£
Opening	393,461	8,497	401,958	177,308	579,266
2011-2012	401,958	11,764	413,722	177,308	591,030
2012-2013	413,722	58,823	472,545	177,308	649,853
2013-2014	472,545	34,640	507,185	177,308	684,493
2014-2015	507,185	32,680	539,865	177,308	717,173
2015-2016	539,865	(30,719)	509,146	177,308	686,454
2016-2017	509,146	60,784	569,930	177,308	747,238
2017-2018	569,930	5,229	575,159	177,308	752,467
2018-2019	575,159	(5,229)	569,930	177,308	747,238
2019-2020	569,930	(106,075)	463,855	177,308	641,163
2020-2021	463,855	114,223	578,078	177,308	755,386
2021-2022	578,078	27,440	605,518	177,308	782,826
2022-2023	605,518	(13,562)	591,956	177,308	769,264
2023-2024	591,956	58,170	650,126	177,308	827,434
2024-2025	650,126	46,928	697,054	177,308	874,362

15. MOVEMENT IN FUNDS

Charity 1 – Hampstead Heath

At 31 March 2025	Total as at 1 April 2024 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2025 £
Restricted funds:					
Campaign Donations	18,617	47,000	(24,186)	-	41,431
Parliament Hill Outdoor Gym	2,233	-	-	-	2,233
Installation of Non-Turf Pitches	12,969	23,000	-	-	35,969
Total restricted funds	33,819	70,000	(24,186)	-	79,633
					-
Unrestricted funds:					
General funds	7,313	9,418,687	(9,414,820)	-	11,180
Designated funds:					
Tangible fixed assets	22,481,805	385,397	(377,980)	-	22,489,222
Capital fund	3,331	-	-	-	3,331
Total unrestricted funds	22,492,449	9,804,084	(9,792,800)	-	22,503,733
Total funds	22,526,268	9,874,084	(9,816,986)	-	22,583,366

At 31 March 2024	Total as at 1 April 2023 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2024 £
Restricted funds:					
Campaign Donations	18,096	14,383	(13,862)	-	18,617
Parliament Hill Outdoor Gym	2,233	-	-	-	2,233
Installation of Non-Turf Pitches	46,845	-	(33,876)	-	12,969
Total restricted funds	67,174	14,383	(47,738)	-	33,819
					-
Unrestricted funds:					
General funds	3,818	8,639,894	(8,636,399)	-	7,313
Designated funds:					
Tangible fixed assets	19,463,442	3,233,212	(214,849)	-	22,481,805
Capital fund	3,331	-	-	-	3,331
Total unrestricted funds	19,470,591	11,873,106	(8,851,248)	-	22,492,449
Total funds	19,537,765	11,887,489	(8,898,986)	-	22,526,268

Charity 2 – Hampstead Heath Trust Fund

At 31 March 2025	Total as at 1 April 2024	Income	Expenditure	Gains & (losses)	Transfers	Total as at 31 March 2025
	£	£	£	£	£	£
Endowment funds:						
Expendable endowment	827,434	-	-	46,928	-	874,362
Permanent endowment	36,025,459	-	(203,267)	2,656,718	-	38,478,910
Total endowment funds	36,852,893	-	(203,267)	2,703,646	-	39,353,272
Unrestricted funds:						
General funds	902,261	1,598,446	(1,395,308)	-	-	1,105,399
Total funds	37,755,154	1,598,446	(1,598,575)	2,703,646	-	40,458,671

At 31 March 2024	Total as at 1 April 2023	Income	Expenditure	Gains & (losses)	Transfers	Total as at 31 March 2024
	£	£	£	£	£	£
Endowment funds:						
Expendable endowment	769,264	-	-	58,170	-	827,434
Permanent endowment	34,204,048	-	(171,451)	1,992,862	-	36,025,459
Total endowment funds	34,973,312	-	(171,451)	2,051,032	-	36,852,893
Unrestricted funds:						
General funds	730,810	1,360,948	(1,189,497)	-	-	902,261
Total funds	35,704,122	1,360,948	(1,360,948)	2,051,032	-	37,755,154

Charities 1 & 2 – total

At 31 March 2025	Total as at 1 April 2024	Income	Expenditure	Gains & (losses)	Transfers	Total as at 31 March 2025
	£	£	£	£	£	£
Endowment funds:						
Expendable endowment	827,434	-	-	46,928	-	874,362
Permanent endowment	36,025,459	-	(203,267)	2,656,718	-	38,478,910
Total endowment funds	36,852,893	-	(203,267)	2,703,646	-	39,353,272
Restricted funds:						
Campaign Donations	18,617	47,000	(24,186)	-	-	41,431
Parliament Hill Outdoor Gym	2,233	-	-	-	-	2,233
Installation of Non-Turf Pitches	12,969	23,000	-	-	-	35,969
Total restricted funds	33,819	70,000	(24,186)	-	-	79,633
Unrestricted funds:						
General funds	909,573	11,017,133	(10,810,127)	-	-	1,116,579
Designated funds:						
Tangible fixed assets	22,481,805	385,397	(377,980)	-	-	22,489,222
Capital fund	3,331	-	-	-	-	3,331
Total unrestricted funds	23,394,709	11,402,530	(11,188,107)	-	-	23,609,132
Total funds	60,281,421	11,472,530	(11,415,560)	2,703,646	-	63,042,037

At 31 March 2024	Total as at 1 April 2023 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	Total as at 31 March 2024 £
Endowment funds:						
Permanent endowment funds	34,204,048	-	(171,451)	1,992,862	-	36,025,459
Expendable endowment funds	769,264	-	-	58,170	-	827,434
Total endowment funds	34,973,312	-	(171,451)	2,051,032	-	36,852,893
Restricted funds:						
Campaign Donations	18,096	14,383	(13,862)	-	-	18,617
Parliament Hill Outdoor Gym	2,233	-	-	-	-	2,233
Installation of Non-Turf Pitches	46,845	-	(33,876)	-	-	12,969
Total restricted funds	67,174	14,383	(47,738)	-	-	33,819
Unrestricted funds:						
General funds	734,628	10,000,842	(9,825,897)	-	-	909,573
Designated funds:						
Tangible fixed assets	19,463,442	3,233,212	(214,849)	-	-	22,481,805
Capital fund	3,331	-	-	-	-	3,331
Total unrestricted funds	20,201,401	13,234,054	(10,040,746)	-	-	23,394,709
Total funds	55,241,887	13,248,437	(10,259,935)	2,051,032	-	60,281,421

Purpose of the endowment funds

The expendable endowment fund is invested as a capital fund to generate income for the activities of the charity. Any income generated is used in accordance with the objectives of the trust. The purpose of this fund is to provide net income to be used to contribute towards the running costs of the Heath, transferred from the former T J Barratt bequest in December 2011.

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Before any potential gains on investments are considered, should net income be more than any year's contribution to the running costs of the Heath, then the surplus funds are retained as unrestricted funds to be used in future years. During 2024/25 the surplus was £203,267 (2023/24: £185,640). Should the actual income earned in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment.

Purposes of restricted funds

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

Purposes of designated funds

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

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

provision for impairment. As at 31 March 2025 the net book value of fixed assets relating to direct charitable purposes amounted to £22,489,222 (2023/24: £22,481,805). There were additions of £385,397 during the year relating to the Swimming Facilities and Lido Photovoltaic Panels.

- ii. *Capital Fund* - as part of an Open Spaces wide Fleet Management project a disposal exercise of redundant fleet and equipment was undertaken. It was agreed to use the income raised to fund energy efficiency improvement works. The installation of photovoltaic energy panels at the Lido, Hampstead Heath was completed.

16. 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 7.

The charity is consolidated within the accounts of City's Estate, 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 Estate, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Estate 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 Estate can be obtained from the address provided above.

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

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

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

Related party	Connected party	2024/25 £	2023/24 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity	6,233,927 (nil)	8,591,335 (nil)	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		1,950,414 (nil)	1,594,526 (nil)	Administrative services provided for the charity
		23,885 (nil)	19,650 (nil)	Distribution from the Charities Pool and interest receivable on cash balances
Hampstead Heath Trust Fund	The Hampstead Heath Trust Fund is incorporated within the Hampstead Heath financial statements as a linked charity.	1,395,308 (nil)	1,175,309 (nil)	Contribution to preservation and enhancement of Hampstead Heath as an open space

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAMES: Hampstead Heath, Hampstead Heath Trust Fund

Registered charity number: 803392, 80339-1

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

Ian Thomas CBE - The Town Clerk and Chief Executive of the City of London Corporation

Treasurer

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

Solicitor

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

Environment Department

Katie Stewart – Executive Director of Environment

Emily Brennan – Director of Natural Environment

AUDITORS:

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

BANKERS:

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

INVESTMENT ADVISORS:

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

Contact for The Chamberlain & City's Estate Officer, to request copies of governance documents & of the

Annual Report of City's Estate: CHBOffice-BusinessSupport@cityoflondon.gov.uk

HAMPSTEAD HEATH

England & Wales - Charity number 803392

Accounts

Hampstead Heath

Incorporating:

Hampstead Heath Trust Fund

Annual Report and Financial Statements for the
year ended 31 March 2024

Charity registration numbers 803392 and 803392-1

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ORIGINS OF THE CHARITIES

Hampstead Heath is the collective name for an area of land in North London, including Parliament Hill and Golders Hill, a total of 791 acres (320 hectares). The origins of Hampstead Heath lie in the transfer of Hampstead Heath into public ownership on the terms of the Hampstead Heath Act 1871. Subsequent land has been added over the years. The Heath is held by City Corporation, as trustee, as an open space for the recreation and enjoyment of the public. The Heath falls within two London Boroughs: Camden and Barnet.

The Heath was transferred to the London Residuary Body on 1 April 1986, on the abolition of the Greater London Council, and was transferred to the City of London Corporation on 31 March 1989 under provisions of the London Government Reorganisation (Hampstead Heath) Order 1989. This Order covered the transfer of the Heath and the related rights and liabilities, the functions of the Corporation, the financial arrangements, the establishment of the Hampstead Heath Trust Fund for future revenue funding and the Hampstead Heath Works Fund for defraying capital works..

By virtue of the London Government Reorganisation (Hampstead Heath) Order 1989, the City of London Corporation acquired responsibility for the management of Hampstead Heath with effect from 31 March 1989. At the same time, the London Residuary Body transferred £15 million to the City of London Corporation for the establishment of the Hampstead Heath Trust Fund.

The City of London Corporation is committed to conserving the Heath and its wildlife and vegetation and providing recreational facilities for the public appropriate to such an important London open space.

The first detailed management plan for Hampstead Heath was produced in 1995. The plan sets out a framework and policies for the management of the Heath, by identifying management objectives, describing how these are to be achieved and defining procedures for monitoring progress against these objectives. A wide range of public consultation has taken place in order to develop a Vision which provides strategic direction for the site for 2018/28.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

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

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the trustee of Hampstead Heath and the Hampstead Heath Trust Fund. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Elected members of the City of London Corporation are appointed to the Hampstead Heath, Highgate Wood and Queen's Park Committee, under the terms of the London Government Reorganisation (Hampstead Heath) Order 1989 relating to the Hampstead Heath Management Committee, together with six non City of London Corporation members, one after consultation with the London Borough of Barnet, one after consultation with the London Borough of Camden, one after consultation with the owners of the Kenwood lands and three after consultation with bodies representing local, archaeological, environmental or sporting interests governing Hampstead Heath by the Court of Common Council of the City of London Corporation together with six non City of London Corporation members.

The Finance Committee of the City of London Corporation administers the Hampstead Heath Trust Fund on behalf of the Trustee.

Members of the Court of Common Council are unpaid for support provided to the charities and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the Hampstead Heath charity during 2023/24 were as follows:

- **Policy and Resources Committee** – responsible for allocating resources and administering the charity.
- **Finance Committee** – responsible for controlling budgets, support costs and other central charges that affect the charity as a whole.
- **Audit and Risk Management Committee** – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.

- **Financial Investment Board** - oversees all aspects of the non-property investment arrangements of the City of London's major funds and monitors the Chamberlain's Treasury Management operations.
- **Hampstead Heath, Highgate Wood and Queen's Park Committee** – responsible for the activities undertaken at Hampstead Heath, approving budget allocations for the forthcoming year.
- **Corporate Services Committee** – responsible for personnel and establishment matters throughout the City of London, including negotiations with the recognised trade unions.
- **Natural Environment Board** – policy and strategic body in relation to the activities of the City Corporation's Natural Environment Division within the Environment Department.

All the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public (except where it is not considered in the charity's best interest to do so), 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

The Hampstead Heath Management Committee was setup for the purposes of advising on and implementing the City of London Corporation's policies and programmes of work and considering any representations from the Hampstead Heath Consultative Committee. The Consultative Committee was established under the 1989 Order to make such representations and consists of representatives of local organisations, sporting interests, nature conservation, the disabled and those concerned with the Heath.

The charities are consolidated within City's Estate as the City of London Corporation exercises operational control over their activities. City's Estate 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 Estate to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London.
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The Trustee believes that good governance is fundamental to the success of the charity. An initial review of governance was undertaken to ensure that the charity is effective in fulfilling its objectives, and further more detailed work is underway as part of a corporate review of the open space charities of which the City Corporation is the trustee. Reference is being made to the good practices recommended within the Charity Governance Code, with a focus on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with their governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer

Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 43.

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

INDUCTION AND TRAINING OF MEMBERS

The City Corporation makes seminars and briefings on various aspects of its activities, including those concerning the charity, available to its Members and others serving on committees which are involved with the charity to enable them to carry out their duties efficiently and effectively. If suitable seminars or other training options are identified that are relevant to the charity, Members and other committee members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

Hampstead Heath (charity 1)

The objective of the charity is the preservation of Hampstead Heath in perpetuity, as an open space for the recreation and enjoyment of the public.

In support of these objectives the Hampstead Heath Management Strategy sets out the themes which are underpinned by the Heath Vision; developed in collaboration with stakeholders. The themes are:

- We protect and conserve the Heath.
- The Heath enriches our lives.
- The Heath is inclusive and welcoming.
- Together we care for the Heath.

By means of these outcomes the management of the Heath can be focussed to ensure that the elements vital to the maintenance, care and management of the open space are delivering the objectives of the charity.

Hampstead Heath Trust Fund (charity 2)

By virtue of the London Government Reorganisation (Hampstead Heath) Order 1989, the City of London Corporation acquired responsibility for the management of Hampstead Heath with effect from 31 March 1989. At the same time the London Residuary Body transferred £15 million to the City of London Corporation for the establishment of the Hampstead Heath Trust Fund, the purpose of which is the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

Contributions towards the running cost of the Heath are assessed on a triennial basis and increased annually in accordance with the average earnings index. The aim for the Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it.

Investment Policy

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London & Chief Financial Officer, at the email address stated on page 42.

Volunteers

Hampstead Heath is particularly successful in providing volunteer opportunities. Working in partnership with a dedicated charity, Heath Hands, Hampstead Heath had a contribution in excess of 13,896 hours of volunteer input for 2023/24.

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 7 to the financial statements.

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

The City's Equality Objectives were recently reviewed in accordance with the Equality Act 2010 which requires public bodies to publish equality objectives every four years. The City's Equality Objectives were approved by Policy and Resources Committee in March 2024 covering the five year period from 2024 to 2029 to coincide with the City's Corporate Plan for 2024-29.

Senior staff posts of the City Corporation are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

Fundraising

Section 162A of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". Donations are presented in the financial statements as "voluntary income" including grants.

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

scheme and does not consider it necessary to comply with any voluntary code of practice.

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

The charity has received no complaints in relation to fundraising activities in 2023/24 (2022/23: £nil). Individuals are not approached for funds; hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Hampstead Heath and the Hampstead Heath Trust Fund's aims and objectives and in planning future activities. The purpose of charity 1 is the preservation in perpetuity of Hampstead Heath as an open space for the recreation and enjoyment of the public; the purpose of charity 2 is the preservation and enhancement of Hampstead Heath as an open space for the recreation and enjoyment of the public.

Consequently, the Trustee considers that Hampstead Heath and Hampstead Heath Trust Fund operate to benefit the general public and satisfy the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 43.

ACHIEVEMENTS AND PERFORMANCE

Hampstead Heath's 2023/24 aims together with their outcomes were:

Maintain Green Flag Award and Green Heritage Accreditation for 2023/24

Hampstead Heath has retained both the Green Flag Award and Green Heritage Site Accreditation in 2023/24.

Hampstead Heath Bathing Ponds Access Project (capital project)

The project is proceeding at all three bathing ponds and will continue into the 2024/25 financial year, with an expected completion date of June 2024.

Parliament Hill athletics track (capital project)

The resurfacing works to the athletics track were successfully completed this year, drawing to a close the £2m project. The track was opened on 17 April 2024.

Parliament Hill Master Plan

Public consultation undertaken on a number of potential improvement projects, and the Charity will explore their feasibility in the coming years.

Golders Hill Park Zoo – stock to reflect Britain and its native species.

Successful introduction of more deer stock, as well as endangered wildcats. The project will continue into 2024/25 with improvements to habitation and new additions to stock.

Review the Café retendering programme with a review of income generation and market values.

This has been delayed and will be progressed during 2024/25.

Golders Hill Park Pergola

Temporary works to stabilise the Pergola have been completed by City Surveyors, allowing it to remain open to the public until August 2024.

Hampstead Heath Trust Fund's 2023/24 aims together with their outcomes:

The aim for the Hampstead Heath Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it. In 2023/24, the Trust has contributed £1,175,309 towards the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the public (2022/23: £1,375,547).

PLANS FOR FUTURE PERIODS

Hampstead Heath

The team will focus on delivering the following key projects over the next 12 months.

- Work to Golders Hill Park Pergola – work with City Surveyors to identify restoration needs to retain public access.
- Cafe retendering – complete during 2024/25.
- Management plan – perform mid-term review of Hampstead Heath management strategy.
- Ponds access to be completed - snagging list completed and signed off.

- Budgets - perform as per stated budget and continue to maximise income where possible and appropriate.
- Introduction of ANPR across car parks including implementation.
- Complete recruitment of staff following implementation of staffing restructure.

Hampstead Heath Trust Fund

The charity continues to be affected by the global economic environment and the impact of inflation in the UK during 2023/24. There has been a significant recovery in the market value of the investments held by the charity although and, the current economic environment continues to affect the income generating abilities of the charity's investments and may impact upon the future level of distributable income available to meet the grant-making objectives of the charity.

During 2023/24, the charity made several strategic adjustments to manage risk and optimize long-term growth. A resilient global economy, as well as inflation that has continued to moderate, has created a supportive environment for equities, and the charity's portfolio is set to deliver a high calibre of cash flow during 2024/25.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2023/24, the charities total income for the year was £13,248,437 an overall increase of £3,801,440 against the previous year (£9,446,997). The principal source of income was from City of London Corporation's City's Estate fund (see below).

Income from Charitable Activities comprised £3,039,529 from fees charged (2022/23: £2,682,386), £232,553 from rents (2022/23: £228,628) and £688 from sales of goods, products and materials (2022/23: £52,255). Grant Income was not received in 2023/24 (2022/23: £46,845). A busy 2023 summer, in part due to good weather, caused a general increase in the use of facilities. The reduction in income from sales compared with the previous year can be explained by a one-off sale taking place during 2022/23.

£9,956.25 in donations were received to support improvements to the playground (2022/23: £32,160). These donations were fully utilised during the year to support the playground improvements project. Donations can also be made on the Hampstead Heath webpage, to either Hampstead Heath Bird and Mammal Shelters campaign or Hampstead Heath Model Boating Pond Island – Wildlife Sanctuary campaign. In total, £4,337 was received during the year (2022/23: £6,993). An amount was held of £18,617 (2022/23: £18,096) as at 31 March 2024 in a restricted fund for 'Campaign Donations'.

Investment income of £1,360,948 (2022/23: £1,543,905) was received during the year from the Hampstead Heath Trust Fund.

An amount of £8,591,335 (2022/23: £4,841,585) was received from the City of London Corporation's City's Estate as a contribution towards the running costs of the charity. The increase compared with 2022/23 is explained by additional funding received from the City to meet the cost of capital expenditure incurred during the year as well as to fund increased staffing, energy and repairs and maintenance costs compared with the previous year following increases in inflation.

Expenditure

Total expenditure for the year was £10,259,936 (2022/23: £9,531,552) with charitable activities expenditure in the year totalling £10,074,296 (2022/23: £9,363,193). The increase in expenditure can be explained by higher costs related to staffing and energy attributable to inflationary price rises as noted above as well as an increase in support costs incurred by the charity. Expenditure on raising funds for the year was £185,640 (2022/23: £168,359).

Funds held

The combined charities total funds held increased by £5,039,534 to £60,281,421 as at 31 March 2024 (2022/23: £55,241,887). The net gain on investments represents the difference in the market value of investments between 1 April 2023 and 31 March 2024 after taking account of any purchases and sales which were made during 2023/24.

Within the total funds held, £36,852,893 (2022/23: £34,973,312) represent permanent and expendable endowment funds.

The permanent endowment is held in perpetuity as a capital fund to generate income for the activities of the charity, with income arising from this capital being available to contribute to the running costs of the Heath in accordance with the terms of the endowment.

The expendable endowment funds are used for the primary objectives of the charity.

Should net income from the endowment funds be greater than the required contribution towards the running costs of the Heath, then the surplus is retained within unrestricted funds held for use in future years in accordance with the objectives of the charity. A surplus of £185,640 was generated in the year (2022/23: £168,358).

Unrestricted funds (General funds) – these funds can be used in accordance with the charitable object at the discretion of the Trustee and include income generated by assets representing unrestricted funds. For the Hampstead Heath Charity this represents surplus of income of £7,313 (2022/23: £3,818). For the Hampstead Heath Trust this represents surplus of income of £902,261 (2022/23: £730,810) over and above expenditure of the Trust distributed annually towards the running costs of the Heath.

The charity's designated funds consist of unrestricted 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 2024 totalled £22,485,136 (2022/23: £19,466,773). These represent designated funds within the unrestricted fund which represents the Capital fund and the net book value of fixed assets held.

Restricted funds of £33,819 (2022/23: £67,174) were held at year-end for the Parliament Hill Outdoor Gym project and from campaign donations as well as unspent grant monies received to fund the installation of non-turf pitches at Hampstead Heath.

Details of all funds held, including their purposes, are set out within note 15 to the financial statements.

Investments performance

The investments are held within both a segregated portfolio primarily invested in UK shares and the City of London Corporation Charities Pool. The performance of these investments are analysed as follows:

1) Segregated portfolio

The funds of the charity are managed by Artemis Investment Management LLP. Market values and performance against benchmarks for the year was as follows:

	Market Value		Returns		Benchmark	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
	£	£	%	%	%	%
Hampstead Heath Trust	36,694,482	34,701,620	+14.10%	+2.18%	+8.43%	+2.92%
City of London Charities Pool (part of)	827,434	769,264	+14.18%	+2.22%	+8.43%	+2.92%
	37,521,916	35,470,884				

2) Hampstead Heath Trust Fund

As at 31 March 2024, the investments held in the Hampstead Heath Trust Fund achieved a return of +14.10% (2022/23: +2.18%) compared to the FTSE All Share Index return of +8.43% (2022/23: +2.92%) Over three years this fund achieved a return of +9.01% (2022/23: +7.41%) compared to the FTSE All Share Index return of +8.05% (2022/23: +5.31%). Over five years, the fund achieved a return of +7.64% (2022/23: +6.25%) compared to the FTSE All Share Index return of +5.44% (2022/23: +4.69%).

Fund	2023/24		2022/23	
	3 years		3 years	
Fund	+9.01%		+7.41%	+6.25%
FTSE All Share	+8.05%		+5.31%	+4.69%
Fund outperformance	+0.96%		+2.10%	+1.56%

3) City of London Corporation Charities Pool

As at 31 March 2024, the investments held in the Charities Pool achieved a return of +14.18% (2022/23: +11.06%) compared to the FTSE All Share Index return of +11.06% (2022/23: +13.03%). Over three years this fund achieved a return of +9.03% (2022/23: +7.35%) compared to the FTSE All Share Index return of +8.05% (2022/23: +5.31%). Over five years, the fund achieved a return of +7.62% (2022/23: +6.16%) compared to the FTSE All Share Index of +5.44% (2022/23: +4.69%).

Fund	2023/24		2022/23	
	3 years		3 years	
Fund	+9.03%		+7.35%	+6.16%
FTSE All Share	+8.05%		+5.31%	+4.69%
Fund outperformance	+0.98%		+2.04%	+1.47%

Reserves

The Hampstead Heath Trust contribution towards the running costs of Hampstead Heath is determined in accordance with a formula set out in the governing document. Reserves therefore represent the accumulated net income that cannot be distributed under the existing governance arrangements. Due to the governance arrangements in place, a reserves policy is considered by the trustee to be inappropriate.

Donations for Hampstead Heath Charity are now being sought and that these may be carried forward but there is currently no intention to hold them. The charity is further supported by the City of London Corporation out of its City's Estate Funds.

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

Spending Policy

The reserves policy of the charity is that the original endowment of £15 million (now worth £36.9 million) should produce income to cover a proportion of the running costs of Hampstead Heath. The contribution for 2023/24 of £1,175,309 (2022/23: £1,375,547) consists of £1,148,059 from the permanent endowment (2022/23: £1,348,896), and

income arising from the former T.J. Barratt Trust, which was transferred to the Hampstead Heath Trust Fund in November 2011, of £27,250 (2022/23: £26,651).

Should the actual income earned in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment. The contribution of £1,175,309 for 2023/24 from the permanent endowment was met entirely from net income and no further allocation from the permanent endowment reserves was required.

Principal Risks and Uncertainties

The charities are committed to a programme of risk management as an element of their strategy to preserve the charities assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an ongoing 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:

Risks which are specific to Hampstead Heath:

Risk	Actions to manage risks
Outbreak of fire in woodland/heathland	Staff are made aware of extreme weather events and 'Trigger Events.' The Emergency Action Plan and Fire safety audits are reviewed and updated annually. Signage and social media messaging is used to remind visitors not to light fires or barbecues
Maintenance of buildings and equipment	Inspections of operational property are managed, and records kept, by the City Surveyor's Department (CSD). Building defects are reported to CSD's Facilities Management Team to address. Longer term repairs and maintenance are managed through the Cyclical Works Programme (CWP), and where significant costs are likely to be incurred over and above the CWP, additional funding is sought through capital bids.
Climate and Weather	Met Office weather alerts are monitored and cascaded. Site plans are reviewed annually or following an incident, if appropriate. In accordance with the Extreme Weather Protocol, sites are closed during extreme weather events.
Recruitment and retention of staff	A new organisational structure is being implemented. This will include recruitment to several vacancies and the development of a talent management programme.
Delivery of capital projects	Liaise with internal departments to secure funding for capital projects.
Budget Reduction and income loss	Monitor budgets monthly and consider income generation opportunities.
Long term damage to site	Nature recovery/ground restoration works continue as part of the Annual Works Programme. Social media messaging is used to encourage visitors to use the site responsibly.
Ensuring the Health and Safety of staff, contractors, visitors, and volunteers	Proactive Health and Safety management, including audits, inspections, communications, and staffing. Staff patrol non-lifeguarded ponds, particularly during extreme weather conditions. These ponds are clearly signed to emphasise that people should not swim in them. Stewards are available during operating hours at the ponds and Lido to promote safety.

Hampstead Heath Water bodies including Bathing Ponds	Lifeguards receive full training. Rangers regularly check signage, gates and safety equipment at water bodies.
Maintenance of water bodies	A Ponds and Wetlands Plan includes a series of recommendations which are implemented as appropriate.
Tree failure	Tree management systems are place, including regular inspections to identify any trees with structural or health issues. Parts of the Heath or Golders Hill Park are closed in extreme weather conditions.
Plant and Tree Disease	Tree provenance is considered, and planting stock is sourced in accordance with best practice guidance. Targeted caterpillar spraying and nest removal is carried out to reduce Oak Processionary Moth. Staff are vigilant and inspect for other pests and tree diseases.

Risks which are specific to Hampstead Heath Trust Fund:

Risk	Actions to manage risks
Decline in income	• Implementing strict controls. • The charity's funds are invested by a professional fund manager. • The Financial Investment Board regularly monitors the performance of this fund manager.
Where the Trustee has a conflict of interest	• Those concerned having a specific understanding of trust law. • Adopting the protocol for disclosing any potential conflict
Losing directly employed staff and/or the support staff	• Documenting systems, plans and projects. • Having any necessary training programmes.

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

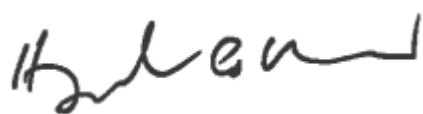
The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

A handwritten signature in black ink, appearing to read 'H. Colthurst'.

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

A handwritten signature in blue ink, appearing to read 'Randall Anderson'.

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

27th November 2024

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

Opinion

We have audited the financial statements of Hampstead Heath incorporating Hampstead Heath Trust Fund for the year ended 31 March 2024 which comprise the Statement of Financial Activities, 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 2024 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 charities in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustee

As explained more fully in the Trustee's responsibilities statement set out on page 14 and 15, 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 charities ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charities ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charities 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 charities 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 charities 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

Crowe U.K. LLP

Statutory Auditor

55 Ludgate Hill, London, EC4M 7JW

29 November 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023/24 Total Funds £	2022/23 Total Funds £
Income and endowments from:						
Voluntary activities	2	9,001	14,383	-	23,384	51,393
Charitable activities	3	3,272,770	-	-	3,272,770	3,010,114
Grant from City of London Corporation	4	8,591,335	-	-	8,591,335	4,841,585
Investments	5	1,360,948	-	-	1,360,948	1,543,905
Total income and endowments		13,234,054	14,383	-	13,248,437	9,446,997
Expenditure on:						
Raising funds	6	14,189	-	171,451	185,640	168,359
Charitable activities:			-			
Preservation of Hampstead Heath	6	10,026,557	47,738	-	10,074,295	9,363,193
Total expenditure		10,040,746	47,738	171,451	10,259,935	9,531,552
Net gains on investments	11	-	-	2,051,032	2,051,032	585,545
Net income		3,193,308	(33,355)	1,879,581	5,039,534	500,990
Net movement in funds		3,193,308	(33,355)	1,879,581	5,039,534	500,990
Reconciliation of funds:						
Total funds brought forward	15	20,201,401	67,174	34,973,312	55,241,887	54,740,897
Total funds carried forward	15	23,394,709	33,819	36,852,893	60,281,421	55,241,887

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

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

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 Total £	2023 Total £
Fixed assets:			
Tangible assets	10	22,481,805	19,463,442
Fixed asset investments	11	36,873,090	34,188,534
Total fixed assets		59,354,895	53,651,976
Current assets			
Debtors	12	461,997	1,926,283
Investments	11	471,518	1,105,042
Cash at bank and in hand		1,211,992	883,927
Total current assets		2,145,507	3,915,252
Creditors: Amounts falling due within one year	13	(1,218,981)	(2,325,341)
Net current assets		926,526	1,589,911
Total assets less current liabilities		60,281,421	55,241,887
The funds of the charity:			
Endowment funds	15	36,852,893	34,973,312
Restricted income funds	15	33,819	67,174
Unrestricted income funds	15	23,394,709	20,201,401
Total funds		60,281,421	55,241,887

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

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

27th November 2024

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charities.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention 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. Any deficit is funded from the City of London Corporation's City's Estate. On an annual basis, a medium-term financial forecast is prepared for City's Estate, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these accounts being signed to enable the charity to continue to fulfil its obligations.

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

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

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

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

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP (the exemption in FRS102 (paragraph 1.12b)) the Charity is not required to produce a statement of cash flows on the grounds that it is a qualifying entity.

A Statement of Cash Flows is included within the City's Estate Annual Report and Financial Statements 2024 which is publicly available at www.cityoflondon.gov.uk.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charities are legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of donations, charges for use of facilities, contributions, grants (including government grants), investment income, interest, sales and rental income.

The City of London Corporation's City's Estate meets the deficit on running expenses of the charity and also provides funding for certain capital works. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed, and is recognised in the SOFA at this point.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management of functions inherent in the activities undertaken. These include the costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in note 8.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid. Costs incurred for the administration of the charity are recharged by the Corporation and these costs are included within support costs.

(g) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are valued at the year-end rate exchange. All gains or losses on translation are taken to Statement of Financial Activities in the year in which they occur.

(h) Pension costs

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefit scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of its three main funds (City Fund, City's Estate 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 £49.9m as at 31 March 2024 (£142.6m as at 31 March 2023). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2022, using the projected unit method. The 31 March 2022 valuation was carried out in 2022/23 and has set contribution rates for the period 01 April 2023 to 31 March 2026 at 21%. Contribution rates adopted for the financial years 2020/21 2021/22 and 2022/23 were set at 21%.

(i) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(j) Fixed Assets

Heritage Land and Associated Buildings

Hampstead Heath comprises 275 hectares (680 acres) of land located in the London Boroughs of Camden and Barnet, together with associated buildings. The object of the charity is the preservation of Hampstead Heath in perpetuity as an open space for the recreation and enjoyment of the public. Hampstead Heath is considered to be inalienable (i.e. may not be disposed of without specific statutory powers).

Land and the original associated buildings acquired prior to 1 April 2009 are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts.

Additions to the original land and capital expenditure on buildings and other assets would be included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

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*
Vehicles	up to 10

With the exception of certain ponds infrastructure whose useful life has been determined at 120 years. The Hampstead Heath Ponds Project major Civil Engineering earthworks/structures (such as the foundations, sheet piling and earth bunds) fall into design working Life category 5 which is set out in the BS EN 1990:2002+A1:2005, Eurocode — Basis of structural design, with Indicative design working Life being 120 years.

(k) Investments

The major part of the investments are in a segregated mandate externally managed by Artemis Investment Management LLP. Hampstead Heath Trust Fund also holds investments in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to “pool” small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(l) Stocks

Stocks are valued at the lower of cost or net realisable value. All stocks are finished goods and are held for resale as part of the charity operation.

(m) Cash

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

(n) Funds structure

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

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Expendable endowment fund – the purpose of this fund is to provide income for the benefit of the charity as a result of conditions imposed by the original donors and trusts.

Restricted funds – these include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include income generated by assets representing unrestricted funds. Specifically for the Hampstead Heath Trust, this represents the net undistributed income and for Hampstead Heath the surplus unrestricted donations.

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

(o) Insurance

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

2. INCOME FROM VOLUNTARY ACTIVITIES

Charity 1 – Hampstead Heath

	Unrestricted funds £	Restricted funds £	Total funds 2023/24 £	Total funds 2022/23 £
Donations and legacies	9,001	14,383	23,384	51,393

3. INCOME FROM CHARITABLE ACTIVITIES

Charity 1 - Hampstead Heath	Unrestricted funds 2023/24 £	Total 2023/24 £	Total funds 2022/23 £
Charges for use of facilities	3,039,529	3,039,529	2,682,386
Sales	688	688	52,255
Rental income	232,553	232,553	228,628
Grant income	-	-	46,845
Total	3,272,770	3,272,770	3,010,114

4. INCOME FROM THE CITY OF LONDON CORPORATION

Charity 1 - Hampstead Heath	Unrestricted funds 2023/24 £	Unrestricted funds 2022/23 £
Revenue and capital grants from City of London Corporation	8,591,335	4,841,585

5. INCOME FROM INVESTMENTS

Charity 2 - Hampstead Heath Trust Fund	Unrestricted funds 2023/24 £	Unrestricted funds 2022/23 £
Investment income	1,360,911	1,543,942
Interest	37	(37)
Total	1,360,948	1,543,905

Income for the year included:

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

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

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Estate 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.

6. Expenditure

Expenditure on raising funds

Charity 2 – Hampstead Heath Trust Fund

	Endowment funds Direct costs £	Unrestricted funds Support costs £	Total funds 2023/24 £	Direct costs £	Support costs £	Total 2022/23 £
Investment management fees	171,451	6,554	178,005	163,923	6,002	169,925
Interest payable	-	7,635	7,635	-	(1,566)	(1,566)
Total	171,451	14,189	185,640	163,923	4,436	168,359

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

Expenditure on charitable activities

Charity 1 – Hampstead Heath

	Unrestricted funds Direct costs £	Restricted funds £	Unrestricted funds Support costs £	Total 2023/24 £	Direct costs £	Support costs £	Total 2022/23 £
Preservation of Hampstead Heath	7,256,723	47,738	1,594,526	8,898,987	6,170,541	1,817,105	7,987,646
Total	7,256,723	47,738	1,594,526	8,898,987	6,170,541	1,817,105	7,987,646

Charity 2 – Hampstead Heath Trust Fund

	Unrestricted funds Direct costs £	Restricted funds £	Unrestricted funds Support costs £	Total 2023/24 £	Direct costs £	Support costs £	Total 2022/23 £
Preservation of Hampstead Heath	1,175,309	-	-	1,175,309	1,375,547	-	1,375,547
Total	1,175,309	-	-	1,175,309	1,375,547	-	1,375,547

Charities 1 & 2 – total

	Unrestricted funds Direct costs £	Restricted funds £	Unrestricted funds Support costs £	Total 2023/24 £	Direct costs £	Support costs £	Total 2022/23 £
Preservation of Hampstead Heath	8,432,032	47,738	1,594,526	10,074,296	7,546,088	1,817,105	9,363,193
Total	8,432,032	47,738	1,594,526	10,074,296	7,546,088	1,817,105	9,363,193

Charitable activities

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

Auditor's remuneration and fees for other services

Crowe U.K. LLP are the auditors of the City of London's City's Estate Fund and all of the different charities of which it is Trustee. In 2023/24 an audit fee of £6,930 was recharged (2022/23: £8,500). No other services were provided to the charity by its auditors during the year (2022/23: £nil).

7. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

Charity 1 – Hampstead Heath

	Charitable activities £	Governance £	2023/24 £	2022/23 £
Department:				
Chamberlain	144,096	-	144,096	201,589
Comptroller & City Solicitor	-	-	-	39,017
Town Clerk	-	146,683	146,683	192,443
City Surveyor	329,564	-	329,564	316,311
Natural Environment directorate	582,626	-	582,626	748,033
Other governance & support costs	91,962	6,930	98,892	105,891
Digital Services	292,665	-	292,665	213,821
Sub-total	1,440,913	153,613	1,594,526	1,817,105
Reallocation of governance costs	153,613	(153,613)	-	-
Total	1,594,526	-	1,594,526	1,817,105

Charity 2 – Hampstead Heath Trust Fund

	Raising funds £	Governance £	2023/24 £	2022/23 £
Chamberlain	14,189	-	14,189	4,436
Total	14,189	-	14,189	4,436

Charities 1 & 2 – total

	Raising funds £	Charitable activities £	Governance £	2023/24 £	2022/23 £
Department:					
Chamberlain	14,189	144,096	-	158,285	206,025
Comptroller & City Solicitor	-	-	-	-	39,017
Town Clerk	-	-	146,683	146,683	192,443
City Surveyor	-	329,564	-	329,564	316,311
Natural Environment directorate	-	582,626	-	582,626	748,033
Other governance & support costs	-	91,962	6,930	98,892	105,891
Digital Services	-	292,665	-	292,665	213,821
Sub-total	14,189	1,440,913	153,613	1,608,715	1,821,541
Reallocation of governance costs	-	153,613	(153,613)	-	-
Total	14,189	1,594,526	-	1,608,715	1,821,541

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.

8. DETAILS OF STAFF COSTS

Charity 1 – Hampstead Heath

All staff that work on behalf of the charity are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 88 (2022/23: 83).

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

	2023/24 £	2022/23 £
Salaries and wages	4,285,788	3,965,909
National Insurance costs	415,087	405,105
Employer's pension contributions	703,165	639,484
Total emoluments of employees	5,404,040	5,010,498

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 0.0 (2022/23: 1.0).

	2023/24	2022/23
£60,000 - £69,999	1.0	1.0
Total	1.0	1.0

Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and the Director of Natural Environment who manages the seven open spaces for which the City of London Corporation is a charity trustee. 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 £40,309 (2022/23: £121,711). No members received any remuneration, with directly incurred expenses reimbursed, if claimed. Expenses totalling £nil were claimed in 2023/24 (2022/23: £nil).

9. HERITAGE ASSETS

Charity 1 – Hampstead Heath

Since 1871 the primary purpose of the charity has been the preservation of Hampstead Heath for the recreation and enjoyment of the public. As set out in Note 1(j), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of Hampstead Heath are contained in the Hampstead Heath Management Plan. Records of heritage assets owned and maintained by Hampstead Heath can be obtained from the Executive Director Environment at the principal address as stated on page 42.

10. TANGIBLE FIXED ASSETS

Charity 1 – Hampstead Heath

	Buildings	Infrastructure	Vehicles	Equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2023	1,257,724	20,114,667	-	272,479	21,644,870
Additions	-	3,139,017	94,197	-	3,233,214
At 31 March 2024	1,257,724	23,253,684	94,197	272,479	24,878,084
Depreciation					
At 1 April 2023	243,588	1,720,957	-	216,883	2,181,428
Charge for the year	31,641	178,849	-	4,361	214,851
At 31 March 2024	275,229	1,899,806	-	221,244	2,396,279
Net book value					
At 31 March 2024	982,495	21,353,878	94,197	51,235	22,481,805
At 31 March 2023	1,014,136	18,393,710	-	55,596	19,463,442

11. FIXED ASSET INVESTMENTS

Charity 2 – Hampstead Heath Trust Fund

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	Total 2024	Total 2023
	£	£
Long Term Fixed Investments		
Market value 1 April	34,188,534	34,547,175
Additions	7,797,461	11,470,392
Disposals	(7,163,937)	(12,414,578)
(Loss)/gain for the year	2,051,032	585,545
Market value 31 March	36,873,090	34,188,534
Short Term Investments		
Cash held by fund managers	471,518	1,105,042
Other Cash Balances	177,308	177,308
Short Term Investments	648,826	1,282,350
Total investments 31 March	37,521,916	35,470,884
Cost 31 March	32,144,545	32,831,082

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

	2024	2023
	£	£
Long term	36,873,090	34,188,534
Short term	648,826	1,282,350
Total	37,521,916	35,470,884

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

	Held in the UK	Held outside the UK	Total at 31 March 2024	Held in the UK	Held outside the UK	Total at 31 March 2023
	£	£	£	£	£	£
Unit trusts	1,389,982	-	1,389,982	1,149,524	-	1,149,524
Equities	31,836,971	3,646,137	35,483,108	28,495,840	4,543,170	33,039,010
Cash	648,826	-	648,826	1,282,350	-	1,282,350
Total	33,875,779	3,646,137	37,521,916	30,927,714	4,543,170	35,470,884

12. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

Charity 1 - Hampstead Heath

	2024	2023
	£	£
Rental debtors	26,326	18,825
Prepayments and accrued income	46,577	49,081
Recoverable VAT	26,920	3,700
Other debtors	42,008	36,155
Total	141,831	107,761

Charity 2 - Hampstead Heath Trust Fund

	2024	2023
	£	£
Sundry debtors	-	7,579
Other debtors	320,167	1,810,943
Total	320,167	1,818,522

Charities 1 & 2 – total

	2024	2023
	£	£
Rental debtors	26,326	18,825
Prepayments and accrued income	46,577	49,081
Recoverable VAT	26,920	3,700
Sundry debtors	-	7,579
Other debtors	362,175	1,847,098
Total	461,997	1,926,283

Other debtors consist of non-property related debtors of £42,008 (2022/23: £36,155) and dividends of £320,167 receivable from the fund manager (2022/23: £1,810,943).

13. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

Charity 1 - Hampstead Heath

	2024	2023
	£	£
Trade creditors	81,878	106,921
Accruals	218,368	185,133
Deferred income	231,655	235,157
Rent deposits	15,425	15,425
VAT liability	41,277	20,634
Other creditors	543,450	176,788
Total	1,132,053	740,058

Charity 2 - Hampstead Heath Trust Fund

	2024	2023
	£	£
Bank overdraft	41,433	1,544,157
Other creditors	45,495	41,126
Total	86,928	1,585,283

Charities 1 & 2 – total

	2024	2023
	£	£
Bank overdraft	41,433	1,544,157
Trade creditors	81,878	106,921
Accruals	218,368	185,133
Deferred income	231,655	235,157
Rent deposits	15,425	15,425
VAT liability	41,277	20,634
Other creditors	588,945	217,914
Total	1,218,981	2,325,341

	2024	2023
	£	£
Deferred income analysis within creditors:		
Balance at 1 April	235,157	121,368
Amounts released to income	(235,157)	(121,368)
Amounts deferred in the year	231,655	235,157
Balance at 31 March	231,655	235,157

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

14. ANALYSIS OF NET ASSETS BY FUND

Charity 1 – Hampstead Heath

At 31 March 2024	Unrestricted Funds		Restricted Funds	Total at 31 March 2024	Total at 31 March 2023
	General Funds	Designated Funds			
	£	£	£	£	£
Tangible Assets	-	22,481,805	-	22,481,805	19,463,442
Current Assets	1,139,365	3,331	33,819	1,176,515	814,381
Current Liabilities	(1,132,053)	-	-	(1,132,053)	(740,058)
Total	7,313	22,485,136	33,819	22,526,268	19,537,765

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

Charity 2 – Hampstead Heath Trust Fund

At 31 March 2024	Unrestricted General funds	Endowment funds	Total at 31 March 2024	Total at 31 March 2023
	£	£	£	£
Fixed assets - investments	(66,732)	36,939,822	36,873,090	34,188,534
Current assets	968,993	-	968,993	3,100,871
Current liabilities	-	(86,928)	(86,928)	(1,585,283)
Total	902,261	36,852,894	37,755,155	35,704,122

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

Charities 1 & 2 – total

At 31 March 2024	Unrestricted Funds		Restricted Funds	Endowment Funds	Total at 31 March 2024	Total at 31 March 2023
	General Funds	Designated Funds				
	£	£	£	£	£	£
Tangible Assets	-	22,481,805	-	-	22,481,805	19,463,442
Fixed Asset Investments	(66,732)	-	-	36,939,822	36,873,090	34,188,534
Current Assets	2,108,357	3,331	33,819	-	2,145,507	3,915,252
Current Liabilities	(1,132,053)	-	-	(86,928)	(1,218,981)	(2,325,341)
Total	909,573	22,485,136	33,819	36,852,894	60,281,421	55,241,887

At 31 March 2023	Unrestricted Funds		Restricted Funds	Endowment Funds	Total at 31 March 2023	Total at 31 March 2022
	General Funds	Designated Funds				
	£	£	£	£	£	£
Tangible Assets	-	19,463,442	-	-	19,463,442	19,607,668
Fixed Asset Investments	-	-	-	34,188,534	34,188,534	34,547,175
Current Assets	1,474,686	3,331	67,174	2,370,061	3,915,252	1,446,964
Current Liabilities	(740,058)	-	-	(1,585,283)	(2,325,341)	(860,910)
Total	734,628	19,466,773	67,174	34,973,312	55,241,887	54,740,897

Expendable endowment movements 2011-2024

	Balance at 1 April	Revaluation of investments	Balance at 31 March	Cash	Expendable endowment
	£	£	£	£	£
Opening	393,461	8,497	401,958	177,308	579,266
2011-2012	401,958	11,764	413,722	177,308	591,030
2012-2013	413,722	58,823	472,545	177,308	649,853
2013-2014	472,545	34,640	507,185	177,308	684,493
2014-2015	507,185	32,680	539,865	177,308	717,173
2015-2016	539,865	(30,719)	509,146	177,308	686,454
2016-2017	509,146	60,784	569,930	177,308	747,238
2017-2018	569,930	5,229	575,159	177,308	752,467
2018-2019	575,159	(5,229)	569,930	177,308	747,238
2019-2020	569,930	(106,075)	463,855	177,308	641,163
2020-2021	463,855	114,223	578,078	177,308	755,386
2021-2022	578,078	27,440	605,518	177,308	782,826
2022-2023	605,518	(13,562)	591,956	177,308	769,264
2023-2024	591,956	58,170	650,126	177,308	827,434

15. MOVEMENT IN FUNDS

Charity 1 – Hampstead Heath

At 31 March 2024	Total as at 1 April 2023 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2024 £
Restricted funds:					
Campaign Donations	18,096	14,383	(13,862)	-	18,617
Parliament Hill Outdoor Gym	2,233	-	-	-	2,233
Installation of Non-Turf Pitches	46,845	-	(33,876)	-	12,969
Total restricted funds	67,174	14,383	(47,738)	-	33,819
					-
Unrestricted funds:					
General funds	3,818	8,639,894	(8,636,399)	-	7,313
Designated funds:					
Tangible fixed assets	19,463,442	3,233,212	(214,849)	-	22,481,805
Capital fund	3,331	-	-	-	3,331
Total unrestricted funds	19,470,591	11,873,106	(8,851,248)	-	22,492,449
Total funds	19,537,765	11,887,489	(8,898,986)	-	22,526,268

At 31 March 2023	Total as at 1 April 2022 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2023 £
Restricted funds:					
Campaign Donations	7,352.0	42,904	(32,160.0)	-	18,096
Parliament Hill Outdoor Gym	2,233.0	0	-	-	2,233
Installation of Non-Turf Pitches	-	46,845	-	-	46,845
Total restricted funds	9,585	89,749	(32,160)	-	67,174
Unrestricted funds:					
General funds	1,735	7,751,373	(7,749,290)	-	3,818
Designated funds:					
Tangible fixed assets	19,607,668	61,970	(206,196)	-	19,463,442
Capital fund	3,331	-	-	-	3,331
Total unrestricted funds	19,612,734	7,813,343	(7,955,486)	-	19,470,591
Total funds	19,622,319	7,903,092	(7,987,646)	-	19,537,765

Charity 2 – Hampstead Heath Trust Fund

At 31 March 2024	Total as at 1 April 2023 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	Total as at 31 March 2024 £
Endowment funds:						
Expendable endowment	769,264	-	-	58,170	-	827,434
Permanent endowment	34,204,048	-	(171,451)	1,992,862	-	36,025,459
Total endowment funds	34,973,312	-	(171,451)	2,051,032	-	36,852,893
Unrestricted funds:						
General funds	730,810	1,360,948	(1,189,497)	-	-	902,261
Total funds	35,704,122	1,360,948	(1,360,948)	2,051,032	-	37,755,154

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

Charities 1 & 2 – total

At 31 March 2024	Total as at 1 April 2023 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	Total as at 31 March 2024 £
Endowment funds:						
Permanent endowment funds	34,204,048	-	(171,451)	1,992,862	-	36,025,459
Expendable endowment funds	769,264	-	-	58,170	-	827,434
Total endowment funds	34,973,312	-	(171,451)	2,051,032	-	36,852,893
Restricted funds:						
Campaign Donations	18,096	14,383	(13,862)	-	-	18,617
Parliament Hill Outdoor Gym	2,233	-	-	-	-	2,233
Installation of Non-Turf Pitches	46,845	-	(33,876)	-	-	12,969
Total restricted funds	67,174	14,383	(47,738)	-	-	33,819
Unrestricted funds:						
General funds	734,628	10,000,842	(9,825,897)	-	-	909,573
Designated funds:						
Tangible fixed assets	19,463,442	3,233,212	(214,849)	-	-	22,481,805
Capital fund	3,331	-	-	-	-	3,331
Total unrestricted funds	20,201,401	13,234,054	(10,040,746)	-	-	23,394,709
Total funds	55,241,887	13,248,437	(10,259,935)	2,051,032	-	60,281,421

At 31 March 2023	Total as at 1 April 2022 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	Total as at 31 March 2023 £
Endowment funds:						
Permanent endowment funds	33,768,864	0	(163,923)	599,107	0	34,204,048
Expendable endowment funds	782,826	-	-	(13,562)	-	769,264
Total endowment funds	34,551,690	-	(163,923)	585,545	-	34,973,312
Restricted funds:						
Campaign Donations	7,352.0	42,904	(32,160.0)	-	-	18,096
Parliament Hill Outdoor Gym	2,233.0	0	-	-	-	2,233
Installation of Non-Turf Pitches	-	46,845	-	-	-	46,845
Total restricted funds	9,585	89,749	(32,160)	-	-	67,174
Unrestricted funds:						
General funds	568,623	9,295,278	(9,129,273)	-	-	734,628
Designated funds:						
Tangible fixed assets	19,607,668	61,970	(206,196)	-	-	19,463,442
Capital fund	3,331	-	-	-	-	3,331
Total unrestricted funds	20,179,622	9,357,248	(9,335,469)	-	-	20,201,401
Total funds	54,740,897	9,446,997	(9,531,552)	585,545	-	55,241,887

Purpose of the endowment funds

The expendable endowment fund is invested as a capital fund to generate income for the activities of the charity. Any income generated is used in accordance with the objectives of the trust. The purpose of this fund is to provide net income to be used to contribute towards the running costs of the Heath, transferred from the former T J Barratt bequest in December 2011.

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Before any potential gains on investments are considered, should net income be more than any year's contribution to the running costs of the Heath, then the surplus funds are retained as unrestricted funds to be used in future years. During 2023/24 the surplus was £185,640 (2022/23: £168,359). Should the actual income earned in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment.

Purposes of restricted funds

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

Purposes of designated funds

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

- i. *Fixed Assets* – these are included at historic cost less depreciation on a straight line basis to write off their costs over their estimated useful lives and less any provision for impairment. As at 31 March 2024 the net book value of fixed assets relating to direct charitable purposes amounted to £22,481,805 (2022/23: £19,463,442). There were additions of £3,233,214 during the year relating to the Parliament Hill Athletics Track Resurfacing, Swimming Facilities and Mixed Pond Rewire projects as well as for the purchase of vehicles acquired during 2023/24.
- ii. *Capital Fund* - as part of an Open Spaces wide Fleet Management project a disposal exercise of redundant fleet and equipment was undertaken. It was agreed to use the income raised to fund energy efficiency improvement works. The installation of photovoltaic energy panels at the Lido, Hampstead Heath was completed.

16. 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 7.

The charity is consolidated within the accounts of City's Estate, 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 Estate, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Estate 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 Estate can be obtained from the address provided above.

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

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

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

Related party	Connected party	2023/24 £	2022/23 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity			The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		8,591,335 (nil)	4,841,585 (nil)	
		1,594,526 (nil)	1,817,105 (nil)	Administrative services provided for the charity
		19,650 (nil)	23,405 (nil)	Distribution from the Charities Pool and interest receivable on cash balances
Hampstead Heath Trust Fund	The Hampstead Heath Trust Fund is incorporated within the Hampstead Heath financial statements as a linked charity.	1,175,309 (nil)	1,375,547 (nil)	Contribution to preservation and enhancement of Hampstead Heath as an open space

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAMES: Hampstead Heath, Hampstead Heath Trust Fund

Registered charity number: 803392, 80339-1

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

Ian Thomas CBE - The Town Clerk and Chief Executive of the City of London Corporation

Treasurer

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

Solicitor

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

Environment Department

Juliemma McLoughlin – Executive Director of Environment (resigned 30th November 2023)

Bob Roberts – Interim Executive Director of Environment (appointed 12th July 2023)

Emily Brennan – Director of Natural Environment (appointed 5th June 2023)

AUDITORS:

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

BANKERS:

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

INVESTMENT ADVISORS:

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

Contact for The Chamberlain & City's Estate Officer, to request copies of governance documents & of the Annual Report of City's Estate: CHBOffice-BusinessSupport@cityoflondon.gov.uk

HAMPSTEAD HEATH

England & Wales - Charity number 803392

Accounts

Hampstead Heath

Incorporating:

Hampstead Heath Trust Fund

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

Charity registration numbers 803392 and 803392-
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ORIGINS OF THE CHARITIES

Hampstead Heath is the collective name for Parliament Hill and Golders Hill, a total of 791 acres (320 hectares). The original Hampstead Heath was the former lands owned by the Lord of the Manor acquired under the Hampstead Heath Act, 1871. The Heath falls within two London Boroughs, Camden and Barnet.

The Heath was transferred to the London Residuary Body on 1st April 1986 on the abolition of the Greater London Council and was transferred to the City of London Corporation on 31 March 1989 under provisions of the London Government Reorganisation (Hampstead Heath) Order 1989. This Order covered the transfer of the Heath and the related rights and liabilities, the functions of the Corporation, the financial arrangements, the establishment of the Hampstead Heath Trust Fund for future revenue funding and the Hampstead Heath Works Fund for defraying capital works. It also set up a Hampstead Heath Management Committee for the purposes of advising on and implementing the City of London Corporation's policies and programmes of work and considering any representations from the statutory Consultative Committee. The Consultative Committee was established to make such representations and consists of representatives of local organisations, sporting interests, nature conservation, the disabled and those concerned with the Heath.

By virtue of the London Government Reorganisation (Hampstead Heath) Order 1989, the City of London Corporation acquired responsibility for the management of Hampstead Heath with effect from 31 March 1989. At the same time, the London Residuary Body transferred £15 million to the City of London Corporation for the establishment of the Hampstead Heath Trust Fund. The purpose of the charity is to provide a proportion of the running costs for the preservation and enhancement of Hampstead Heath as an open space for the recreation and enjoyment of the public.

The City of London Corporation is committed to conserving the Heath and its wildlife and vegetation and provide recreational facilities for the public appropriate to such an important London open space.

The first detailed management plan for Hampstead Heath was produced in 1995. The plan sets out a framework and policies for the management of the Heath, by identifying management objectives, describing how these are to be achieved and defining procedures for monitoring progress against these objectives. A wide range of public consultation has taken place in order to develop a Vision which provides strategic direction for the site for 2018/28.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

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

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the trustee of Hampstead Heath and Hampstead Heath Trust Fund. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills. Elected Aldermen and members of the City of London Corporation are appointed to the Hampstead Heath, Highgate Wood and Queen's Park Committee, together with six non City of London Corporation members, one after consultation with the London Borough of Barnet, one after consultation with the London Borough of Camden, one after consultation with the owners of the Kenwood lands and three after consultation with bodies representing local, archaeological, environmental or sporting interests governing Hampstead Heath by the Court of Common Council of the City of London Corporation. The Finance Committee of the City of London Corporation administers the Hampstead Heath Trust Fund on behalf of the Trustee.

Members of the Court of Common Council are unpaid for support provided to the Charity and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charities during 2022/23 were as follows:

- **Policy and Resources Committee** – responsible for allocating resources and administering the charity.
- **Finance Committee** – responsible for controlling budgets, support costs and other central charges that affect the charity as a whole.
- **Audit and Risk Management Committee** – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.

- **Financial Investment Board** - oversees all aspects of the non-property investment arrangements of the City of London's major funds and monitors the Chamberlain's Treasury Management operations.
- **Hampstead Heath, Highgate Wood and Queen's Park Committee** – responsible for the activities undertaken at Hampstead Heath, Highgate Wood and Queen's Park, approving budget allocations for the forthcoming year and acting as Trustee of the charity.
- **Hampstead Heath Consultative Committee** – provides forum for local residents and users of the Heath to comment upon the management of the Heath.
- **Corporate Services Committee** – responsible for personnel and establishment matters throughout the City of London, including negotiations with the recognised trade unions.

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

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

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

The trustee believes that good governance is fundamental to the success of the charity. An initial review of governance was undertaken to ensure that the charity is effective in fulfilling its objectives, and more detailed work is to take place in 2023/24 to scope a review of all the City of London Corporation's Natural Environment charities. Reference is being made to the good practices recommended within the Charity Governance Code, with a focus on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charities are administered in accordance with their governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 42.

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

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

INDUCTION AND TRAINING OF MEMBERS

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

OBJECTIVES AND ACTIVITIES

Hampstead Heath (charity 1)

The objective of the charity is the preservation and maintenance of Hampstead Heath in perpetuity, as an open space for the recreation and enjoyment of the public.

In support of these objectives the Hampstead Heath Management Strategy sets out the themes which are underpinned by the Heath Vision; developed in collaboration with stakeholders. The themes are:

- We protect and conserve the Heath;
- The Heath enriches our lives;
- The Heath is inclusive and welcoming;
- Together we care for the Heath.

By means of these outcomes the management of the Heath can be focussed to ensure that the elements vital to the maintenance, care and management of the open space are delivering the objectives of the charity.

Hampstead Heath Trust Fund (charity 2)

By virtue of the London Government Reorganisation (Hampstead Heath) Order 1989, the City of London Corporation acquired responsibility for the management of Hampstead Heath with effect from 31 March 1989. At the same time the London Residuary Body transferred £15 million to the City of London Corporation for the establishment of the Hampstead Heath Trust Fund, the purpose of which is the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

Contributions towards the running cost of the Heath are assessed on a triennial basis and increased annually in accordance with the average earnings index. The aim for the Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it.

Investment Policy

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London & Chief Financial Officer, at the email address stated on page 42.

Volunteers

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

Remuneration Policy

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

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

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

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

Senior staff posts of the City Corporation are individually evaluated and assessed independently against the external market allowing each post to be allocated an

individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes”. Donations are presented in the financial statements as “voluntary income” including grants.

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

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

The charity has received no complaints in relation to fundraising activities in 2022/23 (2021/22: nil). Individuals are not approached for funds, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing Hampstead Heath and the Hampstead Heath Trust Fund’s aims and objectives and in planning future activities. The purpose of charity 1 is the preservation in perpetuity of Hampstead Heath as an open space for the recreation and enjoyment of the public; the purpose of charity 2 is to provide a proportion of the running costs for the preservation and enhancement of Hampstead Heath as an open space for the recreation and enjoyment of the public.

Consequently, the Trustee considers that Hampstead Heath and Hampstead Heath Trust Fund operate to benefit the general public and satisfy the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 42.

ACHIEVEMENTS AND PERFORMANCE

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

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

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

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

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

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

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

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

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

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

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

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

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

The aim for the Hampstead Heath Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it. In 2022/23, the Trust has contributed £1,375,547 towards the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public (2021/22: £1,482,422).

PLANS FOR FUTURE PERIODS

Hampstead Heath

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

Key projects for 2023/24 include:

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

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

The Trustee is monitoring the current economic situation and will continue with its purpose to preserve and maintain Hampstead Heath, as an Open Space for the recreation and enjoyment of the public.

Hampstead Heath Trust Fund

The charity continues to be affected by the global economic downturn as a result of the global pandemic of Coronavirus as well as the war in Ukraine. 2022/23 has seen a decrease in the market value of the investments held by the charity, whilst there has also been a reduction in investment income compared to 2021/22. 2022/23 was one of the most challenging years for global financial markets since the 2008 financial crisis and was impacted by increases in inflation and commodity prices, changing interest rate expectations and the continued war in Ukraine. The current economic environment continues to affect the income generation of the charity's investments and may impact upon the future level of distributable income available to meet the grant-making objectives of the charity.

The Trustee is monitoring the situation and will continue with its operating model of only committing grants from available income funds. Where deemed necessary, future grant programmes may be placed on hold until adequate investment income has been received.

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

FINANCIAL REVIEW

Overview of Financial Performance

Income

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

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

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

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

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

An amount of £4,841,585 (2021/22: £5,356,031) was received from the City of London Corporation's City's Cash as a contribution towards the running costs of the charity.

Expenditure

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

Funds held

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

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

Within the total funds held, £34,973,312 (2021/22: £34,551,690) represent permanent and expendable endowment funds.

The permanent endowment is held in perpetuity as a capital fund to generate income for the activities of the charity, with income arising from this capital being available to contribute to the running costs of the Heath.

The expendable endowment funds are used for the primary objectives of the charity.

Should net income from the endowment funds be greater than the required contribution towards the running costs of the Heath, then the surplus is retained within unrestricted funds held for use in future years in accordance with the objectives of the charity. A surplus of £168,358 was generated in the year (2021/22: £350,011).

Unrestricted income funds (General funds) – these funds can be used in accordance with the charitable object at the discretion of the Trustee and include both income generated by assets representing unrestricted funds. Specifically, this represents any surplus of income of £570,707 (2021/22: £761,509) over expenditure of the Trust distributed annually towards the running costs of the Heath, as well as surplus unrestricted donation income of £3,819 received in 2022/23 (2021/22: £1,735).

The charity's designated funds consist of unrestricted income funds which the Trustee has chosen to set aside for specific purposes. Such designations are not legally binding, and the Trustee can decide to "un-designate" these funds at any time. Designations as at 31 March 2023 totalled £19,466,773 (2021/22: £19,610,999). These represent designated funds within the unrestricted income fund which represents the Capital fund and the net book value of fixed assets held.

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

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

Investments performance

The investments are held within both a segregated portfolio primarily invested in UK shares and the City of London Corporation Charities Pool. The performance of these investments are analysed as follows:

1) Segregated portfolio

The funds of the charity are managed by Artemis Investment Management LLP. Market values and performance against benchmarks for the year was as follows:

	Market Value		Returns		Benchmark	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
	£	£	%	%	%	%
Hampstead Heath Trust	34,701,620	34,102,514	+2.18%	+11.10%	+2.92%	+13.03%
City of London Charities Pool						
(part of)	769,265	782,825	+2.22%	+11.06%	+2.92%	+13.03%
	35,470,885	34,885,339				

2) Hampstead Heath Trust Fund

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

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

3) City of London Corporation Charities Pool

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

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

Reserves

The charity is supported by the City of London Corporation out of its City's Cash Funds. The contribution towards the running costs of Hampstead Heath is

determined in accordance with a formula set out in the governing document. Reserves therefore represent the accumulated net income that cannot be distributed under the existing governance arrangements. Due to the governance arrangements in place, a reserves policy is considered by the trustee to be inappropriate.

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

Spending Policy

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

Should the actual income earned in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment. The contribution of £1,375,547 for 2022/23 from the permanent endowment was met entirely from net income and no further allocation from the permanent endowment reserves was required.

Principal Risks and Uncertainties

The charities are committed to a programme of risk management as an element of its strategy to preserve the charities assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charities, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

The principal risks faced by the charities, and actions taken to manage them are as follows:

Risks which are specific to Hampstead Heath:

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

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

	neighbouring local authorities in regard to planning issues which may impact Hampstead Heath. Respond to consultation on the local plans to help influence the content of the documents. The North London division monitors planning activity in order to ensure it does not impact the open spaces.
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Risks which are specific to Hampstead Heath Trust Fund:

Risk	Actions to manage risks
Decline in income	• Implementing strict controls. • The charity's funds are invested by a professional fund manager. • The Financial Investment Board regularly monitors the performance of this fund manager.
Where the Trustee has a conflict of interest	• Those concerned having a specific understanding of trust law. • Adopting the protocol for disclosing any potential conflict
Losing directly employed staff and/or the support staff	• Documenting systems, plans and projects. • Having any necessary training programmes.

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charities will continue in business.

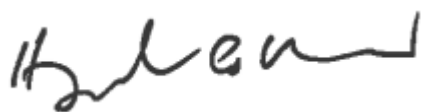
The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charities transactions and disclose with reasonable accuracy at any time the financial position of the charities and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.



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



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

Guildhall, London
30th January 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF HAMPSTEAD HEATH

Opinion

We have audited the financial statements of Hampstead Heath, incorporating Hampstead Heath Trust, ('the Charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent 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 are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustee

As explained more fully in the Trustee's responsibilities statement set out on page 15 and 16, the Trustee are 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 determine 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 are 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 intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustee and other management and inspection of regulatory and legal correspondence, if any.

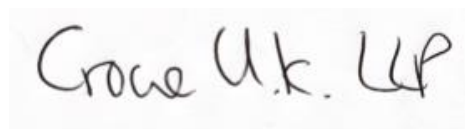
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal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

irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

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

Use of our report

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

A handwritten signature in blue ink that reads "Crowe U.K. LLP". The signature is written in a cursive, slightly slanted style.

Crowe U.K. LLP
Statutory Auditor

55 Ludgate Hill, London, EC4M 7JW

31 January 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

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

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 22 to 41 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2023

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

The notes on pages 22 to 41 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

30th January 2024

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charities.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention as modified by the value of investments which are held at fair value and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity's governing documents place an obligation on the City of London Corporation to preserve the open spaces for the benefit of the public. Funding is provided from the City of London Corporation's City's Cash. On an annual basis, a medium-term financial forecast is prepared for City's Cash, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these accounts being signed to enable the charity to continue to fulfil its obligations.

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

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

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

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

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP (the exemption in FRS102 (paragraph 1.12b)) the Charity is not required to produce a statement of cash flows on the grounds that it is a qualifying entity.

A Statement of Cash Flows is included within the City's Cash Annual Report and Financial Statements 2023 which is publicly available at www.cityoflondon.gov.uk.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charities are legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of donations, charges for use of facilities, contributions, grants (including government grants), investment income, interest, sales and rental income.

The City of London Corporation's City's Cash meets the deficit on running expenses of the charity and also provides funding for certain capital works. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed, and is recognised in the SOFA at this point.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management of functions inherent in the activities undertaken. These include the costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in note 8.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid. Costs incurred for the administration of the charity are recharged by the Corporation and these costs are included within support costs.

(g) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are valued at the year-end rate exchange. All gains or losses on translation are taken to Statement of Financial Activities in the year in which they occur.

(h) Pension costs

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefit scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of its three main funds (City Fund, City's Cash and Bridge House Estates) or the trusts it supports.

The Fund's estimated net liability has been determined by independent actuaries in accordance with FRS102 as £142.6m as at 31 March 2023 (£832.7m as at 31 March 2022). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2022, using the projected unit method. The 31 March 2022 valuation was carried out in 2022/23 and has set the contribution rates for the period 01 April 2023 to 31 March 2026 at 21.0%.

(i) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(j) Fixed Assets

Heritage Land and Associated Buildings

Hampstead Heath comprises 275 hectares (680 acres) of land located in the London Boroughs of Camden and Barnet, together with associated buildings. The object of the charity is the preservation of the Heath at Hampstead in perpetuity as an open space for the recreation and enjoyment of the public. Hampstead Heath is considered to be inalienable (i.e. may not be disposed of without specific statutory powers).

Land and the original associated buildings acquired prior to 1 April 2009 are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts.

Additions to the original land and capital expenditure on buildings and other assets would be included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured. Heritage assets are reviewed annually for indicators of impairment and adjusted accordingly if required.

Tangible fixed assets

Assets that are capable of being used for more than one year and have a cost greater than £50,000 are capitalised. Such assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged in the year of acquisition, on a straight-line basis, in order to write off each asset over its estimated useful life as follows. Land is not depreciated.

	Years
Operational buildings	30 to 50
Improvements and refurbishments to buildings	up to 30
Equipment	5 to 25
Infrastructure	up to 20*

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

(k) Investments

The major part of the investments are in a segregated mandate externally managed by Artemis Investment Management LLP. Hampstead Heath Trust Fund also holds investments in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to “pool” small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(l) Stocks

Stocks are valued at the lower of cost or net realisable value. All stocks are finished goods and are held for resale as part of the charity operation.

(m) Cash

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

(n) Funds structure

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

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Expendable endowment fund – the purpose of this fund is to provide income for the benefit of the charity as a result of conditions imposed by the original donors and trusts.

Restricted funds – these include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted income funds – these funds can be used in accordance with the charitable object at the discretion of the Trustee and include both income generated by assets representing unrestricted funds. Specifically, this represents any surplus of income over expenditure of the Trust distributed annually towards the running costs of the Heath as well as surplus unrestricted donation income.

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

(o) Insurance

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

2. INCOME FROM VOLUNTARY ACTIVITIES

Charity 1 - Hampstead Heath

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

3. INCOME FROM CHARITABLE ACTIVITIES

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

4. INCOME FROM THE CITY OF LONDON CORPORATION

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

5. INCOME FROM INVESTMENTS

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

6. OTHER INCOME

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

Income for the year included:

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

Charitable activities – being amounts generated from the sales of leaflets, books, maps cards and other publications relating to Hampstead Heath; charges made to the public for the use of facilities, admissions and services and from rental income. This is in addition to a restricted grant received from the England and Wales Cricket Board to fund the installation of non-turf pitches at Hampstead Heath.

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Cash to meet the deficit on running expenses of the charity, alongside funding for capital purchases.

Investment income – being the amount received from the Charities Pool and interest receivable on cash balances held on behalf of the Trust.

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

7. EXPENDITURE

Expenditure on raising funds

Charity 2 – Hampstead Heath Trust Fund

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

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

Expenditure on charitable activities

Charity 1 – Hampstead Heath

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

Charity 2 – Hampstead Heath Trust Fund

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

Charities 1 & 2 - total

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

Charitable activities

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

Auditor's remuneration and fees for other services

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

8. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

Charity 1 – Hampstead Heath

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

Charity 2 – Hampstead Heath Trust Fund

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

Charities 1 & 2 – total

	Raising funds £	Charitable activities £	Governance £	2022/23 £	2021/22 £
Department:					
Chamberlain	4,436	201,589	-	206,025	199,030
Comptroller & City Solicitor	-	39,017	-	39,017	41,914
Town Clerk	-	-	192,443	192,443	132,607
City Surveyor	-	316,311	-	316,311	293,103
Natural Environment directorate	-	748,033	-	748,033	301,461
Other governance & support costs	-	97,391	8,500	105,891	98,937
Digital Services	-	213,821	-	213,821	250,443
Sub-total	4,436	1,616,162	200,943	1,821,541	1,317,495
Reallocation of governance costs	-	200,943	(200,943)	-	-
Total	4,436	1,817,105	-	1,821,541	1,317,495

All support costs are undertaken from unrestricted funds. Governance costs are allocated based on a proportion of officer time spent on the administration of Trustee and Committee related meetings.

9. DETAILS OF STAFF COSTS

Charity 1 – Hampstead Heath

All staff that work on behalf of the charity are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 83 (2021/22: 100).

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

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

The number of directly charged employees whose emoluments (excluding employer's pension contribution and national insurance contribution) for the year were over £60,000 was 1.0 (2021/22: 1.0).

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

Remuneration of Key Management Personnel

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

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

The amount of employee benefits received by key management personnel totalled £121,711 (2021/22: £56,121). No members received any remuneration, with directly incurred expenses reimbursed, if claimed. Expenses totalling £nil were claimed in 2022/23 (2021/22: £nil).

10. HERITAGE ASSETS

Charity 1 – Hampstead Heath

Since 1880 the primary purpose of the charity has been the preservation of Hampstead Heath for the recreation and enjoyment of the public. As set out in Note 1(j), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of Hampstead Heath are contained in the Hampstead Heath Management Plan. Records of heritage assets owned and maintained by Hampstead Heath can be obtained from the Executive Director Environment at the principal address as stated on page 42.

11. TANGIBLE FIXED ASSETS

Charity 1 – Hampstead Heath

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

12. FIXED ASSET INVESTMENTS

Charity 2 – Hampstead Heath Trust Fund

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

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

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

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

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

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

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

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

13. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

Charity 1 – Hampstead Heath

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

Charity 2 – Hampstead Heath Trust Fund

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

Charities 1 & 2 – total

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

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

14. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

Charity 1 – Hampstead Heath

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

Charity 2 – Hampstead Heath Trust Fund

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

Charities 1 & 2 – total

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

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

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

15. ANALYSIS OF NET ASSETS BY FUND

Charity 1 – Hampstead Heath

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

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

Charity 2 – Hampstead Heath Trust Fund

At 31 March 2023

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

At 31 March 2022

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

Charities 1 & 2 – total

At 31 March 2023

	Unrestricted Funds		Restricted Funds	Endowment Funds	Total at 31 March 2023 £	Total at 31 March 2022 £
	General Funds £	Designated Funds £	£	£		
Tangible Assets	-	19,463,442	-	-	19,463,442	19,607,668
Fixed Asset Investments	-	-	-	34,188,534	34,188,534	34,547,175
Current Assets	1,474,686	3,331	67,174	2,370,061	3,915,252	1,446,964
Current Liabilities	(740,058)	-	-	(1,585,283)	(2,325,341)	(860,910)
Total	734,628	19,466,773	67,174	34,973,312	55,241,887	54,740,897

At 31 March 2022

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

Expendable endowment movements 2011-2023

	Balance at 1 April £	Revaluation of investments £	Balance at 31 March £	Cash £	Expendable endowment £
Opening	393,461	8,497	401,958	177,308	579,266
2011-2012	401,958	11,764	413,722	177,308	591,030
2012-2013	413,722	58,823	472,545	177,308	649,853
2013-2014	472,545	34,640	507,185	177,308	684,493
2014-2015	507,185	32,680	539,865	177,308	717,173
2015-2016	539,865	(30,719)	509,146	177,308	686,454
2016-2017	509,146	60,784	569,930	177,308	747,238
2017-2018	569,930	5,229	575,159	177,308	752,467
2018-2019	575,159	(5,229)	569,930	177,308	747,238
2019-2020	569,930	(106,075)	463,855	177,308	641,163
2020-2021	463,855	114,223	578,078	177,308	755,386
2021-2022	578,078	27,440	605,518	177,308	782,826
2022-2023	605,518	(13,562)	591,956	177,308	769,264

16. MOVEMENT IN FUNDS

Charity 1 – Hampstead Heath

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

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

Charity 2 – Hampstead Heath Trust Fund

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

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

Charities 1 & 2 – total

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

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

Purpose of the endowment funds

The expendable endowment fund is invested as a capital fund to generate income for the activities of the charity. Any income generated is used in accordance with the objectives of the trust. The purpose of this fund is to provide net income to be used to contribute

towards the running costs of the Heath, transferred from the former T J Barratt bequest in December 2011.

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Before any potential gains on investments are considered, should net income be more than any year's contribution to the running costs of the Heath, then the surplus funds are retained as unrestricted funds to be used in future years. During 2022/23 the surplus was £168,358 (2021/22: £350,011). Should the actual income earned in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment.

Purposes of restricted funds

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

Purposes of designated funds

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

- i. *Fixed Assets* – these are included at historic cost less depreciation on a straight line basis to write off their costs over their estimated useful lives and less any provision for impairment. As at 31 March 2023 the net book value of fixed assets relating to direct charitable purposes amounted to £19,463,442 (2021/22: £19,607,668). There were additions of £61,970 during the year relating to the East Heath Car Parking Resurfacing, Swimming Facilities and Mixed Pond Rewire projects.
- ii. *Capital Fund* - as part of an Open Spaces wide Fleet Management project a disposal exercise of redundant fleet and equipment was undertaken. It was agreed to use the income raised to fund energy efficiency improvement works. The installation of photovoltaic energy panels at the Lido, Hampstead Heath was completed.

17. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in note 8.

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ.

The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

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

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

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

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

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAMES: Hampstead Heath, Hampstead Heath Trust Fund

Registered charity number: 803392, 803392-1

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (resigned 31 December 2022)

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

Treasurer

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

Solicitor

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

Environment Department

Juliemma McLoughlin – Executive Director of Environment

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

AUDITORS:

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

BANKERS:

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

INVESTMENT ADVISORS:

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

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

CHBOffice-BusinessSupport@cityoflondon.gov.uk

HAMPSTEAD HEATH

England & Wales - Charity number 803392

Accounts

Hampstead Heath

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

Charity registration number 803392

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ORIGINS OF THE CHARITY

Hampstead Heath is the collective name for Parliament Hill and Golders Hill, a total of 791 acres (320 hectares). The original Hampstead Heath was the former lands owned by the Lord of the Manor acquired under the Hampstead Heath Act, 1871. The Heath falls within two London Boroughs, Camden and Barnet.

The Heath was transferred to the London Residuary Body on 1st April 1986 on the abolition of the Greater London Council and was transferred to the City of London Corporation on 31 March 1989 under provisions of the London Government Reorganisation (Hampstead Heath) Order 1989. This Order covered the transfer of the Heath and the related rights and liabilities, the functions of the Corporation, the financial arrangements, the establishment of the Hampstead Heath Trust Fund for future revenue funding and the Hampstead Heath Works Fund for defraying capital works. It also set up a Hampstead Heath Management Committee for the purposes of advising on and implementing the City of London Corporation's policies and programmes of work and considering any representations from the statutory Consultative Committee. The Consultative Committee was established to make such representations and consists of representatives of local organisations, sporting interests, nature conservation, the disabled and those concerned with the Heath.

The City of London Corporation is committed to conserving the Heath and its wildlife and vegetation and provide recreational facilities for the public appropriate to such an important London open space.

The first detailed management plan for Hampstead Heath was produced in 1995. The plan sets out a framework and policies for the management of the Heath, by identifying management objectives, describing how these are to be achieved and defining procedures for monitoring progress against these objectives. A wide range of public consultation has taken place in order to develop a Vision which provides strategic direction for the site for 2018/28.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing documents are the Hampstead Heath Act 1871 and the London Government Reorganisation (Hampstead Heath) Order 1989. 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 Hampstead Heath. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills. Elected Aldermen and members of the City of London Corporation are appointed to the Hampstead Heath, Highgate Wood and Queen's Park Committee, together with six non City of London Corporation members, one after consultation with the London Borough of Barnet, one after consultation with the London Borough of Camden, one after consultation with the owners of the Kenwood lands and three after consultation with bodies representing local, archaeological, environmental or sporting interests governing Hampstead Heath by the Court of Common Council of the City of London Corporation. The Finance Committee of the City of London Corporation administers the Hampstead Heath Trust Fund on behalf of the Trustee.

Members of the Court of Common Council are 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.

- **Financial Investment Board** - oversees all aspects of the non-property investment arrangements of the City of London's major funds and monitors the Chamberlain's Treasury Management operations.
- **Hampstead Heath, Highgate Wood and Queen's Park Committee** – responsible for the activities undertaken at Hampstead Heath, Highgate Wood and Queen's Park, approving budget allocations for the forthcoming year and acting as Trustees of the charity.
- **Hampstead Heath Consultative Committee** – provides forum for local residents and users of the Heath to comment upon the management of the Heath.
- **Corporate Services Committee** – responsible for personnel and establishment matters throughout the City of London, including negotiations with the recognised trade unions.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held 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

The Hampstead Heath Trust Fund (HHTF) is a subsidiary controlled by this charity. HHTF was established under the Local Government Reorganisation (Hampstead Heath) Order 1989 with an endowment of £15 million. Its purpose is to contribute towards the running costs of the Heath. Separate accounts are prepared for the subsidiary, which are consolidated with these accounts. A copy of these is available from the email address stated on page 41.

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

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

The trustee believes that good governance is fundamental to the success of the charity. 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 41.

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

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

INDUCTION AND TRAINING OF MEMBERS

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

OBJECTIVES AND ACTIVITIES

The objective of the charity is the preservation and maintenance of Hampstead Heath in perpetuity, as an open space for the recreation and enjoyment of the public.

In support of these objectives the Hampstead Heath Management Strategy sets out the themes which are underpinned by the Heath Vision; developed in collaboration with stakeholders. The themes are:

- We protect and conserve the Heath
- The Heath enriches our lives
- The Heath is inclusive and welcoming
- Together we care for the Heath

By means of these outcomes the management of the Heath can be focussed to ensure that the elements vital to the maintenance, care and management of the open space are delivering the objectives of the charity.

The Hampstead Heath Trust Fund is a subsidiary controlled by this charity. That charity was established under the Local Government Reorganisation (Hampstead

Heath) Order 1989 with an endowment of £15 million. Its purpose was to contribute towards the running costs of the Heath. Separate accounts are prepared for the subsidiary, which are consolidated within these accounts.

By virtue of the London Government Reorganisation (Hampstead Heath) Order 1989, the City of London Corporation acquired responsibility for the management of Hampstead Heath with effect from 31 March 1989. At the same time the London Residuary Body transferred £15 million to the City of London Corporation for the establishment of the Hampstead Heath Trust Fund, the purpose of which is the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

Contributions towards the running cost of the Heath are assessed on a triennial basis and increased annually in accordance with the average earnings index. The aim for the Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it.

Investment Policy

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 41.

Volunteers

Hampstead Heath is particularly successful in providing volunteer opportunities. Working in partnership with a dedicated charity, Heath Hands, Hampstead Heath has in excess of 16,900 hours of volunteer input for 2021/22.

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”. Donations are presented in the financial statements as “voluntary income” including grants.

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

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

The charity has received no complaints in relation to fundraising activities in 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 Hampstead Heath’s aims and objectives and in planning future activities. The purpose of the charity is the preservation in perpetuity of Hampstead Heath as an open space for the recreation and enjoyment of the public.

Consequently, the Trustee considers that Hampstead Heath 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 41.

ACHIEVEMENTS AND PERFORMANCE

Staffing, along with the availability of specialist contractors and materials, continued to be impacted by the Coronavirus pandemic during 2021/22. This has impacted on the delivery of some of the projects planned for 2021/22 which will roll over into 2022/23.

Hampstead Heath's 2021/22 aims together with their outcomes were:

COVID-19 Impact Recovery Programme – Works to address compaction and erosion have continued during 2021/22. A number of veteran trees have been fenced to aid recovery. Path maintenance, waymarking and signage improvements will continue into 2022/23. Restoration works support Strategic Outcome A: the Heath is maintained as a flourishing green space and historic landscape.

Hampstead Heath Bathing Ponds review – The capital project to deliver a programme of safety, access and security improvements across the Bathing Ponds has progressed to RIBA stage 2. Works on site are expected to commence in late 2022. The project supports Strategic Outcome C: the Heath is inclusive and welcoming to a diverse range of visitors.

East Heath car park – Works on site have been completed and the car park has re-opened for public use. A Gateway 6 report will be drafted in summer/autumn 2022. These works support Strategic Outcome A: the Heath is maintained as a flourishing green space and historic landscape.

Celebrate the 150th Anniversary of the Hampstead Heath Act (1871) - A programme of events to celebrate the passing of the Act was successfully delivered during 2021. The programme of tailored events supports Strategic Outcome D: greater number and diversity of people taking care of the Heath.

Ultra Low Emissions Zone (ULEZ) - Three electric and hybrid vehicles have been leased in line with the vehicle replacement programme. Vehicle replacements will continue during 2022/23.

Playground Improvements – Works at the Parliament Hill Adventure Playground and East Heath Playground have been completed. The Heath Extension playground planning application has been submitted and the Project Board will continue to meet regularly during 2022. This project supports Strategic Outcome C: the Heath is inclusive and welcoming to a diverse range of visitors.

Licencing – The Professional Dog Walking Licence Scheme was approved by the Hampstead Heath, Highgate Wood & Queen's Park Committee in 2021 for launch on 1 April 2022. Arrangements have been put in place to support the launch of the Licencing Scheme. Development of the licencing scheme for professional dog walkers will support Strategic Outcome A: the Heath is maintained as a flourishing green space and historic landscape.

Budget management – The financial savings identified for 2021/22 have been achieved through a combination of reducing expenditure and appropriate income generation activities.

Corporate Restructure - The implementation of the City of London's corporate restructure is ongoing. The new Environment Department (within which the charity sits) has been formed. Phase 2 of the corporate restructure will be designed and implemented during 2022/23.

Hampstead Heath Trust

The aim for the Hampstead Heath Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it. In 2021/22, the Trust has contributed £1,482,422 towards the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

PLANS FOR FUTURE PERIODS

There is uncertainty around the continued impacts of the Coronavirus pandemic in relation to income generation and project delivery over the coming 12 months.

Key projects for 2022/23 include:

Hampstead Heath

Hampstead Heath Bathing Ponds Capital Project – Undertake a programme of works in relation to safety, access and security improvements across the Bathing Ponds.

Parliament Hill Athletics Track Capital Project – Form a project board to scope and enable works on site to be completed during 2022/23.

Golders Hill Park Accessible Car Park – Undertake works on site to improve waymarking and signage to enable the car park to open safely on weekends and bank holidays.

Parliament Hill Master Plan – Undertake a review of facilities and buildings at Parliament Hill to inform provision of a visitor centre, maintain suitable accommodation for staff and volunteers, as well as improved sports facilities and improved learning facilities.

Golders Hill Park Zoo – Undertake an options appraisal to inform discussions in relation to the long-term sustainability of the zoo.

Ultra Low Emissions Zone (ULEZ) - Continued implementation and delivery of the vehicle replacement programme to minimise the impact upon the environment and meet ULEZ requirements.

A Sustainable Fleet and Plant Management Plan - Undertake a review of plant and equipment.

Playground Improvements – Undertake improvements at the Heath Extension Playground, to increase opportunities for accessible and natural play.

Licencing – Launch the Professional Dog Walking Licence Scheme on 1 April 2022 and implement on site through monitoring and engagement with Heath users, in line with the provision of the 2018 Open Spaces Act.

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

Corporate Restructure - Progress and implement phase 2 changes to staffing structures.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 24.

The Trustee is monitoring the situation and will continue with its purpose to preserve and maintain Hampstead Heath, as an Open Space for the recreation and enjoyment of the public.

Hampstead Heath Trust

The charity continues to be affected by the global economic downturn from the global pandemic of Coronavirus. There has been a significant recovery in the market value of the investments held by the charity, and although investment income has increased compared to 2020/21, the downturn continues to affect the income generating of the charity's investments, and may impact upon the future level of distributable income available to meet the grant-making objectives of the charity.

The Trustee is monitoring the situation and will continue with its operating model of only committing grants from available income funds. Where deemed necessary, future grant programmes may be placed on hold until adequate investment income has been received.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 24.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £9,888,663 an overall increase of £428,248 against the previous year (£9,460,415). The principal source of income was from City of London Corporation's City's Cash fund (see below).

Income from Charitable Activities comprised £2,179,284 from fees charged (2020/21: £1,196,096), £279,830 from rents (2020/21: £133,125) and £2,110 from sales of goods, products and materials (2020/21: £960). A busy 2021 summer caused a general increase in use of facilities. The increase in rent income was due to COVID restrictions impacting the rents on commercial tenants, including a rent free period, in the previous year.

Donations of £3,901 were received from the public at the ponds and paddling pool (2020/21: £14,024). Donations can also be made on the Hampstead Heath webpage, to either Hampstead Heath Bird and Mammal Shelters campaign or Hampstead Heath Model Boating Pond Island – Wildlife Sanctuary campaign. In total, £7,352 was received during the year (2020/21: £nil). The full amount was held at 31 March 2022 in a restricted fund for 'Campaign Donations'.

Investment income of £2,025,319 (2020/21: £1,560,485) was received during the year from the Hampstead Heath Trust Fund.

Other income of £34,836 was received in relation to Coronavirus Job Retention Scheme (2020/21: £104,420). 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 £5,356,031 (2020/21: £6,451,305) was received from the City of London Corporation's City's Cash as a contribution towards the running costs of the charity.

Expenditure

Total expenditure for the year was £9,312,262 (2020/21: £9,469,987) with charitable activities expenditure in the year totalling £9,119,376 (2020/21: £9,320,721). The decrease in expenditure is owing to a lower number of cyclical building works taking place during the year. Expenditure on raising funds for the year was £192,886 (2020/21: £149,266).

Funds held

The charity's total funds held increased by £2,204,080 to £54,740,897 as at 31 March 2022 (2020/21: £52,536,817). The net gain on investments represents the difference in the market value of investments between 1 April 2021 and 31 March 2022 after taking account of any purchases and sales which were made during 2021/22.

Within the total funds held, £34,358,804 (2020/21: £32,924,011) represent permanent and expendable endowment funds.

The permanent endowment is held in perpetuity as a capital fund to generate income for the activities of the charity, with income arising from this capital being available to contribute to the running costs of the Heath.

The expendable endowment funds are used for the primary objectives of the charity.

Should net income from the endowment funds be greater than the required contribution towards the running costs of the Heath, then the surplus is retained within unrestricted funds held for use in future years in accordance with the objectives of the charity. A surplus of £350,011 was generated in the year (2020/21: £50,056).

Unrestricted income funds (General funds)– these funds can be used in accordance with the charitable object at the discretion of the Trustee and include both income generated by assets representing unrestricted funds. Specifically, this represents any surplus of income of £761,509 (2020/21: £216,877) over expenditure of the Trust distributed annually towards the running costs of the Heath, as well as surplus unrestricted donation income of £1,735 received in 2021/22 (2020/21: £nil).

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 £19,610,999 (2020/21: £19,393,696). These represent designated funds within the unrestricted income fund which represents the Capital fund and the net book value of fixed assets held.

Restricted funds of £9,585 (2020/21: £2,233) was held at year-end for the Parliament Hill Outdoor Gym project and from campaign donations.

Details of all funds held, including their purposes, is set out within note 15 to the financial statements.

Investments performance

The investments are held within both a segregated portfolio primarily invested in UK shares and the City of London Corporation Charities Pool. The performance of these investments are analysed as follows:

1) Segregated portfolio

The funds of the charity are managed by Artemis Investment Management LLP. Market values and performance against benchmarks for the year was as follows:

	Market Value		Returns		Benchmark	
	2021/22 £	2020/21 £	2021/22 %	2020/21 %	2021/22 %	2020/21 %
Hampstead Heath Trust	34,102,513	32,519,053	+11.10%	+30.63%	+13.03%	+26.71%
City of London Charities						
Pool (part of)	782,826	578,078	+11.06%	+30.72%	+13.03%	+26.71%
	34,885,339	33,097,131				

2) Hampstead Heath Trust Fund

As at 31 March 2022, the investments held in the Hampstead Heath Trust Fund achieved a return of +11.10% (2020/21: +30.63%) compared to the FTSE All Share Index return of +13.03% (2020/21: +26.71%). Over three years this fund achieved a return of +7.41% (2020/21: +5.16%) compared to the FTSE All Share Index return of +5.31% (2020/21: +3.19%). Over five years, the fund achieved a return of +6.25% (2020/21: +7.22%) compared to the FTSE All Share Index return of +4.69% (2020/21: +6.29%).

	2021/22		2020/21	
	3 years	5 years	3 years	5 years
Fund	+7.41%	+6.25%	+5.16%	+7.22%
FTSE All Share	+5.31%	+4.69%	+3.19%	+6.29%
Fund outperformance	+2.10%	+1.56%	+1.97%	+0.93%

3) City of London Corporation Charities Pool

As at 31 March 2022, the investments held in the Charities Pool achieved a return of +11.06% (2020/21: +30.72%) compared to the FTSE All Share Index return of +13.03% (2020/21: +26.71%). Over three years this fund achieved a return of +7.35% (2020/21: +5.04%) compared to the FTSE All Share Index return of +5.31% (2020/21: +3.19%). Over five years, the fund achieved a return of +6.16% (2020/21: +7.19%) compared to the FTSE All Share Index return of +4.69% (2020/21: +6.29%).

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

Reserves

The charity is supported by the City of London Corporation out of its City's Cash Funds. The contribution towards the running costs of Hampstead Heath is determined in accordance with a formula set out in the governing document. Reserves therefore represent the accumulated net income that cannot be distributed under the existing governance arrangements. Due to the governance arrangements in place, a reserves policy is considered by the trustee to be inappropriate.

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

Spending Policy

The reserves policy of the charity is that the original endowment of £15 million (now worth £ 34.5 million) should produce income to cover a proportion of the running costs of Hampstead Heath. The contribution for 2021/22 of £1,482,422 (2020/21:

£1,361,163) consists of £1,450,000 from the permanent endowment (2020/21: £1,336,000), and income arising from the former T.J. Barratt Trust, which was transferred to the Hampstead Heath Trust Fund in November 2011, of £32,422 (2020/21: £25,163).

Should the actual income earned in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment. The contribution of £1,482,422 for 2021/22 from the permanent endowment was met entirely from net income and no further allocation from the permanent endowment reserves was required.

Principal Risks and Uncertainties

The 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:

Risks which are specific to Hampstead Heath:

Risk	Actions to manage risks
Impact of Covid-19 accelerating long term damage to sites	• Additional monitoring and ecological assessments required. • Messaging via social media asking visitors to be considerate. • Increased Ranger and Constabulary activity.
Maintenance of buildings and equipment	• Cyclical review of assets carried out. • Regular client liaison meetings to discuss issues and raise concerns about Building Repairs and Maintenance Projects.
Impact of housing and population and transport increase	• Maintain a close partnership with Planning Authorities. • Review local planning applications which may impact on the Open Spaces. • Respond to consultation on local plans to help influence the content of the documents.
Outbreak of fire in woodland/heathland	• Managers and Supervisors receive weather and 'trigger event' warnings and this information is shared with staff. • Emergency Action Plan. Review carried out annually or following incident if appropriate.

Risk	Actions to manage risks
	• Fire safety audits are carried out.
Plant and Tree Disease	• Tree provenance is considered, and planting stock is sourced in accordance with best practice guidance. • Trained arboricultural contractors carry out spraying and nest removal of Oak Processionary Moth. • Continue to monitor pest and tree disease across the charity.
Ensuring the Health and Safety of staff, contractors, visitors and volunteers	• Annual Health & Safety site Audits with peer review. • Hold local Health & Safety meetings. Staff updated in toolbox / team talks. • Online e-learning and training sessions undertaken by staff e.g. Mental Health Awareness and Fire Safety.
Hampstead Heath Water bodies including Bathing Ponds	• Training for lifeguards. • Safety equipment accessible at ponds; regular checks are undertaken and defects reported for repair or replacement. • Appropriate signage at ponds is regularly checked and defects reported for repair or replacement.
Extreme Weather Events	• Alerts issued to staff via Met Office. • Trigger Event Policy embedded into way of working. • Review process 6 monthly or following an extreme weather event. • Site plans are reviewed annually or following an incident, if appropriate.

Risks which are specific to Hampstead Heath Trust Fund:

Risk	Actions to manage risks
Decline in income	• Implementing strict controls. • The charity's funds are invested by a professional fund manager. • The Financial Investment Board regularly monitors the performance of this fund manager.
Where the Trustee has a conflict of interest	• Those concerned having a specific understanding of trust law. • Adopting the protocol for disclosing any potential conflict.
Losing directly employed staff and/or the support staff	• Documenting systems, plans and projects • Having any necessary training programmes

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

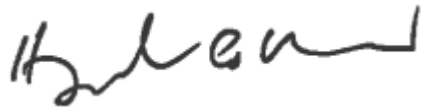
The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.



Henry Nicholas Almroth Colthurst, Deputy
Chairman of Finance Committee of
The City of London Corporation
Guildhall, London
31 January 2023



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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF HAMPSTEAD HEATH

Opinion

We have audited the financial statements of Hampstead Heath ('the Parent charity') and its subsidiaries ('the Group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated 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 Group's and of the Parent 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 Group and the Parent 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 Group and the Parent 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 Parent Charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Trustee's responsibilities statement set out on page 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 Group and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the Group and the Parent 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 Group and the Parent Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Group and the Parent 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

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.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021/22 Total Funds £	2020/21 Total Funds £
Income and endowments from:						
Voluntary activities	2	3,901	7,352	-	11,253	14,024
Charitable activities	3	2,461,224	-	-	2,461,224	1,330,181
Grant from City of London Corporation	4	5,356,031	-	-	5,356,031	6,451,305
Investments	5	2,025,319	-	-	2,025,319	1,560,485
Other income	6	34,836	-	-	34,836	104,420
Total income and endowments		9,881,311	7,352	-	9,888,663	9,460,415
Expenditure on:						
Raising funds	7	192,886	-	-	192,886	149,266
Charitable activities:						
Preservation of Hampstead Heath	7	9,119,376	-	-	9,119,376	9,320,721
Total expenditure		9,312,262	-	-	9,312,262	9,469,987
Net gains on investments	12	-	-	1,627,679	1,627,679	6,680,006
Net income		569,049	7,352	1,627,679	2,204,080	6,670,434
Net movement in funds		569,049	7,352	1,627,679	2,204,080	6,670,434
Reconciliation of funds:						
Total funds brought forward	16	19,610,573	2,233	32,924,011	52,536,817	45,866,383
Total funds carried forward	16	20,179,622	9,585	34,551,690	54,740,897	52,536,817

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 24 to 40 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 Total £	2021 Total £
Fixed assets:			
Tangible assets	11	19,607,668	19,390,365
Fixed asset investments	12	34,547,175	32,841,486
Total fixed assets		54,154,843	52,231,851
Current assets			
Debtors	13	538,603	345,883
Investments	12	160,856	255,645
Cash at bank and in hand		747,505	894,812
Total current assets		1,446,964	1,496,340
Creditors: Amounts falling due within one year	14	(860,910)	(1,191,374)
Net current assets		586,054	304,966
Total assets less current liabilities		54,740,897	52,536,817
The funds of the charity:			
Endowment funds	16	34,551,690	32,924,011
Restricted income funds	16	9,585	2,233
Unrestricted income funds	16	20,179,622	19,610,573
Total funds		54,740,897	52,536,817

The notes on pages 24 to 40 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

HAMPSTEAD HEATH**BALANCE SHEET****AS AT 31 MARCH 2022**

	Notes	2022 Total £	2021 Total £
Fixed assets:			
Tangible assets	11	19,607,668	19,390,365
Current assets			
Debtors	13	185,542	72,434
Cash at bank and in hand		570,197	717,504
Total current assets		755,739	789,938
Creditors: Amounts falling due within one year	14	(741,088)	(784,374)
Net current assets		14,651	5,564
Total assets less current liabilities		19,622,319	19,395,929
The funds of the charity:			
Restricted income funds	16	9,585	2,233
Unrestricted income funds	16	19,612,734	19,393,696
Total funds		19,622,319	19,395,929

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) Group Financial Statements

The consolidated financial statements for the Hampstead Heath Group comprise Hampstead Heath and the Hampstead Heath Trust Fund. The consolidation is produced on a line by line basis. Separate financial statements are also produced for the Hampstead Heath Trust Fund, which is a subsidiary of Hampstead Heath. This was established by the Local Government Reorganisation (Hampstead Heath) Order 1989, with an endowment valued at £15 million at that time, the purpose of which was to contribute to the running costs of the Heath.

(c) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity's governing documents place an obligation on the City of London Corporation to preserve the open spaces for the benefit of the public. Funding is provided from the City of London Corporation's City's Cash. On an annual basis, a medium-term financial forecast is prepared for City's Cash, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these accounts being signed to enable the charity to continue to fulfil its obligations.

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

(d) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily

apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

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

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

(e) 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.

(f) 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 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.

(g) 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 within support costs.

(h) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are valued at the year-end rate exchange. All gains or losses on translation are taken to Statement of Financial Activities in the year in which they occur.

(i) 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%).

(j) 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.

(k) Fixed Assets**Heritage Land and Associated Buildings**

Hampstead Heath comprises 275 hectares (680 acres) of land located in the London Boroughs of Camden and Barnet, together with associated buildings. The object of the charity is the preservation of the Heath at Hampstead in perpetuity as an open space for the recreation and enjoyment of the public. Hampstead Heath is considered to be inalienable (i.e. may not be disposed of without specific statutory powers).

Land and the original associated buildings acquired prior to 1 April 2009 are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts

Additions to the original land and capital expenditure on buildings and other assets would be included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

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*

* With the exception of certain ponds infrastructure whose useful life has been determined at 120 years. The Hampstead Heath Ponds Project major Civil Engineering earthworks/structures (such as the foundations, sheet piling and earth bunds) fall into design working Life category 5 which is set out in the BS EN 1990:2002+A1:2005, Eurocode — Basis of structural design, with Indicative design working Life being 120 years.

(l) Investments

The major part of the investments are in a segregated mandate externally managed by Artemis Investment Management LLP. Hampstead Heath Trust Fund also holds investments in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to “pool” small charitable investments together and

consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(m) 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.

(n) 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.

(o) Funds structure

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

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Expendable endowment fund – the purpose of this fund is to provide income for the benefit of the charity as a result of conditions imposed by the original donors and trusts.

Restricted funds – these include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted income funds – these funds can be used in accordance with the charitable object at the discretion of the Trustee and include both income generated by assets representing unrestricted funds. Specifically, this represents any surplus of income over expenditure of the Trust distributed annually towards the running costs of the Heath as well as surplus unrestricted donation income.

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

(p) Insurance

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

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds 2021/22	Unrestricted funds 2020/21
	£	£	£	£
Donations and legacies	3,901	7,352	11,253	14,024

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021/22	Unrestricted funds 2020/21
	£	£
Charges for use of facilities	2,179,284	1,196,096
Sales	2,110	960
Rental income	279,830	133,125
Total	2,461,224	1,330,181

4. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds 2021/22	Unrestricted funds 2020/21
	£	£
Revenue and capital grants from City of London Corporation	5,356,031	6,451,305

5. INCOME FROM INVESTMENTS

	Unrestricted funds 2021/22	Unrestricted funds 2020/21
	£	£
Investment income	2,024,417	1,560,485
Interest	902	-
Total	2,025,319	1,560,485

6. OTHER INCOME

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Other income	34,836	104,420

Income for the year included:

Donations – being amount received from the public at the ponds and paddling pool. From March 2021 a donations page has been created on the Hampstead Heath webpage, inviting and enabling the public to make on-line donations to either Hampstead Heath Bird and Mammal Shelters campaign or Hampstead Heath Model Boating Pond Island – Wildlife Sanctuary campaign.

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

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Cash to meet the deficit on running expenses of the charity, alongside funding for capital purchases.

Investment income – being the amount received from the Charities Pool and interest receivable on cash balances held on behalf of the Trust.

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

7. EXPENDITURE

Expenditure on raising funds

	Direct costs £	Support costs £	Total 2021/22 £	Direct costs £	Support costs £	Total 2020/21 £
Investment management fees	185,922	6,224	192,146	146,418	-	146,418
Interest payable	-	740	740	-	2,848	2,848
Total	185,922	6,964	192,886	146,418	2,848	149,266

Expenditure on charitable activities

	Direct costs £	Support costs £	Total 2021/22 £	Direct costs £	Support costs £	Total 2020/21 £
Preservation of Hampstead Heath	7,808,845	1,310,531	9,119,376	8,053,940	1,266,781	9,320,721
Grand total	7,994,767	1,317,495	9,312,262	8,200,358	1,269,629	9,469,987

Charitable activity

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

Auditor's remuneration and fees for other services

Crowe U.K. LLP are the auditors of the City of London's City's Cash Fund and all of the different charities of which it is Trustee. 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 activities £	Governance £	2021/22 £	2020/21 £
Department:				
Chamberlain	192,066	-	192,066	145,104
Comptroller & City Solicitor	41,914	-	41,914	-
Town Clerk	-	132,607	132,607	204,801
City Surveyor	293,103	-	293,103	312,271
Open Spaces directorate	301,461	-	301,461	211,788
Other governance & support costs	93,937	5,000	98,937	88,248
Digital Services	250,443	-	250,443	304,569
Sub-total	1,172,924	137,607	1,310,531	1,266,781
Reallocation of governance costs	137,607	(137,607)	-	-
Total	1,310,531	-	1,310,531	1,266,781

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 and group are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 100 (2020/21: 97).

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

	2021/22	2020/21
	£	£
Salaries and wages	4,101,764	3,906,477
National Insurance costs	395,949	378,165
Employer's pension contributions	684,607	659,693
Total emoluments of employees	5,182,320	4,944,335

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: 2.0).

	2021/22	2020/21
£60,000 - £69,999	1.0	2.0

Remuneration of Key Management Personnel

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

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

The amount of employee benefits received by key management personnel totalled £56,121 (2020/21: £36,312). 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 – CHARITY AND GROUP

Since 1880 the primary purpose of the charity has been the preservation of Hampstead Heath for the recreation and enjoyment of the public. As set out in Note 1(k), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of Hampstead Heath are contained in the Hampstead Heath Management Plan. Records of heritage assets owned and maintained by Hampstead Heath can be obtained from the Executive Director Environment at the principal address as stated on page 41.

11. TANGIBLE FIXED ASSETS – CHARITY AND GROUP

	Buildings	Infrastructure	Infrastructure (WIP)	Equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2021	1,257,724	19,558,712	64,528	272,479	21,153,443
Additions	-	429,457	-	-	429,457
Transfer	-	64,528	(64,528)	-	-
At 31 March 2022	1,257,724	20,052,697	-	272,479	21,582,900
Depreciation					
At 1 April 2021	180,306	1,378,311	-	204,461	1,763,078
Charge for the year	31,641	174,302	-	6,211	212,154
At 31 March 2022	211,947	1,552,613	-	210,672	1,975,232
Net book value					
At 31 March 2022	1,045,777	18,500,084	-	61,807	19,607,668
At 31 March 2021	1,077,418	18,180,401	64,528	68,018	19,390,365

12. FIXED ASSET INVESTMENTS – GROUP ONLY

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	Total 2022 £	Total 2021 £
Long Term Fixed Investments		
Market value 1 April	32,841,486	26,012,892
Additions	8,338,780	8,100,985
Disposals	(8,260,770)	(7,952,397)
(Loss)/gain for the year	1,627,679	6,680,006
Market value 31 March	34,547,175	32,841,486
Short Term Investments		
Cash held by fund managers	160,856	255,645
Other Cash Balances	177,308	177,308
Short Term Investments	338,164	432,953
Total investments 31 March	34,885,339	33,274,439
Cost 31 March	31,010,233	29,983,729

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

	2022	2021
	£	£
Long term	34,547,175	32,841,486
Short term	338,164	432,953
Total	34,885,339	33,274,439

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

		Unit trusts	Equities	Cash	Total
Held in the UK	£	2,066,264	28,233,753	338,164	30,638,181
Held outside the UK	£	-	4,247,158	-	4,247,158
Total at 31 March 2022	£	2,066,264	32,480,911	338,164	34,885,339
Held in the UK	£	1,798,162	27,136,442	432,953	29,367,557
Held outside the UK	£	-	3,906,882	-	3,906,882
Total at 31 March 2021	£	1,798,162	31,043,324	432,953	33,274,439

13. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

Hampstead Heath consolidated	2022	2021
	£	£
Rental debtors	15,590	8,155
Prepayments and accrued income	46,352	42,513
Recoverable VAT	780	-
Other debtors	475,881	295,215
Total	538,603	345,883

Other debtors consist of non-property related debtors of £122,820 (2020/21: £21,766) and dividends of £353,061 receivable from the fund manager (2020/21: £266,635). 2020/21 other debtors included a sundry debtor of £6,814 in relation to the Hampstead Heath Trust.

Hampstead Heath	2022	2021
	£	£
Rental debtors	15,590	8,155
Prepayments and accrued income	46,352	42,513
Recoverable VAT	780	-
Other debtors	122,820	21,766
Total	185,542	72,434

Other debtors comprised of non-property related debtors.

14. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

Hampstead Heath consolidated	2022	2021
	£	£
Bank overdraft	77,476	368,822
Trade creditors	53,497	117,581
Accruals	90,703	223,617
Deferred income	121,368	72,531
Rent deposits	15,425	51,925
VAT liability	379,727	192,091
Other creditors	122,714	164,807
Total	860,910	1,191,374

	2022	2021
	£	£
Deferred income analysis within creditors:		
Balance at 1 April	72,531	54,459
Amounts released to income	(72,531)	(54,459)
Amounts deferred in the year	121,368	72,531
Balance at 31 March	121,368	72,531

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

Hampstead Heath	2022	2021
	£	£
Trade creditors	53,497	117,581
Accruals	90,703	223,617
Deferred income	121,368	72,531
Rent deposits	15,425	51,925
VAT liability	379,727	192,091
Other creditors	80,368	126,629
Total	741,088	784,374

Other creditors consist of sundry creditors.

15. ANALYSIS OF CONSOLIDATED NET ASSETS BY FUND

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

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At 31 March 2021	Unrestricted Funds		Restricted Funds	Endowment Funds	Total at 31 March 2021	Total at 31 March 2020
	General Funds	Designated Funds				
	£	£	£	£	£	£
Tangible Assets	-	19,390,365	-	-	19,390,365	19,672,960
Fixed Asset Investments	-	-	-	32,841,486	32,841,486	32,148,008
Current Assets	1,001,251	3,331	2,233	489,525	1,496,340	1,761,531
Current Liabilities	(784,374)	-	-	(407,000)	(1,191,374)	(1,195,759)
Total	216,877	19,393,696	2,233	32,924,011	52,536,817	52,386,740

Expendable endowment movements 2011-2022

	Balance at 1 April	Revaluation of investments	Balance at 31 March	Cash	Expendable endowment
	£	£	£	£	£
Opening	393,461	8,497	401,958	177,308	579,266
2011-2012	401,958	11,764	413,722	177,308	591,030
2012-2013	413,722	58,823	472,545	177,308	649,853
2013-2014	472,545	34,640	507,185	177,308	684,493
2014-2015	507,185	32,680	539,865	177,308	717,173
2015-2016	539,865	(30,719)	509,146	177,308	686,454
2016-2017	509,146	60,784	569,930	177,308	747,238
2017-2018	569,930	5,229	575,159	177,308	752,467
2018-2019	575,159	(5,229)	569,930	177,308	747,238
2019-2020	569,930	(106,075)	463,855	177,308	641,163
2020-2021	463,855	114,223	578,078	177,308	755,386
2021-2022	578,078	27,440	605,518	177,308	782,826

Hampstead Heath charity only net assets by fund

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

At 31 March 2021	Unrestricted Funds		Restricted Funds	Total at 31 March 2021	Total at 31 March 2020
	General Funds	Designated Funds			
	£	£	£	£	£
Tangible Assets	-	19,390,365	-	19,390,365	19,449,993
Current Assets	784,374	3,331	2,233	789,938	610,330
Current Liabilities	(784,374)	-	-	(784,374)	(604,766)
Total	-	19,393,696	2,233	19,395,929	19,455,557

16. CONSOLIDATED MOVEMENT IN FUNDS

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

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Gains £	Total as at 31 March 2021 £
Endowment funds:					
Permanent endowment funds	25,602,842	-	-	6,565,783	32,168,625
Expendable endowment funds	641,163	-	-	114,223	755,386
Total endowment funds	26,244,005	-	-	6,680,006	32,924,011
Restricted funds:					
Parliament Hill Outdoor Gym	2,233	-	-	-	2,233
Unrestricted funds:					
General funds	166,821	9,308,076	(9,258,020)	-	216,877
Designated funds:					
Tangible fixed assets	19,449,993	152,339	(211,967)	-	19,390,365
Capital fund	3,331	-	-	-	3,331
Total unrestricted funds	19,620,145	9,460,415	(9,469,987)	-	19,610,573
Total funds	45,866,383	9,460,415	(9,469,987)	6,680,006	52,536,817

Purpose of the endowment funds

The expendable endowment fund is invested as a capital fund to generate income for the activities of the charity. Any income generated is used in accordance with the objectives of the trust. The purpose of this fund is to provide net income to be used to contribute towards the running costs of the Heath, transferred from the former T J Barratt bequest in December 2011.

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Before any potential gains on investments are considered, should net income be more than any year's contribution to the running costs of the Heath, then the surplus funds are retained as unrestricted funds to be used in future years. During 2021/22 the surplus was £350,011 (2020/21: £50,056). Should the actual income earned in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment.

Purposes of restricted funds

The restricted fund represents funds received from London Borough of Camden (Sports and Physical Activity Service) for creation of a new outdoor gym at Parliament Hill.

Purposes of designated funds

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

- i. *Fixed Assets* – these are included at historic cost less depreciation on a straight line basis to write off their costs over their estimated useful lives and less any provision for impairment. As at 31 March 2022 the net book value of fixed assets

relating to direct charitable purposes amounted to £19,607,668 (2020/21: £19,390,365). There was an addition of £429,457 during the year relating to the Playground project and the East Heath Car Parking Resurfacing project.

- ii. *Capital Fund* - as part of an Open Spaces wide Fleet Management project a disposal exercise of redundant fleet and equipment was undertaken. It was agreed to use the income raised to fund energy efficiency improvement works. The installation of photovoltaic energy panels at the Lido, Hampstead Heath was completed.

Hampstead Heath movement in funds

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

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2021 £
Restricted funds:					
Parliament Hill Outdoor Gym	2,233	-	-	-	2,233
Unrestricted funds:					
General funds	-	7,747,591	(7,747,591)	-	-
Designated funds:					
Tangible fixed assets	19,449,993	152,339	(211,967)	-	19,390,365
Capital fund	3,331	-	-	-	3,331
Total unrestricted funds	19,453,324	7,899,930	(7,959,558)	-	19,393,696
Total funds	19,455,557	7,899,930	(7,959,558)	-	19,395,929

17. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in note 8.

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

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

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 £	2020/21 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity	5,356,031 (nil)	6,451,305 (nil)	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		1,310,531 (nil)	1,266,781 (nil)	Administrative services provided for the charity
		31,536 (nil)	23,833 (nil)	Distribution from the Charities Pool and interest receivable on cash balances
Hampstead Heath Trust Fund	The Hampstead Heath Trust Fund is included within the Hampstead Heath consolidated financial statements	1,482,422 (nil)	1,361,163 (nil)	Contribution to preservation and enhancement of Hampstead Heath as an open space

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Hampstead Heath

Registered charity number: 803392

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

Treasurer

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

Solicitor

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

Environment Department

Juliemma McLoughlin – Executive Director of Environment (appointed 2 August 2021)

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

AUDITORS:

Crowe U.K. LLP, 55 Ludgate Hill, London, EM4M 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:

PA-DeputyChamberlain@cityoflondon.gov.uk

HAMPSTEAD HEATH

England & Wales - Charity number 803392

Accounts

Hampstead Heath

Annual Report and Consolidated Financial
Statements for the year ended 31 March 2021

Charity registration number 803392

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ORIGINS OF THE CHARITY

Hampstead Heath is the collective name for Parliament Hill and Golders Hill, a total of 791 acres (320 hectares). The original Hampstead Heath was the former lands owned by the Lord of the Manor acquired under the Hampstead Heath Act, 1871. The Heath falls within two London Boroughs, Camden and Barnet.

The Heath was transferred to the London Residuary Body on 1st April 1986 on the abolition of the Greater London Council and was transferred to the City of London Corporation on 31 March 1989 under provisions of the London Government Reorganisation (Hampstead Heath) Order 1989. This Order covered the transfer of the Heath and the related rights and liabilities, the functions of the Corporation, the financial arrangements, the establishment of the Hampstead Heath Trust Fund for future revenue funding and the Hampstead Heath Works Fund for defraying capital works. It also set up a Hampstead Heath Management Committee for the purposes of advising on and implementing the City of London Corporation's policies and programmes of work and considering any representations from the statutory Consultative Committee. The Consultative Committee was established to make such representations and consists of representatives of local organisations, sporting interests, nature conservation, the disabled and those concerned with the Heath.

The City of London Corporation is committed to conserving the Heath and its wildlife and vegetation and provide recreational facilities for the public appropriate to such an important London open space.

The first detailed management plan for Hampstead Heath was produced in 1995. The plan sets out a framework and policies for the management of the Heath, by identifying management objectives, describing how these are to be achieved and defining procedures for monitoring progress against these objectives. A wide range of public consultation has taken place in order to develop a Vision which provides strategic direction for the site for 2018/28.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing documents are the Hampstead Heath Act 1871 and the London Government Reorganisation (Hampstead Heath) Order 1989. 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 Hampstead Heath. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills. Elected Aldermen and members of the City of London Corporation are appointed to the Hampstead Heath, Highgate Wood and Queen's Park Committee, together with six non City of London Corporation members, one after consultation with the London Borough of Barnet, one after consultation with the London Borough of Camden, one after consultation with the owners of the Kenwood lands and three after consultation with bodies representing local, archaeological, environmental or sporting interests governing Hampstead Heath by the Court of Common Council of the City of London Corporation. The Finance Committee of the City of London Corporation administers the Hampstead Heath Trust Fund on behalf of the Trustee.

Members of the Court of Common Council are unpaid and 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 2020/21 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.

- **Financial Investment Board** - oversees all aspects of the non-property investment arrangements of the City of London's major funds and monitors the Chamberlain's Treasury Management operations.
- **Hampstead Heath, Highgate Wood and Queen's Park Committee** – responsible for the activities undertaken at Hampstead Heath, Highgate Wood and Queen's Park, approving budget allocations for the forthcoming year and acting as Trustees of the charity.
- **Hampstead Heath Consultative Committee** – provides forum for local residents and users of the Heath to comment upon the management of the Heath.

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

The Hampstead Heath Trust Fund (HHTF) is a subsidiary controlled by this charity. HHTF was established under the Local Government Reorganisation (Hampstead Heath) Order 1989 with an endowment of £15 million. Its purpose is to contribute towards the running costs of the Heath. Separate accounts are prepared for the subsidiary, which are consolidated with these accounts. A copy of these is available from the email address stated on page 42.

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 commenced during 2019/20 and 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 42.

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

INDUCTION AND TRAINING OF MEMBERS

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

OBJECTIVES AND ACTIVITIES

The objective of the charity is the preservation and maintenance of Hampstead Heath in perpetuity, as an open space for the recreation and enjoyment of the public.

In support of these objectives the Hampstead Heath Management Strategy sets out the themes which are underpinned by the Heath Vision; developed in collaboration with stakeholders. The themes are:

- We protect and conserve the Heath
- The Heath enriches our lives
- The Heath is inclusive and welcoming
- Together we care for the Heath

By means of these outcomes the management of the Heath can be focussed to ensure that the elements vital to the maintenance, care and management of the open space are delivering the objectives of the charity.

The Hampstead Heath Trust Fund is a subsidiary controlled by this charity. That charity was established under the Local Government Reorganisation (Hampstead Heath) Order 1989 with an endowment of £15 million. Its purpose was to contribute towards the running costs of the Heath. Separate accounts are prepared for the subsidiary, which are consolidated within these accounts.

By virtue of the London Government Reorganisation (Hampstead Heath) Order 1989, the City of London Corporation acquired responsibility for the management of Hampstead Heath with effect from 31 March 1989. At the same time the London Residuary Body transferred £15 million to the City of London Corporation for the establishment of the Hampstead Heath Trust Fund, the purpose of which is the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

Contributions towards the running cost of the Heath are assessed on a triennial basis and increased annually in accordance with the average earnings index. The aim for the Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it.

Investment Policy

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 42.

Volunteers

Hampstead Heath is particularly successful in providing volunteer opportunities. Working in partnership with a dedicated charity, Heath Hands, Hampstead Heath has in excess of 13,000 hours of volunteer input per year.

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 bonuses and 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 for 2016-20. This also includes addressing the City Corporation's gender pay gap.

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 is currently being updated. There is work ongoing relating the new Equalities and Inclusion objectives, that will include internal and external consultation. This is expected to take place in the summer, with publication of the revised Equalities and Inclusion objectives by the end of 2021.

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

The charity has received no complaints in relation to fundraising activities in 2020/21 (2019/20: nil). Individuals are not approached for funds, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing Hampstead Heath’s aims and objectives and in planning future activities. The purpose of the charity is the preservation in perpetuity of Hampstead Heath as an open space for the recreation and enjoyment of the public.

Consequently, the Trustee considers that Hampstead Heath 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 42.

ACHIEVEMENTS AND PERFORMANCE

Hampstead Heath Teams have ensured that the site remained open and accessible throughout the COVID-19 pandemic. However, with the focus on keeping the Heath open, tidy and safe, this did impact on the delivery of some of the projects planned for 2020/21 which will roll over into 2021/22.

Hampstead Heath's 2020/21 aims together with their outcomes were:

A review of the Hampstead Heath Bathing Ponds - was completed and a range of outcomes were identified, which were implemented during 2020/21 together with additional Covid-19 related operational changes.

Hampstead Heath waste and recycling strategy - has been developed and is being implemented, which will assist with managing these elements sustainability. Due to Covid-19 the planned education and outreach activity with partners and stakeholders to improve recycling take up had to be postponed. The increased levels of waste that have been left on Hampstead Heath has been challenging. However, the strategy has assisted with managing this effectively.

A Sustainable Fleet & Plant Management Plan - to comply with the requirements of the Ultra-Low Emissions Zone has been developed and a plan to replace vehicles in accordance and to comply with this has been developed. This will enable us to ensure the long-term viability of the Charity's vehicles and equipment.

East Heath Car Park improvements – this work has been delayed as the car park was provided exclusively for key hospital workers at the start of the pandemic. The work will commence in early 2021/22.

Improvements to the Adventure Playground at Parliament Hill – work on the implementation of the planned improvements to support the aspiration to deliver natural play and develop clear links to exploring the wider Heath has been delayed due to Covid-19 and will commence in early 2021/22.

The Hampstead Heath Management Strategy 2018-2028 - has been developed to enable a long-term vision and outcomes to be identified and delivered. As part of this process a Measurement Framework is being developed and this will enable outcomes and impacts to be measured and shared. Reporting on annual progress has been completed, and the outcomes and impacts will be reviewed, in light of the issues of the past year, and its impact upon the Heath.

Asset Management Plan - A Masterplan to manage a range of Divisions built assets, including Heathfield House, Parliament Hill and Kenwood Yard has been developed, working in partnership with the City Surveyors Department. This document will assist with understanding changing needs and will support the way in which assets will be used in the future to deliver services to our visitors.

Hampstead Heath Trust

The aim for the Hampstead Heath Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it. In 2020/21, the Trust has contributed £1,361,163 towards the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

PLANS FOR FUTURE PERIODS

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

Key projects for 2021/22 include:

Hampstead Heath

COVID-19 Impact Recovery Programme - has been developed in order to continue to respond to Government Guidance and maintain COVID secure workplaces and facilities. A range of interventions to address impacts on wildlife, erosion, compaction, path maintenance, waymarking and signage improvements will be carried out.

Hampstead Heath Bathing Ponds review - continued implementation of the identified outcomes which include delivery of a capital project to carry out a programme of safety, access and security improvements across the Bathing Ponds and Lido.

East Heath car park - implementation of delayed capital improvements which will ensure that the car park is safe, accessible and equipped with electric charging points for the future.

Celebrate the 150th Anniversary of the Hampstead Heath Act (1871) - developing outcomes for learning, volunteering and wider participation and support. Working in partnership with the Heath & Hampstead Society to design and install a series of information panels.

Ultra Low Emissions Zone (ULEZ) - compliance with requirements. Managing the financial implications and delivering the vehicle replacement programme to minimise the impact upon the environment.

Playground Improvements - at Parliament Hill Adventure, Vale of Health, East Heath and Heath Extension Playgrounds. To provide more natural play and develop further links to the Heath.

Licencing - Obtain approval and implement new licensing schemes in line with the provision of the 2018 Open Spaces Act.

Budget management - Achieve financial savings as required through a combination of reducing expenditure and appropriate income generation activities.

Target Operating Model (TOM) - Support the development of the City of London's new Target Operating Model and the creation of a new Department within which will sit this charity.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 25.

The Trustee is monitoring the situation and will continue with its purpose to preserve and maintain Hampstead Heath, as an Open Space for the recreation and enjoyment of the public.

Hampstead Heath Trust

The charity continues to be affected by the global economic downturn from the global pandemic of Coronavirus. There has been a significant recovery in the market value of the investments held by the charity, and although investment income has increased compared to 2019/20, the downturn continues to affect the income generating of the charity's investments, and may impact upon the future level of distributable income available to meet the grant-making objectives of the charity.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 25.

The Trustee is monitoring the situation and will continue with its operating model of only committing grants from available income funds. Where deemed necessary, future grant programmes may be placed on hold until adequate investment income has been received.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2020/21 the consolidated total income for the year was £9,460,415, an overall decrease of £167,930 against the previous year (£9,628,345). The principal source of income was from City of London Corporation's City's Cash fund (see below).

Income from Charitable Activities comprised £1,196,096 from fees charged (2019/20: £1,624,310), £133,125 from rents (2019/20: £232,163) and £960 from sales of goods, products and materials (2019/20: £40,337). The drop in income is due to the COVID-19 pandemic and Government restrictions.

Donations – being amount received from the public at the ponds and paddling pool. In total £14,024 was received during the year (2019/20: £7,255). From March 2021 a donations page has been created on the Hampstead Heath webpage, inviting and enabling the public to make on-line donations to either Hampstead Heath Bird and Mammal Shelters campaign or Hampstead Heath Model Boating Pond Island – Wildlife Sanctuary campaign.

Investment income of £1,560,485 (2019/20: £1,494,596) was received during the year from the Hampstead Heath Trust Fund.

Other income of £104,420 was received in relation to Coronavirus Job Retention Scheme (2019/20: £nil). 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 £6,451,305 (2019/20: £6,229,684) was received from the City of London Corporation's City's Cash as a contribution towards the running costs of the charity.

Expenditure

Total expenditure for the year was £9,469,987, with charitable activities expenditure in the year totalling £9,320,721 (2019/20: £9,641,825). The decrease in expenditure is owing to a lower number of cyclical building works taking place during the year. This is due to the economic impact of COVID-19 and subsequent reduced income revenue generation, with the City Surveyor tasked by the Chamberlain to review current programmes of work to level the expenditure, smoothing some of the spend into a 'fourth' year to reduce the impact of committed expenditure within the next two years. The City's programme of cyclical repairs and maintenance works to maintain its operational properties in fair to good condition is usually delivered in a number of overlapping three year programmes of works. The programme is monitored by the Corporate Asset Sub Committee of the City of London Corporation. Expenditure on raising funds for the year was £149,266 (2019/20: £209,487).

Funds held

The charity's total funds held increased by £6,670,434 to £52,536,817 as at 31 March 2021 (2019/20: £45,866,383). The net gain on investments represents the difference

in the market value of investments between 1 April 2020 and 31 March 2021 after taking account of any purchases and sales which were made during 2020/21.

Within the total funds held, £32,924,011 (2019/20: £26,244,005) represent permanent and expendable endowment funds.

The permanent endowment is held in perpetuity as a capital fund to generate income for the activities of the charity, with income arising from this capital being available to contribute to the running costs of the Heath.

The expendable endowment funds are used for the primary objectives of the charity.

Should net income from the endowment funds be greater than the required contribution towards the running costs of the Heath, then the surplus is retained within unrestricted funds held for use in future years in accordance with the objectives of the charity. A surplus of £50,056 was generated in the year (2019/20: £nil).

Unrestricted income funds (General funds)– these funds can be used in accordance with the charitable object at the discretion of the Trustee and include both income generated by assets representing unrestricted funds. Specifically, this represents any surplus of income over expenditure of the Trust distributed annually towards the running costs of the Heath. £216,877 was held at year-end (2019/20: £166,821).

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 2021 totalled £19,393,696 (2019/20: £19,453,324). These represent designated funds within the unrestricted income fund which represents the Capital fund and the net book value of fixed assets held.

A restricted fund of £2,233 (2019/20: £2,233) was held at year-end for the Parliament Hill Outdoor Gym project.

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

Investments performance

The investments are held within both a segregated portfolio primarily invested in UK shares and the City of London Corporation Charities Pool. The performance of these investments are analysed as follows:

1) Segregated portfolio

The funds of the charity are managed by Artemis Investment Management LLP. Market values and performance against benchmarks for the year was as follows:

	Market Value		Returns		Benchmark	
	2020/21 £	2019/20 £	2020/21 %	2019/20 %	2020/21 %	2019/20 %
Hampstead Heath Trust	32,519,053	25,953,270	+30.63%	-14.61%	+26.71%	-18.45%
City of London Charities Pool (part of)	578,078	463,855	+30.72%	-14.78%	+26.71%	-18.45%
	33,097,131	26,417,125				

2) Hampstead Heath Trust Fund

As at 31 March 2021, the investments held in the Hampstead Heath Trust Fund achieved a return of +30.63% (2019/20: -14.61%) compared to the FTSE All Share Index return of +26.71% (2019/20: -18.45%). Over three years this fund achieved a return of +5.16% (2019/20: -2.29%) compared to the FTSE All Share Index return of +3.19% (2019/20: -4.24%). Over five years, the fund achieved a return of +7.22% (2019/20: +1.36%) compared to the FTSE All Share Index return of +6.29% (2019/20: +0.57%).

	2020/21		2019/20	
	3 year	5 year	3 year	5 year
Fund	+5.16%	+7.22%	-2.29%	+1.36%
FTSE All Share	+3.19%	+6.29%	-4.24%	+0.57%
Fund Outperformance	+1.97%	+0.93%	+1.95%	+0.79%

3) City of London Corporation Charities Pool

Financial markets recovered strongly over the twelve months to 31 March 2021 following the decline in asset prices in early 2020 during the emergence of the global pandemic. Under these conditions investments held in the Charities Pool performed very well, generating a gross return of +30.72% for 2020/21 (2019/20: -14.78%) which compares favourably against the FTSE All Share Index benchmark return of +26.71% (2019/20: -18.45%). As a result the longer term performance of the Charities Pool investments, as displayed in the table below, has significantly improved compared to the position reported twelve months ago.

	2020/21		2019/20	
	3 year	5 year	3 year	5 year
Fund	+5.04%	+7.19%	-2.44%	+1.37%
FTSE All Share	+3.19%	+6.29%	-4.24%	+0.57%
Fund outperformance	+1.85%	+0.90%	+1.80%	+0.80%

Reserves

The charity is supported by the City of London Corporation out of its City's Cash Funds. The contribution towards the running costs of Hampstead Heath is determined in accordance with a formula set out in the governing document. Reserves therefore represent the accumulated net income that cannot be distributed under the existing

governance arrangements. Due to the governance arrangements in place, a reserves policy is considered by the trustee to be inappropriate.

Spending Policy

The reserves policy of the charity is that the original endowment of £15 million (now worth £ 32.5 million) should produce income to cover a proportion of the running costs of Hampstead Heath. The contribution for 2020/21 of £1,361,163 (2019/20: £1,285,109) consists of £1,336,000 from the permanent endowment (2019/20: £1,262,119), and income arising from the former T.J. Barratt Trust, which was transferred to the Hampstead Heath Trust Fund in November 2011, of £25,163 (2019/20: £22,990).

Should the actual income earned in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment. The contribution of £1,361,163 for 2020/21 from the permanent endowment was met entirely from net income and no further allocation from the permanent endowment reserves was required.

Principal Risks and Uncertainties

The 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:

Risks which are specific to Hampstead Heath:

Risk	Actions to manage risks
Impact of housing and population and transport increase	• Maintain a close partnership with Planning Authorities. • Review local planning applications which may impact on the Open Spaces. • Respond to consultation on local plans to help influence the content of the documents.
Plant and Tree Disease	• Sourcing of plants / trees through approved suppliers.

Risk	Actions to manage risks
	• Trained arboricultural contractors carrying out spraying and nest removal of Oak Processionary Moth. • Continue to monitor pest and tree disease across the charity.
Ensuring the Health and Safety of staff, contractors, visitors and volunteers	• Annual Health & Safety site Audits with peer review. • Hold local Health & Safety meetings. Staff updated in toolbox / team talks. • Online e-learning and training sessions undertaken by staff e.g. Mental Health Awareness and Fire Safety.
Extreme Weather Events	• Alerts issued to staff via Met Office. • Trigger Event Policy embedded into way of working. • Review process 6 monthly or following an extreme weather event.
Hampstead Heath Water bodies including Bathing Ponds	• Training for lifeguards. • Safety equipment accessible at ponds and regular checks undertaken and defects reported for repair or replacement. • Appropriate signage at ponds is regularly checked and defects reported for repair or replacement.
Impact of Covid-19 on income generation and financial management	• Working closely with Chamberlain to monitor budget lines and keep them informed as financial situation develops. • Predictions on loss of income being worked up to aid longer term decision making, including rental, sports provision, catering and retail.
Impact of Covid-19 on health and safety of visitors and staff	• Public health and safety works continues. • Staff are working an emergency roster. Staff deliver the four 'Es' and are working in partnership with other Local Authority officers and the MPS delivering Covid-19 advice. • Staff continue to carry out weekly health and safety checks and these are recorded. • Risk Assessments and Safe Systems of Work have been reviewed and shared with staff across the Division. Staff have access to Personal Protective Equipment (PPE) including masks, gloves and cleaning materials. Signage and social media is being used effectively to promote Covid-19 guidance and regulations.
Impact of Covid-19 accelerating long term damage to sites	• Development of Annual Work Programme interventions to address impacts on wildlife, erosion, compaction and path maintenance.

Risk	Actions to manage risks
	• Drone surveys to review impacts and assist with intervention. • Planting of wildflower meadows and fencing of areas of high impact to assist with recovery.
Open Spaces workforce wellbeing	• Support offered to staff directly and indirectly affected by changing Covid conditions, including those dealing with greater operational demands, as well as those coping with challenging work-from-home environments.

Risks which are specific to Hampstead Heath Trust Fund:

Risk	Actions to manage risks
Decline in income	• Implementing strict controls. • The charity's funds are invested by a professional fund manager. • The Financial Investment Board regularly monitors the performance of this fund manager.
Where the Trustee has a conflict of interest	• Those concerned having a specific understanding of trust law. • Adopting the protocol for disclosing any potential conflict.
Losing directly employed staff and/or the support staff	• Documenting systems, plans and projects • Having any necessary training programmes

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

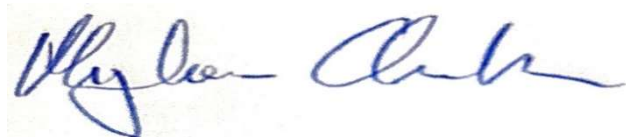
The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

A handwritten signature in blue ink, appearing to read 'Jamie Ingham Clark', written on a light yellow rectangular background.

Jamie Ingham Clark FCA
Chairman of Finance Committee of
The City of London Corporation
Guildhall, London
22 February 2022

A handwritten signature in blue ink, appearing to read 'JP Mayhew', written on a light yellow rectangular background.

Jeremy Paul Mayhew MA MBA, Deputy
Chairman of Finance Committee
of The City of London Corporation

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF HAMPSTEAD HEATH

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 March 2021 and of the Group's 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.

We have audited the financial statements of Hampstead Heath Charity ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, the Balance Sheet and notes to the financial statements, including a summary of 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Charity in accordance with the ethical requirements 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.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees 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 Group and the Parent 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. The other information comprises the information included in the Annual Report and Consolidated Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises: Origins of the charity; the Trustee's Annual Report section, which includes: Structure and governance, Achievements and performance, Financial review; the Trustee responsibilities; Reference and administration details. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustee's Annual Report; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Trustee responsibilities statement, 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 Group's and the Parent 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 intend to liquidate the Group or the parent 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 Act 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We understood how the Group is complying with those legal and regulatory frameworks, by making enquiries to management, and the Trustee, of known or suspected instances of non-compliance with laws and regulations. We corroborated our enquiries through our review of key committee board minutes.
- We reviewed the financial statement disclosures to assess compliance with the relevant laws and regulations discussed above. We remained alert to any indications of non-compliance throughout the audit.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur, by discussing with management and the Trustee to understand where it is considered there was a susceptibility of fraud.
- We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, and determined that the principal risks were related to the override of controls by management including posting of inappropriate journal entries, management bias in key accounting estimates, and the timing of income recognition.
- Audit procedures performed in response to the assessment above included: Enquiries of management; reviewing accounting estimates for bias and challenging assumptions made by management in their significant accounting estimates, primarily useful economic life of fixed assets and the recovery of debts; Sample testing the recognition of income; Sample testing the appropriateness of journal entries.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustee, as a body, in accordance with the Charities Act 2011. 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.

DocuSigned by:

DA15AED75D45453...
BDO LLP, statutory auditor
London, UK
Date: 02 March 2022

BDO 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.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020/21 Total Funds £	2019/20 Total Funds £
Income and endowments from:						
Voluntary activities	2	14,024	-	-	14,024	7,255
Charitable activities	3	1,330,181	-	-	1,330,181	1,896,810
Grant from City of London Corporation	4	6,451,305	-	-	6,451,305	6,229,684
Investments	5	1,560,485	-	-	1,560,485	1,494,596
Other income	6	104,420	-	-	104,420	-
Total income and endowments		9,460,415	-	-	9,460,415	9,628,345
Expenditure on:						
Raising funds	7	149,266	-	-	149,266	209,487
Charitable activities:						
Preservation of Hampstead Heath	7	9,320,721	-	-	9,320,721	9,641,825
Total expenditure		9,469,987	-	-	9,469,987	9,851,312
Net gains/(losses) on investments	12	-	-	6,680,006	6,680,006	(6,297,390)
Net expenditure		(9,572)	-	6,680,006	6,670,434	(6,520,357)
Transfers between funds	16	-	-	-	-	-
Net movement in funds		(9,572)	-	6,680,006	6,670,434	(6,520,357)
Reconciliation of funds:						
Total funds brought forward	16	19,620,145	2,233	26,244,005	45,866,383	52,386,740
Total funds carried forward	16	19,610,573	2,233	32,924,011	52,536,817	45,866,383

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 25 to 41 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 Total £	2020 Total £
Fixed assets:			
Tangible assets	11	19,390,365	19,449,993
Fixed asset investments	12	32,841,486	26,012,892
Total fixed assets		52,231,851	45,462,885
Current assets			
Debtors	13	345,883	439,566
Investments	12	255,645	404,233
Cash at bank and in hand		894,812	597,649
Total current assets		1,496,340	1,441,448
Creditors: Amounts falling due within one year	14	(1,191,374)	(1,037,950)
Net current assets		304,966	403,498
Total assets less current liabilities		52,536,817	45,866,383
The funds of the charity:			
Endowment funds	16	32,924,011	26,244,005
Restricted income funds	16	2,233	2,233
Unrestricted income funds	16	19,610,573	19,620,145
Total funds		52,536,817	45,866,383

The notes on pages 25 to 41 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

21 February 2022

HAMPSTEAD HEATH

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 Total £	2020 Total £
Fixed assets:			
Tangible assets	11	19,390,365	19,449,993
Current assets			
Debtors	13	72,434	189,989
Cash at bank and in hand		717,504	420,341
Total current assets		789,938	610,330
Creditors: Amounts falling due within one year	14	(784,374)	(604,766)
Net current assets		5,564	5,564
Total assets less current liabilities		19,395,929	19,455,557
The funds of the charity:			
Restricted income funds	16	2,233	2,233
Unrestricted income funds	16	19,393,696	19,453,324
Total funds		19,395,929	19,455,557

Approved and signed on behalf of the Trustee.



Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

21 February 2022

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) Group Financial Statements

The consolidated financial statements for the Hampstead Heath Group comprise Hampstead Heath and the Hampstead Heath Trust Fund. The consolidation is produced on a line by line basis. Separate financial statements are also produced for the Hampstead Heath Trust Fund, which is a subsidiary of Hampstead Heath. This was established by the Local Government Reorganisation (Hampstead Heath) Order 1989, with an endowment valued at £15 million at that time, the purpose of which was to contribute to the running costs of the Heath.

(c) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity's governing documents place an obligation on the City of London Corporation to preserve the open spaces for the benefit of the public. Funding is provided from the City of London Corporation's City's Cash. On an annual basis, a medium-term financial forecast is prepared for City's Cash, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these accounts being signed to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the financial position, including future income levels and the liquidity of the charity in light of the ongoing impact of Covid-19 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. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(d) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form

the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

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

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

(e) 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 2021 which is publicly available at www.cityoflondon.gov.uk.

(f) 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 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.

(g) 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.

(h) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are valued at the year-end rate exchange. All gains or losses on translation are taken to Statement of Financial Activities in the year in which they occur.

(i) 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 £918.2m as at 31 March 2021 (£630.4m as at 31 March 2020). 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 actuary will carry out the next assessment of the scheme as at 31 March 2022, which will set contributions for the period from 1 April 2022 to 31 March 2024. Contribution rates adopted for the financial years 2019/20, 2020/21 and 2021/22 have been set at 21% (2018/19: 21%).

(j) 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.

(k) Fixed Assets**Heritage Land and Associated Buildings**

Hampstead Heath comprises 275 hectares (680 acres) of land located in the London Boroughs of Camden and Barnet, together with associated buildings. The object of the charity is the preservation of the Heath at Hampstead in perpetuity as an open space for the recreation and enjoyment of the public. Hampstead Heath is considered to be inalienable (i.e. may not be disposed of without specific statutory powers).

Land and the original associated buildings acquired prior to 1 April 2009 are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts

Additions to the original land and capital expenditure on buildings and other assets would be included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

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*

* With the exception of certain ponds infrastructure whose useful life has been determined at 120 years. The Hampstead Heath Ponds Project major Civil Engineering earthworks/structures (such as the foundations, sheet piling and earth bunds) fall into design working Life category 5 which is set out in the BS EN 1990:2002+A1:2005, Eurocode — Basis of structural design, with Indicative design working Life being 120 years.

(l) Investments

The major part of the investments are in a segregated mandate externally managed by Artemis Investment Management LLP. Hampstead Heath Trust Fund also holds investments in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to “pool” small charitable investments together and

consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(m) 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.

(n) 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.

(o) Funds structure

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

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Expendable endowment fund – the purpose of this fund is to provide income for the benefit of the charity as a result of conditions imposed by the original donors and trusts.

Restricted funds – these include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted income funds – these funds can be used in accordance with the charitable object at the discretion of the Trustee and include both income generated by assets representing unrestricted funds. Specifically, this represents any surplus of income over expenditure of the Trust distributed annually towards the running costs of the Heath.

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

(p) Insurance

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

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted funds 2020/21 £	Unrestricted funds 2019/20 £
Donations and legacies	<u>14,024</u>	<u>7,255</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020/21 £	Unrestricted funds 2019/20 £
Charges for use of facilities	1,196,096	1,624,310
Sales	960	40,337
Rental income	133,125	232,163
Total	1,330,181	1,896,810

4. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds 2020/21 £	Unrestricted funds 2019/20 £
Revenue and capital grants from City of London Corporation	<u>6,451,305</u>	<u>6,229,684</u>

5. INCOME FROM INVESTMENTS

	Unrestricted funds 2020/21 £	Unrestricted funds 2019/20 £
Investment income	1,560,485	1,494,147
Interest	-	449
Total	1,560,485	1,494,596

6. OTHER INCOME

	Unrestricted funds 2020/21 £	Unrestricted funds 2019/20 £
Other income	104,420	-

Income for the year included:

Donations – being amount received from the public at the ponds and paddling pool. From March 2021 a donations page has been created on the Hampstead Heath webpage, inviting and enabling the public to make on-line donations to either Hampstead Heath Bird and Mammal Shelters campaign or Hampstead Heath Model Boating Pond Island – Wildlife Sanctuary campaign.

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

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Cash to meet the deficit on running expenses of the charity, alongside funding for capital purchases.

Investment income – being the amount received from the Charities Pool and interest receivable on cash balances held on behalf of the Trust.

Other income - included in Other Income on the Statement of Financial Activities is Coronavirus Job Retention Scheme income of £104,420 (2020: £nil). There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

7. EXPENDITURE

Expenditure on raising funds

	Direct costs £	Support costs £	Total 2020/21 £	Direct costs £	Support costs £	Total 2019/20 £
Investment management fees	146,418	-	146,418	207,344	-	207,344
Interest payable	-	2,848	2,848	-	2,143	2,143
Total	146,418	2,848	149,266	207,344	2,143	209,487

Expenditure on charitable activities

	Direct costs £	Support costs £	Total 2020/21 £	Direct costs £	Support costs £	Total 2019/20 £
Preservation of Hampstead Heath	8,053,940	1,266,781	9,320,721	8,368,775	1,273,050	9,641,825
Grand total	8,200,358	1,269,629	9,469,987	8,576,119	1,275,193	9,851,312

Charitable activity

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

Auditor's remuneration and fees for other services

BDO are the auditors of the City of London's City's Cash Fund and 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 2020/21 no audit fee was recharged (2019/20: £nil). No other services were provided to the charity by its auditors during the year (2019/20: £nil).

8. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

	Charitable activities £	Governance £	2020/21 £	2019/20 £
Department:				
Chamberlain	145,104	-	145,104	137,828
Comptroller & City Solicitor	-	-	-	-
Town Clerk	-	204,801	204,801	242,869
City Surveyor	312,271	-	312,271	369,277
Open Spaces directorate	211,788	-	211,788	178,413
Other governance & support costs	88,248	-	88,248	86,648
Digital Services	304,569	-	304,569	258,015
Sub-total	1,061,980	204,801	1,266,781	1,273,050
Reallocation of governance costs	204,801	(204,801)	-	-
Total	1,266,781	-	1,266,781	1,273,050

All support costs are undertaken from unrestricted funds. Governance costs (2019/20: £242,869) 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 and group are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 97 (2019/20: 98).

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

	2020/21 £	2019/20 £
Salaries and wages	3,906,477	3,787,348
National Insurance costs	378,165	371,744
Employer's pension contributions	659,693	672,405
Total emoluments of employees	4,944,335	4,831,497

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 2.0 (2019/20: 2.0).

	2020/21	2019/20
£60,000 - £69,999	2.0	2.0

Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and the Director of Open Spaces who manages the seven open spaces

funded by the City of London Corporation. A proportion of the Directors' employment benefits are allocated to this charity.

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

The amount of employee benefits received by key management personnel totalled £36,312 (2019/20: £32,724). No members received any remuneration, with directly incurred expenses reimbursed, if claimed. No expenses were claimed in 2020/21 (2019/20: £nil).

10. HERITAGE ASSETS – CHARITY AND GROUP

Since 1880 the primary purpose of the charity has been the preservation of Hampstead Heath for the recreation and enjoyment of the public. As set out in Note 1(k), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of Hampstead Heath are contained in the Hampstead Heath Management Plan. Records of heritage assets owned and maintained by Hampstead Heath can be obtained from the Director of Open Spaces at the principal address as stated on page 42.

11. TANGIBLE FIXED ASSETS – CHARITY AND GROUP

	Buildings	Infrastructure	Equipment (WIP)	Equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2020	1,154,101	19,558,712	15,812	272,479	21,001,104
Additions	103,623	-	48,716	-	152,339
At 31 March 2021	1,257,724	19,558,712	64,528	272,479	21,153,443
Depreciation					
At 1 April 2020	153,847	1,212,187	-	185,077	1,551,111
Charge for the year	26,459	166,124	-	19,384	211,967
Disposals	-	-	-	-	-
At 31 March 2021	180,306	1,378,311	-	204,461	1,763,078
Net book value					
At 31 March 2021	1,077,418	18,180,401	64,528	68,018	19,390,365
At 31 March 2020	1,000,254	18,346,525	15,812	87,402	19,449,993

12. FIXED ASSET INVESTMENTS – GROUP ONLY

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2021 £	2020 £
Market value 1 April	26,012,892	32,148,008
Additions	8,100,985	7,394,653
Disposals	(7,952,397)	(7,232,379)
(Loss)/gain for the year	6,680,006	(6,297,390)
Market value 31 March	32,841,486	26,012,892
Cash held by fund managers	255,645	404,233
Total investments 31 March	33,097,131	26,417,125
Cost 31 March	29,806,421	30,284,595

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

	2021 £	2020 £
Long term	32,841,486	26,012,892
Cash held by fund managers	255,645	404,233
Total	33,097,131	26,417,125

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

	Held in the UK £	Held outside the UK £	Total at 31 March 2021 £	Held in the UK £	Held outside the UK £	Total at 31 March 2020 £
Unit trusts	1,798,162	-	1,798,162	1,963,403	-	1,963,403
Equities	27,136,442	3,906,882	31,043,324	21,158,443	2,891,046	24,049,489
Cash held by fund manager	255,645	-	255,645	404,233	-	404,233
Total	29,190,249	3,906,882	33,097,131	23,526,079	2,891,046	26,417,125

13. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

Hampstead Heath consolidated	2021 £	2020 £
Rental debtors	8,155	35,667
Prepayments and accrued income	42,513	41,856
Recoverable VAT	-	103,753
Other debtors	295,215	258,290
Total	345,883	439,566

Other debtors consist of non-property related debtors of £21,766 (2019/20: £8,713), sundry debtors of £6,814 (2019/20: £7,371) and dividends of £266,635 receivable from the fund manager (2019/20: £242,206).

Hampstead Heath	2021	2020
	£	£
Rental debtors	8,155	35,667
Prepayments and accrued income	42,513	41,856
Recoverable VAT	-	103,753
Other debtors	21,766	8,713
Total	72,434	189,989

Other debtors comprised of non-property related debtors.

14. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

Hampstead Heath consolidated	2021	2020
	£	£
Bank overdraft	368,822	395,160
Trade creditors	117,581	140,527
Accruals	223,617	239,884
Deferred income	72,531	54,459
Rent deposits	51,925	51,925
VAT liability	192,091	-
Other creditors	164,807	155,995
Total	1,191,374	1,037,950

	2021	2020
Deferred income analysis within creditors:	£	£
Balance at 1 April	54,459	49,916
Amounts released to income	(54,459)	(49,916)
Amounts deferred in the year	72,531	54,459
Balance at 31 March	72,531	54,459

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

Hampstead Heath	2021	2020
	£	£
Trade creditors	117,581	140,527
Accruals	223,617	239,884
Deferred income	72,531	54,459
Rent deposits	51,925	51,925
VAT liability	192,091	-
Other creditors	126,629	117,971
Total	784,374	604,766

Other creditors consist of sundry creditors.

15. ANALYSIS OF CONSOLIDATED NET ASSETS BY FUND

At 31 March 2021	Unrestricted Funds		Restricted Funds	Endowment Funds	Total at 31 March 2021	Total at 31 March 2020
	General Funds	Designated Funds				
	£	£	£	£	£	£
Tangible Assets	-	19,390,365	-	-	19,390,365	19,449,993
Fixed Asset Investments	-	-	-	32,841,486	32,841,486	26,012,892
Current Assets	1,001,251	3,331	2,233	489,525	1,496,340	1,441,448
Current Liabilities	(784,374)	-	-	(407,000)	(1,191,374)	(1,037,950)
Total	216,877	19,393,696	2,233	32,924,011	52,536,817	45,866,383

At 31 March 2020	Unrestricted Funds		Restricted Funds	Endowment Funds	Total at 31 March 2020	Total at 31 March 2019
	General Funds	Designated Funds				
	£	£	£	£	£	£
Tangible Assets	-	19,449,993	-	-	19,449,993	19,672,960
Fixed Asset Investments	-	-	-	26,012,892	26,012,892	32,148,008
Current Assets	771,587	3,331	2,233	664,297	1,441,448	1,761,531
Current Liabilities	(604,766)	-	-	(433,184)	(1,037,950)	(1,195,759)
Total	166,821	19,453,324	2,233	26,244,005	45,866,383	52,386,740

Expendable endowment movements 2011-2021

At 31 March 2021

	Balance at 1 April	Revaluation of investments	Balance at 31 March	Cash	Expendable endowment
	£	£	£	£	£
Opening	393,461	8,497	401,958	177,308	579,266
2011-2012	401,958	11,764	413,722	177,308	591,030
2012-2013	413,722	58,823	472,545	177,308	649,853
2013-2014	472,545	34,640	507,185	177,308	684,493
2014-2015	507,185	32,680	539,865	177,308	717,173
2015-2016	539,865	(30,719)	509,146	177,308	686,454
2016-2017	509,146	60,784	569,930	177,308	747,238
2017-2018	569,930	5,229	575,159	177,308	752,467
2018-2019	575,159	(5,229)	569,930	177,308	747,238
2019-2020	569,930	(106,075)	463,855	177,308	641,163
2020-2021	463,855	114,223	578,078	177,308	755,386

Hampstead Heath charity only net assets by fund

At 31 March 2021	Unrestricted Funds		Restricted Funds	Total at 31 March 2021	Total at 31 March 2020
	General Funds	Designated Funds			
	£	£	£	£	£
Tangible Assets	-	19,390,365	-	19,390,365	19,449,993
Current Assets	784,374	3,331	2,233	789,938	610,330
Current Liabilities	(784,374)	-	-	(784,374)	(604,766)
Total	-	19,393,696	2,233	19,395,929	19,455,557

At 31 March 2020	Unrestricted Funds		Restricted Funds	Total at 31 March 2020	Total at 31 March 2019
	General Funds	Designated Funds			
	£	£	£	£	£
Tangible Assets	-	19,449,993	-	19,449,993	19,672,960
Current Assets	604,766	3,331	2,233	610,330	640,106
Current Liabilities	(604,766)	-	-	(604,766)	(634,542)
Total	-	19,453,324	2,233	19,455,557	19,678,524

16. CONSOLIDATED MOVEMENT IN FUNDS

At 31 March 2021	Total as at 1 April 2020	Income	Expenditure	Gains	Transfers	Total as at 31 March 2021
	£	£	£	£	£	£
Endowment funds:						
Permanent endowment funds	25,602,842	-	-	6,565,783	-	32,168,625
Expendable endowment funds	641,163	-	-	114,223	-	755,386
Total endowment funds	26,244,005	-	-	6,680,006	-	32,924,011
Restricted funds:						
Parliament Hill Outdoor Gym	2,233	-	-	-	-	2,233
Unrestricted funds:						
General funds	166,821	9,308,076	(9,258,020)	-	-	216,877
Designated funds:						
Tangible fixed assets	19,449,993	152,339	(211,967)	-	-	19,390,365
Capital fund	3,331	-	-	-	-	3,331
Total unrestricted funds	19,620,145	9,460,415	(9,469,987)	-	-	19,610,573
Total funds	45,866,383	9,460,415	(9,469,987)	6,680,006	-	52,536,817

At 31 March 2020	Total as at 1 April 2019	Income	Expenditure	Losses	Transfers	Total as at 31 March 2020
	£	£	£	£	£	£
Endowment funds:						
Permanent endowment funds	31,794,157	-	-	(6,191,315)	-	25,602,842
Expendable endowment funds	747,238	-	-	(106,075)	-	641,163
Total endowment funds	32,541,395	-	-	(6,297,390)	-	26,244,005
Restricted funds:						
Parliament Hill Outdoor Gym	2,233	-	-	-	-	2,233
Unrestricted funds:						
General funds	166,821	9,628,345	(9,628,345)	-	-	166,821
Designated funds:						
Tangible fixed assets	19,672,960	-	(222,967)	-	-	19,449,993
Capital fund	3,331	-	-	-	-	3,331
Total unrestricted funds	19,843,112	9,628,345	(9,851,312)	-	-	19,620,145
Total funds	52,386,740	9,628,345	(9,851,312)	(6,297,390)	-	45,866,383

Purpose of the endowment funds

The expendable endowment fund is invested as a capital fund to generate income for the activities of the charity. Any income generated is used in accordance with the objectives of the trust. The purpose of this fund is to provide net income to be used to contribute towards the running costs of the Heath, transferred from the former T J Barratt bequest in December 2011.

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Before any potential gains on investments are considered, should net income be more than any year's contribution to the running costs of the Heath, then the surplus funds are retained as unrestricted funds to be used in future years. During 2020/21 the surplus was £50,056 (2019/20: £nil). Should the actual income earned in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment.

Purposes of restricted funds

The restricted fund represents funds received from London Borough of Camden (Sports and Physical Activity Service) for creation of a new outdoor gym at Parliament Hill.

Purposes of designated funds

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

- i. *Fixed Assets* – these are included at historic cost less depreciation on a straight line basis to write off their costs over their estimated useful lives and less any provision for impairment. As at 31 March 2021 the net book value of fixed assets relating to direct charitable purposes amounted to £19,390,365 (2019/20: £19,449,993).
- ii. *Capital Fund* - as part of an Open Spaces wide Fleet Management project a disposal exercise of redundant fleet and equipment was undertaken. It was agreed to use the income raised to fund energy efficiency improvement works. The installation of photovoltaic energy panels at the Lido, Hampstead Heath was completed.

Hampstead Heath movement in funds

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2021 £
Restricted funds:					
Parliament Hill Outdoor Gym	2,233	-	-	-	2,233
Unrestricted funds:					
General funds	-	7,747,591	(7,747,591)	-	-
Designated funds:					
Tangible fixed assets	19,449,993	152,339	(211,967)	-	19,390,365
Capital fund	3,331	-	-	-	3,331
Total unrestricted funds	19,453,324	7,899,930	(7,959,558)	-	19,393,696
Total funds	19,455,557	7,899,930	(7,959,558)	-	19,395,929

At 31 March 2020	Total as at 1 April 2019 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2020 £
Restricted funds:					
Parliament Hill Outdoor Gym	2,233	-	-	-	2,233
Unrestricted funds:					
General funds	-	8,133,749	(8,133,749)	-	-
Designated funds:					
Tangible fixed assets	19,672,960	-	(222,967)	-	19,449,993
Capital fund	3,331	-	-	-	3,331
Total unrestricted funds	19,676,291	8,133,749	(8,356,716)	-	19,453,324
Total funds	19,678,524	8,133,749	(8,356,716)	-	19,455,557

17. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in note 8.

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

generations. The financial statements of City's Cash can be obtained from the address provided above.

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

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	2020/21 £	2019/20 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity	6,451,305 (nil)	6,229,684 (nil)	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		1,266,781 (nil)	1,273,050 (nil)	Administrative services provided for the charity
		23,833 (nil)	21,866 (nil)	Distribution from the Charities Pool and interest receivable on cash balances
Hampstead Heath Trust Fund	The Hampstead Heath Trust Fund is included within the Hampstead Heath consolidated financial statements	1,361,163 (nil)	1,285,109 (nil)	Contribution to preservation and enhancement of Hampstead Heath as an open space

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Hampstead Heath

Registered charity number: 803392

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

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation (appointed 1 May 2021)

Dr Peter Kane - The Chamberlain of the City of London Corporation (retired 30 April 2021)

Solicitor

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

Open Spaces

Colin Buttery – Director of Open Spaces

AUDITORS:

BDO LLP, 55 Baker Street, London, W1U 7EU

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:

PA-DeputyChamberlain@cityoflondon.gov.uk