HAMPSTEAD · GARDEN · SUBURB · TRUST

Annual Report and Accounts
For the Year Ended 31 March 2026

The Hampstead Garden Suburb Trust Limited
A company limited by guarantee and having no share capital

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Tel: 020 8455 1066

Email: mail@hgstrust.org

Company number: 00928520
Registered charity number: 1050098
Registered in England

This is a publication version of the audited Annual Report and Accounts. It has been formatted for clarity, with breadcrumb navigation, images and call-out quotations added. Amendments have been made to the trustee biographies and grants table. Page references have been adjusted to suit this version.

Cover image: "Central Square: prospective view of St Jude's-on-the-Hill Church, the Institute, and houses." – illustration taken from 'Co-partnership in Housing' book, published 1910. Illustration circa 1906.

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Chairman's review 2025/2026

It continues to be a privilege to serve as Chairman of the Trust and to work alongside so many people committed to the long-term stewardship of Hampstead Garden Suburb and preserving the qualities that make it such a distinctive and special place.

The Trust's purpose remains as important today as when it was established: to preserve and maintain the character and amenities of Hampstead Garden Suburb for current and future generations. The Suburb is not a static place but a living community, and the Trust must continually balance changing expectations and immediate priorities with its wider responsibility to protect what makes it distinctive.

Last year I referred to the Trust being in a period of transition as work began to strengthen the organisation and establish clearer foundations for the future. This year has seen that work increasingly move into delivery. Alongside our core planning, estate management and regulatory work, significant effort has gone into improving the systems and processes that support the Trust's work.

Much of this activity is not immediately visible. This year we started work to modernise systems and ways of working, including progress on our database and wider digital infrastructure, improvements to resilience and security, and reducing reliance on paper-based processes. While practical in nature, these changes are intended to improve efficiency, strengthen resilience and support better services for residents.

The Trust's long-term financial strategy also continues to show encouraging signs of progress. For many years the Trust has worked to reduce reliance on one-off sources of income and establish a more sustainable financial position. While it remains important to be cautious and disciplined in our approach, the financial results for the year suggest that this work is beginning to achieve its intended effect. As financial resilience strengthens, it creates opportunities to consider how the Trust may play a broader role in supporting the Suburb through both its stewardship responsibilities and wider charitable activities.

The Trust's grants programme remains an important part of our wider charitable work. During the year, the Trust awarded over £25,000 in grants to local organisations whose activities benefit residents and support the character and amenities of the Suburb. We are keen to encourage applications from organisations and projects that can demonstrate clear local benefit and alignment with the Trust's charitable objectives. Alongside this, our core work has continued at scale. Much of what the Trust does involves careful judgement rather than straightforward answers.

> *“ Behind the Trust's work are hundreds of individual interactions each year.*

Decisions frequently require balancing differing views, professional advice, legal responsibilities and the long-term interests of the Suburb. There is not always a single or obvious answer and the Trust's role is often to listen carefully, weigh a broad range of evidence and perspectives, and reach balanced decisions that support the character and amenity of the Suburb.

Behind the Trust's work are hundreds of individual interactions each year, from applications and site visits to advice, estate management and supporting residents through change. While some decisions are highly visible, much of the Trust's work takes place quietly and over the long term.

The Trust has also taken a more active approach to engagement and communication. The consultation regarding the disused tennis courts and adjoining land to the west of Central Square provided valuable insight into residents' views and demonstrated the importance of involving people earlier in the development of proposals. Listening to a wide range of perspectives helps support better decision-making and a stronger understanding of residents' priorities and concerns.

Taking account of these views, the Trust has decided to develop the disused court to the north of the path as a community orchard, providing a new amenity for residents and a focus for biodiversity and environmental education. The project will make use of some of the Trust's restricted funds. Design and planning work has begun, and we hope to be in a position to start planting in autumn 2026.

> ***"The Trust's work can only succeed through the commitment and support of residents, members, volunteers and partner organisations.***

As we look ahead, the Trust is increasingly able to focus not only on maintaining what exists, but also on how it can more actively support the future of the Suburb while remaining true to its charitable purpose and long-term responsibilities. This will include continuing to strengthen the organisation's capabilities, developing proposals for Trust-owned land and amenities, and considering how the Trust can play a broader role in supporting the long-term needs of the Suburb.

This work has been delivered by a relatively small organisation, supported by experienced staff, trustees and volunteers whose commitment and expertise make an important contribution to the Trust's success.

I would also like to thank Dr Tye Blackshaw for her service and contribution to the Trust, including as Chair of the Grants Committee, following her decision to step down as the Victorian Society-appointed trustee during the year. I am pleased to welcome Olga Vladić-Weal as her successor.

The Trust's work can only succeed through the commitment and support of residents, members, volunteers and partner organisations. My thanks go to my fellow trustees, members of our advisory committees, our professional advisers and, above all, the Trust staff for their commitment and hard work throughout the year.

Richard Townley

Chairman

Legal, administrative and other information about The Trust

Members of the Council on 21 July 2026

Elected members:

Richard Townley, Chairman

Elected 27 September 2019.
Re-elected 21 September 2022 and 29 September 2025.

Richard, who has lived in the Suburb for 47 years, is a Fellow of the Royal Institution of Chartered Surveyors and has spent over 50 years specialising in commercial property investment. For ten years he was a Trustee of Ambitious About Autism and has been involved in various Suburb projects, in particular the introduction of the heritage lighting in Central Square and the installation of the new flower beds in the Square.

Nicola Avery-Gee

Elected 7 October 2024.

Nicola has lived on the Suburb for 15 years with her family. A former solicitor at Linklaters and now working in property management, she also acts as Data Protection Officer for Clowns Nursery. Nicola has overseen heritage renovations in both the Suburb and central London, and is passionate about conservation, community, and the natural environment. She has previously served as a trustee for two charities. Nicola chairs the Trust's Grants Committee.

Gren Manuel

Elected 21 September 2022.
Re-elected 29 September 2025.

Gren has lived on the Suburb for over 20 years. A financial journalist by profession, he has been heavily involved in climate change issues in the Suburb through HGSRA REACH and has written extensively on green investing. Gren is Vice-Chair of the Trust and chairs the Finance Committee.

Sarah Stafford

Elected 20 September 2023.

Sarah has lived on the Suburb since 2019. A lawyer by profession, she undertook a major eco-renovation of her house in 2023 and is a strong advocate for improving the energy efficiency of Suburb houses. Sarah chairs the Trust's Estate Committee.

Appointed members:

Elspeth Clements

Appointed by the Royal Institute of British Architects 1 April 2015.
Re-appointed 1 April 2018, 2021 and 2024.

Elspeth is an accredited RIBA Conservation Architect and a former member of RIBA Council. She is Managing Director of Clements & Porter Architects, founded in 1979. She is also Vice-President of the Highgate Society, a Trustee of the London Forum, and wrote part of the Highgate Conservation Area Appraisal. Elspeth chairs the Trust's Plans Committee.

Jonathan Ross

Appointed by the Law Society 18 July 2011.
Re-appointed 18 July 2014, 2017, 2020, 2023 and 2026.

Jonathan is a solicitor and partner at Keystone Law, where his clients include a number of section 19 organisations and estates. He writes regularly for the property press. Jonathan is not now a resident, but he was brought up on the Suburb and his father is a past member of the Trust Council.

Tom Darwall-Smith

Appointed by the Royal Town Planning Institute 19 October 2023.

Tom is a Principal at Keystone Planning, an independent town planning consultancy, specialising in heritage planning and community engagement. He is passionate about the historic environment and the importance of good design.

Olga Vladić-Weal

Appointed by the Victorian Society on 24 February 2026.

Olga is an accredited conservation architect (AABC) and a member of RIBA. She is the founding Director of Vladić–Weal Architecture and was previously an Associate Director at Carden & Godfrey Architects. Olga has extensive experience in the repair and conservation of historic buildings, including Grade I and II* listed structures, working with organisations such as the National Trust and on a range of ecclesiastical and heritage projects. She is Honorary Architect to Dr Johnson's House and acts as Inspecting Architect for a number of churches in the South East.

Dr Tye Blackshaw

Appointed by the Victorian Society 7 January 2020.
Re-appointed 7 January 2023.

Her term of office ended on 7 January 2026.

Election and appointment to the Council

At the Annual General Meeting in September 2025, two elected trustee positions fell vacant following the retirement by rotation of Richard Townley and Gren Manuel. Both stood for re-election and, with no other nominations received, were duly re-elected unopposed. Richard Townley's re-election to a third consecutive term followed a resolution of the Council, as required under the Articles.

Registered office

The registered office of the Trust is: 862 Finchley Road, London NW11 6AB

Telephone number: 020 8455 1066

Email: mail@hgstrust.org

Website: www.hgstrust.org

The office is normally open Monday to Friday, 9am to 5pm, excluding public holidays and the Christmas and New Year period. Telephone calls are answered during office hours; if we are unavailable, please leave a message and we will respond as soon as possible.

Indemnity insurance

Trustees and Officers benefit from indemnity insurance covering liabilities arising from their duties. The cost of this insurance is included within expenditure.

Trust Company membership

At 31 March 2026 there were 716 members of the Trust Company. Membership of the Trust is open to adults who are continuously resident on the Suburb. Membership is free, and each member's liability is limited to a guarantee of £1. Residents can apply online at www.hgstrust.org/membership.

Trust Council's responsibilities

The Trust Council meets nine times a year to direct and oversee the work of the Trust in safeguarding the character and amenities of the Suburb. The Trust Council comprises four members elected by residents who are members of the Trust and four members appointed individually by the Law Society, the Royal Institute of British Architects, the Royal Town Planning Institute and the Victorian Society. These positions are all unpaid and carry responsibilities and duties requiring considerable time, understanding and effort.

Council members' induction and training

New Council members are given written information including the Scheme of Management, Articles of Association, Annual Report and Charity Commission publications including The Essential Trustee. Induction sessions and courses are offered, tailored to individual needs and concerns. New Council members are encouraged to tour the office and meet all the staff and to attend the Plans Committee to gain insight into that important aspect of the Trust's work.

Honorary Life President

The Trust's Honorary Life President is Dr Mervyn Miller PhD, BA, BArch (Hons), MUP, MArch, FRIBA, FRTPI.

Honorary Accounts Adviser

The Honorary Accounts Adviser is Robin Marks BSc (Hons), AMIMA, AAT, TEP.

Volunteer members of advisory committees

(in addition to Trust Council members):

Estate Committee
Michael Mire, Maralyn Roberts, Steven Rowe (until December 2025) and Laurence Wolff

Finance Committee
Jeremy Clynes, Tony Ghilchik, Paul Hartley and Robin Marks

Grants Committee
Ron Finlay, Hilary Frohlich (from March 2026), Rosemary Goldstein and Bryan Marcus

Plans Committee
Helena Benes and Maureen Dor

Professional advisors and consultants

Architectural Consultant
Monica Knight Dip Arch, BSc Arch, Grad Dip Cons (AA), ARB

Solicitors
Lee, Bolton, Monier-Williams
1 The Sanctuary
London SW1P 3JT

Auditors
Menzies LLP
Magna House
18-32 London Road
Staines-Upon-Thames,
Surrey TW18 4BP

Accountants
JS2 Limited
One Crown Square
Church Street East
Woking
Surrey GU21 6HR

Bankers
HSBC Bank plc

Staff

As of 21 July 2026, the Trust employs the following staff:

Senior staff:

Will Hawkins
Chief Executive Officer

Richard Ross
BSc (Hons), MRICS
Head of Estates

David Davidson
BA (Arch), MA (Arch Cons) IHBC
Head of Architecture

Staff:

Paul Capewell
BSc (Hons)
Information Management
Communications Officer

Joe Mathieson
BA, MSt
Architectural Adviser

Niamh Espiner
BA, MSc (Hons)
Business Support Officer

Elizabeth Moore
BA(Hons), MA
Architectural Support Officer

Joyce Evans
MICM
Credit Control Officer

Calum Orr
BSc (Hons), MSc (Arch Cons)
Architectural Adviser

Frank Hawkins
CHort MCIHort MArborA IOSH
Green Estate Manager

Susan Samuels
Office Manager

Report of the Council

Report of the Council

The Council members, who act in the role of directors and trustees, present their fifty-eighth annual report, together with the audited accounts of the Trust for the year ended 31 March 2026. For the purposes of this report the term "Trust" is used to mean the company whose directors are referred to as "the trustees"; the board is referred to as "the Council".

Our purpose

The object of the Trust is to maintain and preserve the character and amenities of Hampstead Garden Suburb.

The Trust has two principal functions:

1. **For all residents**

   The Trust holds its assets and remaining leasehold interests for the benefit of all residents. It manages these assets to maintain their long-term value and applies any operating surplus to its charitable purposes and financial sustainability.

   These purposes include the advancement of arts, culture and heritage, and environmental protection and improvement. Hampstead Garden Suburb is internationally recognised for its architectural and planning significance, and the Trust's work provides benefit both locally and more widely.

2. **For freehold property owners**

   The Trust operates a Scheme of Management under section 19 of the Leasehold Reform Act 1967. The Scheme regulates changes to enfranchised freehold properties, with the aim of preserving the Suburb's architectural integrity and its landscape, including trees, open spaces and gardens.

   The Scheme is funded by an annual Management Charge paid by freeholders. These funds are held on trust for charge payers, must balance year on year, and any surplus is returned in the following year.

The Trust also retains freehold interests in a number of communal areas which, together with its leasehold interests and Scheme of Management responsibilities, support a consistent approach to the management of the Suburb.

Responsibility for highways and larger open spaces rests with the London Borough of Barnet, Transport for London and, in the case of the Heath Extension, the City of London.

Our status and organisational structure

The Trust is a company limited by guarantee (registered in England number 928520) and a registered charity (number 1050098). It is governed by its Memorandum and Articles of Association.

The Trust Council is responsible for the governance and decision-making of the Trust. It is advised by the Plans, Finance, Estate and Grants Committees. Policy is developed by senior staff and committees, and implemented by staff.

The trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit.

Our key activities

The Trust's principal activities are:

- Regulating change on the Suburb through the Scheme of Management and leasehold controls
- Maintaining the Trust's estate, including open spaces, roads and allotments
- Providing architectural and horticultural advice to residents and their advisers
- Making grants to local organisations that benefit residents of the Suburb
- Promoting understanding of the Suburb through publications, events and other media
- Managing the Trust's finances to support its long-term sustainability

Through these activities, the Trust provides benefit to residents and to the wider public.

The year ended 31 March 2026 in review

In summary

This has been a year of steady delivery, alongside a focus on modernising the Trust's systems and ways of working. While much of this work has taken place behind the scenes, it is intended to support more efficient operations, improved service to residents, and stronger long-term resilience.

Across the year, the Trust's work can be grouped into four broad areas of focus:

- Modernising systems and ways of working, including early progress on data, digitisation, governance, risk management and the foundations for improved resident-facing services
- Continuing to strengthen the Trust's financial position, with a focus on long-term sustainability and reducing reliance on one-off income
- Maintaining the Suburb through the Trust's core regulatory and estate management work, alongside a more structured approach to areas such as trees and targeted projects
- Developing a more active approach to engagement, including consultation on emerging issues and broader communication with residents.

Within this context, the Trust's day-to-day operations continued at scale, supported by a small team of experienced staff and established processes. The following sections set out the Trust's work during the year in more detail.

Regulation

Overview

The Trust continued to regulate change across the Suburb through the application of the Scheme of Management and its role as a freeholder. This was supported by advice and engagement with residents and their advisers. The overall volume of activity remained high, and much of our work focused on maintaining design quality and supporting applicants through the process.

Applications for Trust Consent

In the year ended 31 March 2026, the Trust received 165 applications for changes to the external appearance, use or structure of properties (previous year: 207).

These included:

- 36 related to extensions
- 18 to loft conversions
- 44 to replacement windows

All applications were assessed against the relevant Trust controls and design guidance, and for their impact on the character and amenity of the Suburb. The Trust's approach is to work constructively with applicants wherever possible, with many proposals approved following discussion and refinement. Refusals therefore remain rare: in 2025/26, seven applications were refused.

Applications received involving more significant change included five basements and two demolition and rebuild schemes. A large number of minor alterations and repair proposals were also considered, many of which were dealt with informally.

During the year, the Trust introduced a clear process for applications to remove trees under the Scheme of Management. Two applications were received.

Advice and support

Alongside applications, the Trust provided advice to residents, prospective purchasers and their professional advisers on a wide range of matters, including design, maintenance and landscape management. This included over 500 site visits.

The provision of early advice continues to be an important part of the Trust's approach, helping to improve the quality of applications and reduce the need for formal enforcement.

Enforcement

The Trust continues to prioritise resolution through discussion and negotiation. During the year, 15 infringements were issued (previous year: two) and four were lifted.

Formal enforcement action was not required, with matters generally resolved through engagement with property owners and, where necessary, legal correspondence.

Focus during the year

A number of themes have been evident in regulatory work:

- Continued demand for energy efficiency measures, including replacement windows and retrofit works
- The need for increased design guidance and support, particularly where applicants are not working with experienced professionals
- A small number of more complex proposals, including basements / rebuilds, requiring careful assessment

The Trust will continue to develop its guidance and processes to support high-quality applications while maintaining the character of the Suburb.

Supporting the Suburb

Awareness and education

The Trust continued its programme of educational activity to promote understanding of the Suburb's architectural and historical significance.

Staff contributed to a number of events and initiatives, including nine guided walks and talks, and supported visits from universities and professional groups. These activities help to build awareness of the Suburb's design principles and support informed decision-making by residents and their advisers.

Following the publication of the Trust's retrofit guidance, the Trust also held a well-attended event with the Residents Association's REACH group, providing residents with an opportunity to explore the guidance in more detail and ask questions.

A lecture was also given by Paul Capewell, the Trust's Communications Officer, on the work of Suburb architect Charles Paget Wade.

The Trust has continued to develop its use of digital channels to support this work, including its Instagram presence, where its following has grown by 64% over the year.

Engagement and communication

The Trust has begun to take a more structured approach to engagement with residents and stakeholders.

This included a consultation on the future of the former tennis courts and adjoining land to the west of Central Square. The consultation ran from September to October and received over 200 responses, providing valuable insight into residents' priorities and sensitivities.

This approach reflects an intention to engage earlier in the development of proposals, helping to inform decision-making and identify areas of consensus and concern. Further engagement will take place as proposals for the site develop.

The Trust has also agreed to contribute a regular article to the Residents Association's quarterly publication, Suburb News.

Maintaining the fabric of the Suburb

Maintenance work continued across the Trust's estate, including gardens, roads and other communal areas. Repair work was undertaken on the Great Wall, including repointing of a significant western section. A renewed focus on allotments resulted in additional maintenance and improvements undertaken.

The Trust's arboricultural work remained a significant area of activity, with over 400 site visits undertaken. The Suburb's mature landscape continues to require careful management, particularly in relation to tree health and the interaction with insurance requirements.

Work has continued to balance the preservation of established trees and hedges with the need to address safety and structural concerns. This remains an area of ongoing focus.

Other estate assets, including tennis courts, continued to be maintained and used by residents, with 2,589 bookings recorded.

Charitable grants

The Trust provides grant funding to local organisations whose work supports the character and amenities of the Suburb.

In the year ended 31 March 2026 the Trust made the following grants:

Organisation	**Amount**
Brookland Junior School	£300
Garden Suburb Junior School	£1,500
Garden Suburb Theatre	£500
Henrietta Barnett School	£500
HGS Archives Trust	£1,300
HGS Fellowship	£850
HGS Free Church	£10,000
HGS Residents' Association, for Friends of Lyttelton	£3,500
London International Concert Orchestra	£200
Northway Gardens Organisation	£1,375
Proms at St Judes	£7,000
Total	**£27,025**

The Grants Committee continues to assess applications against the Trust's charitable objectives, with a focus on projects that provide clear benefit to residents and the character and amenity of the Suburb.

Modernising the Trust

During the year, the Trust undertook a programme of work to modernise its systems and ways of working. While much of this activity has taken place behind the scenes, it is intended to support more efficient operations, improve the experience of residents and property owners, and strengthen the Trust's long-term resilience.

This has included moving the Trust's data and systems to cloud-based platforms, introducing laptop working for all staff, improving document management and expanding the use of digital tools in day-to-day operations. The Trust also upgraded its connectivity through the installation of fibre to the office and moved its phone systems to Microsoft Teams.

These changes are intended not only to improve efficiency and strengthen security, but also to support more resilient services and provide stronger foundations for future improvements to resident-facing systems and processes.

From 1 January 2026, the Trust moved to the creation of digital records only, reducing reliance on paper-based systems and supporting more accessible and consistent record keeping.

This programme will continue in the coming year, including further development of resident-facing systems and processes.

Financial matters

The Statement of Financial Activities (SOFA)

The form in which the Statement of Financial Activities (SOFA) is presented on page 26 complies with Charity Commission requirements by relating expenditure to the Trust's objectives rather than to traditional categories of expenditure. The statement also separately identifies the finances of the Scheme of Management from those of the Trust itself.

To assist members and charge payers, an analysis of the Management Charge is included as an appendix to the Report and Accounts on page 42. This provides a breakdown under expenditure headings and does not form part of the statutory accounts.

Our financial obligations

As explained above, the Trust has a dual financial responsibility. All assets of the Trust are held for the benefit of all Suburb residents. Separately, the Trust operates the Scheme of Management, funded by a Management Charge paid by enfranchised freeholders. These funds are accounted for separately and held on trust for charge payers until expended.

a. Assets held in Trust for all residents

In the course of the year ended 31 March 2026, our reserves increased by £508,730. Revenue from ground rents and other charges relating to the Trust's leased properties totalled £344,470. Income from the sale of freeholds and lease extensions (as required by the Leasehold Reform Acts), along with one-off payments for variations to leases and covenants, totalled £343,802. An additional income stream from providing conveyancing packs on property sales raised £58,022.

While receipts from freehold transactions continue to provide an important source of funding, they remain finite and are expected to reduce over time. The Trust therefore continues to focus on building more stable and predictable income streams to support its long-term financial sustainability.

The financial results for the year provide further evidence that the Trust's long-term approach to improving financial resilience is beginning to achieve its intended effect, although the Council recognises that continued careful management remains necessary.

b. The Scheme of Management

Income and expenditure under the Scheme budget for the year were the equivalent of an actual charge of £221.45 per household, based on the median number of chargeable properties in the year ended 31 March 2026. This is below the estimated charge of £231.61 per budgeted enfranchised property, and represents an effective rebate to charge payers of £9.77 per actual enfranchised property for the year. This rebate will be set against the estimated charge for the year ending 31 March 2027 when the Management Charge bills are sent out later in 2026.

The Management Charge is a local land charge that runs with the property. The law requires that rebates must be made to the current owner, even when the costs they relate to were incurred before a transfer of ownership.

Financial Management

- During the period, the stated value of the Trust's General Fund fell by £1,764,079. This reduction was largely the result of an internal transfer to the Designated Fund, made to align the balance of that fund with the current value of the Trust's investment property portfolio. The transfer does not change the Trust's overall unrestricted funds and does not represent expenditure or a loss. The period also included £343,802 of surplus arising from freehold sales, licences and variations. Excluding these, there was an operational surplus of £164,928. This provides further evidence that the Trust's long-term approach to building sustainable income is beginning to achieve its intended outcome, reducing reliance on one-off income sources.
- £2,353,012 is held in the Trust's general fund (see note 22). This includes the Trust's working capital, the calls on which include funding the temporary cash flow deficit within the Scheme of Management that arises during the course of the year.
- £144,360 is held in restricted funds (see note 20).
- The Council has designated those funds that are intended to be held for the long term and that constitute the foundation of the Trust's future income. Property investments in these designated funds are intended to be held for the long term and expenditure from them is intended to be limited to amounts that do not exceed in any one year more than half the real growth in capital and income. Funds designated by the Trust Council total £5,660,895. These resources are in the form of £5,660,896 in property assets (see notes 21a, 21b and 22). There was a net investment loss of £55,000, representing 0.7% of the opening investment value during the year as well as the transfer from general unrestricted reserves mentioned above.
- During the year, the Trust strengthened its approach to credit control through the appointment of a dedicated Credit Control Officer. This has enabled a more structured and proactive approach to managing arrears, including the use of payment plans where residents are experiencing genuine financial difficulty. Forty-two accounts are currently being actively managed through agreed payment arrangements (15 at the same point last year). Debtors at the year-end totalled £366,201 (2024/25: £443,110).

The Trust does not have any obligations in respect of a defined benefit pension scheme.

As the Trust does not carry out any fundraising the normal required disclosures regarding fundraising practices are not included in these accounts.

Pay and remuneration

No trustees received remuneration during the year.

Staff pay and conditions are reviewed annually as part of the budget-setting process. The Trust seeks to ensure that its pay framework is fair, affordable, and capable of attracting and retaining the skilled staff it requires. In line with its terms of reference, the Finance Committee acts as the Trust's remuneration committee and advises on the Trust's overall pay framework and approach to remuneration.

The Committee considers pay trends and market conditions and advises on the approach to annual pay adjustments, including a general inflation-linked uplift and scope for limited discretionary adjustments. Individual awards are determined by the Chief Executive within these parameters. The Chief Executive's salary is set by the trustees.

With no structured benefits beyond an employer pension contribution, base salary is the principal element of the Trust's employment offer.

Reserves and investment policy

The Trust's financial strategy has been to build its investable assets to a level that enables it to bring its operating account into balance and generate a sustainable surplus independent of the Scheme of Management.

Historically, the Trust has relied on income from the sale of assets and related transactions. These income streams are finite and expected to decline over time. The Trust has therefore sought to establish a more stable and predictable source of income.

Since 2011, this has been achieved through investment in a portfolio of residential property on the Suburb. Rental income from this portfolio supports the Trust's operating costs and contributes to its long-term financial sustainability.

The financial results for the year indicate that this approach is beginning to achieve its intended outcome, with the Trust moving towards a position of greater stability and reduced reliance on one-off income.

The Trust will continue to develop its investment strategy, including considering the implications of this position and the opportunities it presents for future financial planning and new avenues to deliver its charitable objectives.

Risk management

The Trust maintains a structured approach to risk management to safeguard its operations, assets and long-term ability to deliver both its charitable objectives and Scheme of Management responsibilities.

The Trust further developed its approach to risk management through the introduction of a more comprehensive Risk Register and reporting framework. Risks are assessed using a standard impact and likelihood methodology and are considered both before and after mitigation measures are applied. This enables the Trust to identify priorities clearly and assess where additional controls or actions may be required.

Risks are assigned to responsible owners and monitored regularly by management, with higher-priority risks reported to the Trust Council for review and oversight.

The Trust's approach recognises that risks arise across a broad range of areas, including regulatory activity, operational resilience, financial sustainability, information and systems, legal and governance obligations, and people-related matters.

A range of controls are in place to manage and mitigate these risks. These include established procedures for planning and enforcement activities, regular financial reporting and oversight, investment and reserves policies, external audit and professional advice, information security measures and appropriate insurance arrangements.

The Trust considers effective risk management to be an important part of maintaining a resilient organisation capable of continuing to protect the character and amenities of the Suburb over the long term.

Our future plans

The Trust's financial strategy remains focused on building stable, predictable income to reduce reliance on asset sales and support its long-term charitable purpose. As this position strengthens, the Trust is increasingly able to focus on how its resources can be used more actively to support the preservation of the character and amenity of the Suburb.

Looking ahead, the Trust's priorities for 2026/27 are:

Systems and organisational foundations

The Trust will continue to strengthen its organisational foundations, including further development of systems and processes. This will include work to improve data and systems integration, particularly in relation to sales and payment processes, alongside continued improvements in internal controls, governance and operational resilience.

This work is intended to support more efficient operations, improve the experience for residents and property owners, and ensure that the Trust's systems are aligned with its responsibilities.

Trust land and amenity projects

The Trust will progress its programme of amenity and estate projects, including proposals for land in and around Central Square and other Trust-owned sites. Following consultation on the disused tennis courts and adjoining land to the west of Central Square, the Trust has decided to develop the court to the north of the path as a community orchard. Design and planning work will continue during 2026/27, with the aim of beginning planting in autumn 2026.

These projects will be taken forward in a measured way, with appropriate consultation, and with a focus on preserving the character and amenity of the Suburb while providing long-term benefit to residents.

Future strategy and engagement

The Trust will continue to develop its approach to engagement with residents and stakeholders, building on the more structured approach established during the year.

As the Trust's financial position strengthens and its organisational foundations improve, it will also consider how it can take a more active role in supporting the Suburb, including identifying opportunities to deliver its charitable objectives more effectively.

This will include consideration of how the Trust can support the long-term stewardship and accessibility of the Suburb's historical and archival resources.

Alongside these priorities, the Trust will continue to deliver its core regulatory and estate management functions, maintaining the character of the Suburb and providing guidance and support to residents.

With reserves and risk management strategies in place, the Trust remains a going concern. Financial planning will continue to be prudent and responsive, ensuring that resources are aligned with priorities and that delivery remains achievable.

The Trust Council

Information regarding the Trust Council, including details of those members in office during the period and at the date of approval of this report, is set out under Legal, Administrative and Other Information.

Council members' responsibilities in respect of the preparation of accounts

The trustees (who are also directors of The Hampstead Garden Suburb Trust for the purposes of company law) are responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and 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 a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the charitable company at any time and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

We, the Trustees of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- There is no relevant audit information of which the company's auditors are unaware; and
- We have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

By order of the Council

Will Hawkins

Secretary

Richard Townley

Chairman

Independent Auditor's Report to the Members of the Hampstead Garden Suburb Trust Limited

Opinion

We have audited the financial statements of The Hampstead Garden Suburb Trust Limited (the 'charitable company') for the period ended 31 March 2026 which comprise Statement of financial activities, Balance sheet, Statement of cashflows 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 charitable company's affairs as at 31 March 2026, and of the charitable company's incoming resources and application of resources, including its income and expenditure for the period 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 Companies Act 2006.

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 company 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 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 charitable company'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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 course of 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the report of the council for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The report of the council has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the report of the council.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the charitable company'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 directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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 these are capable of detecting irregularities, including fraud is detailed below:

- The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including FRS 102, Charities SORP, Companies Act 2006, Charities Act 2011 and compliance with the scheme of management. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the charitable company is complying with those legal and regulatory frameworks by, making inquiries to management, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognize non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas; management override of controls to manipulate results, or to cause the Company to enter into transactions not in its best interests.

  Audit procedures performed by the engagement team included:

  - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
  - Reviewing the basis and allocations to the scheme of management;
  - Challenging assumptions and judgments made by management in its significant accounting estimates; and
  - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Janice Matthews FCA (Senior Statutory Auditor)
for and on behalf of
Menzies LLP
Chartered Accountants
Statutory Auditor
Magna House
18-32 London Road
Staines-Upon-Thames TW18 4BP

Date: 22 July 2026

Accounts for the year ended 31 March 2026

Statement of financial activities for the year ended 31 March 2026

(Including the income and expenditure account)

		Unrestricted		Restricted			
		General Fund	Designated Funds	Scheme of Management	Other Restricted Funds	Year ended 31 March 2026 Totals	Year ended 31 March 2025 Totals
			Note 21	Note 20	Note 20		
	Notes	£	£	£	£	£	£
INCOME FROM	1a&d						
Donations and legacies:							
Leaseholders voluntary & other donations		-	426	-	-	426	477
Other trading activities:							
Sundry income		58,022	-	-	-	58,022	43,408
Investments:							
Rental and other investment income	3	385,980	-	-	6,460	392,440	331,659
Charitable activities:							
Application fees	4	17,117	-	108,684	-	125,801	101,194
Management Charges payable by freeholders		-	-	937,402	-	937,402	878,625
Legal fees recovered		-	-	-	-	-	220
Estate Maintenance Charges	1f	87,749	-	-	-	87,749	126,796
Other income:							
Freehold sales, licences & variations	5	343,802	-	-	-	343,802	427,064
Total income		892,670	426	1,046,086	6,460	1,945,642	1,909,443
EXPENDITURE ON	6,7						
Raising funds:							
Rental and other investments		109,619	-	-	-	109,619	177,312
Charitable activities:							
Regulation: Applications		34,388	-	278,115	-	312,503	275,911
Regulation: Awareness/Advice/Enforcement		66,170	-	331,618	-	397,788	363,175
Maintaining the fabric of the Suburb		86,014	-	396,714	-	482,728	496,745
Rechargeable estate maintenance	1f	87,749	-	-	-	87,749	126,796
Total expenditure		383,940	-	1,006,447	-	1,390,387	1,439,939
Net loss on investments		-	(55,000)	-	-	(55,000)	(6,962)
Net income	8	508,730	(54,574)	39,639	6,460	500,255	462,542
Balance of Freeholders Management Charges: refunded	2&17	-	-	(83,338)	-	(83,338)	(138,196)
Transfer between funds		(2,272,809)	2,272,809	-	-	-	-
Net movement in funds		(1,764,079)	2,218,235	(43,699)	6,460	416,917	324,346
Reconciliation of funds:							
Funds brought forward at 1 April 2025		4,117,091	3,442,660	-	137,900	7,697,651	7,318,447
Funds brought forward at 1 April 2025 before return or charge of balance of Management Charge		4,117,091	3,442,660	83,338	137,900	7,780,988	7,456,643
Balance of Freeholders Management charges to be refunded	2&17	-	-	(39,639)	-	(39,639)	(83,338)
Funds carried forward at 31 March 2026	23	2,353,012	5,660,895	-	144,360	8,158,267	7,697,651

All of the above are continuing activities of the Trust. The Trust had no recognised gains and losses other than those included above.

The notes on pages 29 to 41 form part of these accounts.

Balance sheet at 31 March 2026

	Notes	31 March 2026 £	£	31 March 2025 £	£
FIXED ASSETS					
Tangible assets:					
Freehold and long leasehold estate, at cost	*10&1c*	36,905		37,805	
Freehold property, at cost less depreciation	*11*	341,857		349,939	
Estate works, at cost less depreciation	*12*	-		-	
Investments:					
Property investments, initially at cost subsequently at fair value	*13*	5,600,000		5,655,000	
Total fixed assets			5,978,762		6,042,744
CURRENT ASSETS					
Debtors	*14*	421,632		443,110	
Cash at bank and in hand		1,725,173		1,063,067	
Short Term Deposits		220,000		425,000	
Total current assets		2,366,805		1,931,177	
LIABILITIES					
Creditors: amounts falling due within one year	*15*	(187,300)		(276,270)	
NET CURRENT ASSETS			2,179,505		1,654,907
TOTAL NET ASSETS OR LIABILITIES			8,158,267		7,697,651
REPRESENTING THE FUNDS FOR THE CHARITY					
Unrestricted funds:					
General fund	23		2,353,012		4,117,091
Designated funds	22a,b&c		5,660,895		3,442,660
Restricted funds:					
Scheme of Management compensation	21		144,360		137,900
			8,158,267		7,697,651

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

Approved and authorised for issue on behalf of the Council on 21 July 2026 and signed on its behalf by

Richard Townley

The notes on pages 29 to 41 form part of these financial statements.

Statement of cash flows for the year ended 31 March 2026

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Cash flows from operating activities	63,766	(114,965)
Cash flows from investing activities:		
Rental and other investment income	392,440	331,659
Proceeds from the sale of investments	900	810
Purchase of investments	0	(424,462)
Net cash generated/(used) by investing activities	393,340	(91,993)
Change in cash and cash equivalents in the reporting period	457,106	(206,958)
Cash and cash equivalents at the beginning of the reporting period	1,488,067	1,695,025
Cash and cash equivalents at the end of the reporting period	1,945,173	1,488,067

NOTES TO THE CASH FLOW STATEMENTS	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Reconciliation of net income to net cash flow from operating activities:		
Net income for the reporting period	416,917	324,346
Depreciation charges	8,082	11,128
Loss on investments	55,000	6,962
Rental and other investment income	(392,440)	(331,659)
Decrease/(Increase) in debtors	76,909	(146,501)
(Decrease)/Increase in creditors	(100,702)	20,759
Net cash provided by operating activities	63,766	(114,965)
Analysis of cash and cash equivalents:		
Cash at bank and in hand	1,725,173	1,063,067
Short term deposits	220,000	425,000
	1,945,173	1,488,067

Analysis of changes in net debt	At 31 March 2025 £	Cashflows £	At 31 March 2026 £
Cash and cash equivalents	1,488,067	457,106	1,945,173
	1,488,067	457,106	1,945,173

The notes on pages 29 to 41 form part of these accounts.

Notes to the financial statements for the year ended 31 March 2026

General information

The charity is a private company limited by guarantee and is incorporated and registered in England and Wales. Its registered office and principal place of business is 862 Finchley Road, London NW11 6AB.

The financial statements are presented in Sterling (£).

The objects and principal activity of the charity is to maintain and preserve the character and amenities of Hampstead Garden Suburb.

1. Accounting policies

The following are the accounting policies adopted by the Trust:

a. Basis of preparation

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Companies Act 2006.

The Hampstead Garden Suburb Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

b. Going concern

The trustees consider that there are no material uncertainties regarding the charitable company's ability to continue as a going concern.

c. Fixed assets and depreciation

Freehold and long leasehold estate

This is stated at cost and is not being depreciated, but the book value is reduced on the sale of each freehold and lease extension.

Freehold land and building

Freehold land is not being depreciated. Depreciation was provided on the freehold building at £500 per annum from 6 April 1978 to 5 April 1984. This policy was changed from that date so that no further depreciation is provided as the property is maintained to a sufficiently high standard to extend its useful life indefinitely. The book value of the Trust's freehold land and building is based on a professional valuation carried out as at 12 December 1968 being £7,800 for land and £27,000 for the building. Until the year ending 5 April 2019, the Trust's office extension was held at its investment value. In line with the Charities SORP (FRS 102) from that date onwards the office extension is shown at cost (from completion in 2013) of £363,626 less depreciation on a straight line basis over 50 years. The parts of the Trust's office building that are currently used as residential could be taken back in to the Trust's use at short notice. The Trust considers that reliably measuring the residential element in isolation of the rest of the land and building would involve the Trust in undue cost and/or effort.

Office equipment and furniture

The charity currently has a capitalisation policy, whereby only items over £5,000 will be capitalised and included within the assets of the charity, all costs below this threshold are written off in the year of purchase. The depreciation rate provided on office equipment and furniture is 3 years so as to write off the cost of the office furniture and equipment over its expected useful working life.

Estate works

The charity has a capitalisation policy whereby appropriate estate works over £5,000 will be capitalised and included within the assets of the charity, all costs below this threshold are written off in the year the works are undertaken. The depreciation rate provided on appropriate estate works is 10 years so as to write off the costs over their expected useful life.

d. Income and expenditure

All incoming resources and all resources expended are accounted for in the period to which they relate, as follows:

- Donations are accounted for when they are received into the Trust's bank account.
- Legacies are accounted for once notification of entitlement has been received.
- Income from investment property rents is recognised in the period of rental being provided.
- Ground rents, quarterly & annual rents are recognised in the period of rental being provided as the leases prescribe.
- Application fees for Trust Consent are accounted for when they are received into the Trust's bank account.
- Management Charges are billed annually in September, with arrears reminders in December, March and June. Receipts are accounted for and recognised in the period to which the income relates.
- Rechargeable Estate Charges: the Trust carries out various rechargeable works to communal or shared areas, such as gardening and road works. The direct cost of these works is recharged to those owners obligated to contribute to such costs as a condition of their property title. Costs are added to property accounts and accounted for quarterly but billed annually. Estate management expenditure is accounted for monthly.
- Income from freehold sales, licences and variations is notified to the Trust on completion of the legal agreement but only accounted for when received from the Trust's solicitors and allocated as above. Income from completions within the financial year received after 31 March are not accrued. This is in accordance with the Trusts rules.

Restricted funds comprise monies raised for, and their use restricted to, a specific purpose; or donations subject to donor imposed conditions (see Note 20).

Directly attributable expenditure is charged to charitable activities or governance costs as appropriate. Support costs, which are defined as those costs necessary to deliver an activity but which do not contribute to its output, are allocated on the basis of estimated staff time.

Governance costs are those which relate to the general running of the charity, rather than charitable activity. These include audit fees, legal advice for trustees and costs associated with constitutional and statutory requirements together with the appropriate allocation of support costs.

e. Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied exclusively to its charitable purposes.

f. Pensions

The Trust has contributory pension arrangements, which it accounts for on an accruals basis.

g. Investments

Investments comprise short term deposits and property assets. Investment properties are held at trustees' best estimate of market value at the balance sheet date in accordance with the SORP. The Trust maintains a regular review of local properties prices, and investment property values are reviewed by the Trust's Head of Estates against a comparable range of local properties of equivalent location and size. Any gains or losses on investment assets are shown on the SOFA. No depreciation is charged on investment property.

h. Critical accounting judgements and estimates

In preparing these accounts, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the accounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant accounting judgements and estimates include:

- Valuation of investment property (see note 1g)
- Allocation of expenditure to the Scheme of Management (see note 2)

i. Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

j. Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

k. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

l. Redundancy and termination costs

The charity recognises employee redundancy and termination costs in full on the date the redundancy or termination is confirmed.

2. Scheme of Management

The Trust administers a Scheme of Management under the 1967 Leasehold Reform Act. This was passed by the High Court in 1974 and amended in 1983. The purpose of the Scheme is to preserve and conserve the Hampstead Garden Suburb and applies to all freehold properties enfranchised since the Act came into force. Each item of income and expenditure is allocated to either the Scheme of Management or the general fund, or where appropriate shared between both. The basis on which Freeholders have consequently been charged with a proportionate part of the expenses of the Trust in operating the Scheme has been agreed by the auditors.

Items of expenditure and income that relate to both the Scheme of Management and the general fund are apportioned as follows:

- General overheads are apportioned according to the proportion of enfranchised (i.e. freehold) properties to all properties in respect of which the Management Charge or lease rents are payable to the Trust. Within this calculation flats are weighted against houses in the proportion 1:10. The weighting has been determined by an analysis of staff time which showed that on average more than ten times as much time, weighted for salary, was spent on houses as on flats. This calculation results for 2025/2026 in an apportionment of 88%:12% (Year ended 31 March 2025 88%:12%) between the Scheme of Management and the general fund.
- Legal costs are allocated or apportioned on a case by case basis, in accordance with legal advice. The apportionment is determined according to the balance of significance of the covenants relating to the Scheme of Management and to the Trust as the owner of the residual estate, balanced by consideration of the overriding reasons for the Trust defending or taking the action.
- Costs for projects and amenities of benefit to all residents are apportioned according to the proportion of enfranchised (i.e. freehold) properties to all properties in respect of which the Management Charge or lease rents are payable to the Trust, with each property weighted equally. For 2025/2026, this results in an apportionment of 80%:20% (Year ended 31 March 2025 80%:20%) between the Scheme of Management and the general fund.

The Trust's auditors are satisfied that these apportionments are an appropriate basis on which to allocate expenditure to the activities of the Trust and the Scheme of Management. The accounting systems used by the Trust ensure that all items of income and expenditure attributable to the Scheme of Management are separately accounted for. Given the separate accounting records, the trustees do not consider that the Scheme of Management would be any more effectively operated with a separate bank account, and the auditors concur with this decision. A summary of the resources expended by the Trust, allocated between the general fund and the Scheme of Management and related to an individual Management Charge, is set out on page 42 by way of additional information as that page does not form part of the report & accounts. The net surplus of £39,639 (Year ended 31 March 2025: net surplus of £83,338) attributable to the Scheme will be returned by a balancing credit to each Freeholder in accordance with clause 8 (b) (ii) of the Scheme of Management.

3. Investment income

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Rental income	344,470	297,576
Bank interest	47,970	34,083
	392,440	331,659
Allocated to:		
Trust and estate management (general fund)	392,440	331,659

4. Building application fees

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Leasehold	17,117	17,662
Freehold	108,684	83,532
	125,801	101,194

5. Freehold Sales, Licenses & Variations

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Freehold Sales	123,202	244,314
Variations	220,600	159,904
Lease Extensions	-	22,846
	343,802	427,064

6. Analysis of expenditure

Year ended 31 March 2026	Direct £	Support £	Total £
Costs of Generating Funds:			
Rental/Investment Management	70,375	39,244	109,619
Charitable Activities (inc. Governance Costs):			
Regulation: Applications	196,886	115,617	312,503
Regulation: Awareness/Advice/Enforcement	268,092	129,696	397,788
Maintaining the Fabric of the Suburb	408,914	73,814	482,728
Rechargeable Estate Maintenance	87,749	-	87,749
	1,032,016	358,371	1,390,387

Year ended 31 March 2025	Direct £	Support £	Total £
Costs of Generating Funds:			
Rental/Investment Management	144,146	33,166	177,312
Charitable Activities (inc. Governance Costs):			
Regulation: Applications	190,119	85,792	275,911
Regulation: Awareness/Advice/Enforcement	261,964	101,211	363,175
Maintaining the Fabric of the Suburb	432,258	64,487	496,745
Rechargeable Estate Maintenance	126,796	-	126,796
	1,155,283	284,656	1,439,939

7. Direct and support costs

Year ended 31 March 2026	Staff Costs £	Support Costs £	Amenities & Project Costs £	Legal/ Professional Costs £	Total £
Costs of Generating Funds:					
Rental/Investment Management	70,375	39,244	-	-	109,619
Charitable Activities (inc. Governance Costs):					
Regulation: Applications	196,886	115,617	-	-	312,503
Regulation: Awareness/Advice/Enforcement	210,976	129,696	-	57,116	397,788
Maintaining the Fabric of the Suburb	161,452	73,814	245,133	2,329	482,728
Rechargeable Estate Maintenance	-	-	87,749	-	87,749
	639,689	358,371	332,882	59,445	1,390,387

Year ended 31 March 2025	Staff Costs £	Support Costs £	Amenities & Project Costs £	Legal/ Professional Costs £	Total £
Costs of Generating Funds:					
Rental/Investment Management	144,146	33,166	-	-	177,312
Charitable Activities (inc. Governance Costs):					
Regulation: Applications	190,119	85,792	-	-	275,911
Regulation: Awareness/Advice/Enforcement	211,404	101,211	-	50,560	363,175
Maintaining the Fabric of the Suburb	84,490	64,487	333,095	14,673	496,745
Rechargeable Estate Maintenance	-	-	126,796	-	126,796
	630,159	284,656	459,891	65,233	1,439,939

Support costs include £206,471 (Year ended 31 March 2025: £130,163) of management and staff costs.

8. Net income

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Net incoming resources for the period has been stated after charging:		
Depreciation – Office	8,082	8,082
Depreciation – Estate	-	3,046
Auditors remuneration – audit	18,930	13,715

9. Management and staff costs

The average number of full and part-time staff (employees and contracted staff) during the year was 12 (Year ended 31 March 2025: 12) of which 3 (Year ended 31 March 2025: 3) were part-time and all of whom were involved in the delivery of the Trust's activities. The average number of Full Time Equivalent employees and contracted staff during the period was 8.94 (Year ended 31 March 2025 10.58).

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Management and staff costs during the period comprised:		
Wages and salaries	575,556	554,116
Employers NI	65,417	51,600
Pension – Defined Contribution	43,525	44,267
Other management costs and expenses incurred	161,662	110,339
	846,160	760,322

For the Year Ended 31 March 2026 one employee received emoluments in the range £60,000-£70,000 (Year ended 31 March 2025: nil) no employee received emoluments in the range £70,000-£80,000 (Year ended 31 March 2025: two), three employees received emoluments in the range £80,000 – £90,000 (Year ended 31 March 2025: one).

The total employee benefits of the key management personnel of the Trust were £311,430 (Year ended 31 March 2025: £307,323).

No trustees received remuneration in either this year or the previous year.

10. Freehold and long leasehold estate, at cost

	31 March 2026 £	31 March 2025 £
At 1 April 2025	37,805	38,615
Disposals during the year	(900)	(810)
At 31 March 2026	36,905	37,805

The Trust has an interest in a number of freehold properties. On enfranchisement of the interest the Trust receives the proceeds and recognises this amount in full on the face of the SOFA under Other income Freehold sales, licences & variations net of an allocation of the original cost.

11. Freehold property

	Land £	Building £	Total 31 March 2026 £	Total 31 March 2025 £
Cost				
At 31 March 2025	7,800	390,626	398,426	398,426
Additions	-	-	-	-
At 31 March 2026	7,800	390,626	398,426	398,426
Depreciation				
At 31 March 2025	-	48,487	48,487	40,405
Charge for period	-	8,082	8,082	8,082
At 31 March 2026	-	56,569	56,569	48,487
Net Book Value				
At 31 March 2026	7,800	334,057	341,857	349,939
At 31 March 2025	7,800	342,139	349,939	358,021

The parts of the Trust's office building that are currently used as residential could be taken back into the Trust's use at short notice. The Trust is unable to reliably determine the fair value of the resident element in isolation from the rest of the land and buildings. For this reason, the historic construction cost of the extension completed in 2013 is depreciated in a straight line over 50 years.

12. Estate works

	31 March 2026 £	31 March 2025 £
Cost		
At 31 March 2025	241,511	241,511
Additions during the period	-	-
At 31 March 2026	241,511	241,511
Depreciation		
At 31 March 2025	241,511	238,465
Charge for the period	-	3,046
At 31 March 2026	241,511	241,511
Net Book Value		
At 31 March 2026	-	-
At 31 March 2025	-	3,046

13. Property investments

	31 March 2026 £	31 March 2025 £
Cost		
At 31 March 2025	5,655,000	5,237,500
Additions	-	424,462
Revaluation	(55,000)	(6,962)
At 31 March 2026	5,600,000	5,655,000

Property investments comprise 12 residential properties located on Hampstead Garden Suburb. These investments are let on assured shorthold tenancies. They are held for their rental income which matches the Trust's long term obligations to contribute towards shared costs from the Trust's own funds. See note 1 (g) for the Trust's policy on valuation of investments.

14. Debtors

	31 March 2026 £	31 March 2025 £
Management income owed to the Trust	366,612	359,401
Other debtors	2,185	2,185
Prepayments and accrued income	52,835	81,524
	421,632	443,110

15. Creditors: Amounts falling due within one year

	31 March 2026 £	31 March 2025 £
Trade creditors	87,554	98,936
Accruals and deferred income	25,491	24,665
Other Taxation and Social Security	17,967	15,105
Other creditors	16,649	54,226
Sub total	147,661	192,932
Refund of Management Charge	39,639	83,338
	187,300	276,270

Deferred income	31 March 2026 £	31 March 2025 £
Brought forward	13,478	13,478
Released in the period	(13,478)	(13,478)
Deferred in the period	-	-
Carried forward	-	-

Deferred income represents billing in advance.

16. Freehold Scheme of Management

	31 March 2026 £	31 March 2025 £
Surplus	(39,639)	(83,338)
Balance refundable to freehold charge payers for 2025/2026	39,639	83,338
Funds carried forward at 31 March 2026	-	-

17. Indemnity insurance

During the Year Ended 31 March 2026 the Trust paid £2,240 (Year ended 31 March 2025: £7,822) in respect of an insurance policy which indemnifies its trustees and officers against the consequences of any neglect or default on their part and protects the Trust from any loss arising from the neglect or defaults to its trustees or officers.

18. Remuneration of the Trustees

No remuneration is paid to any of the Trust's trustees (Year ended 31 March 2025: Nil).

No trustees were reimbursed for expenses (Year ended 31 March 2025: Nil).

There were no related party transactions during the period (Year ended 31 March 2025: none).

19. Members liability

The liability of members is limited by guarantee up to a maximum of £1 per member.

20. Restricted funds

Year ended 31 March 2026	As at 1 April 2025	Income	Expenditure	Deficit or (Surplus) belonging to Scheme of Management	As at 31 March 2026
	£	£	£	£	£
Management Charge for Scheme of Management	-	1,046,086	(1,006,447)	(39,639)	-
Scheme of Management compensation	137,900	6,460	-	-	144,360
	137,900	1,052,546	(1,006,447)	(39,639)	144,360

Year ended 31 March 2025	As at 1 April 2024	Income	Expenditure	Deficit or (Surplus) belonging to Scheme of Management	As at 31 March 2025
	£	£	£	£	£
Management Charge for Scheme of Management	-	962,377	(879,039)	(83,338)	-
Scheme of Management compensation	137,900	-	-	-	137,900
	137,900	962,377	(879,039)	(83,338)	137,900

The Management Charge for Scheme of Management fund shows the amount due to enfranchised freeholders after the costs of operating the Scheme of Management in the period have been ascertained in comparison to the estimated Management Charge for the period. The Scheme of Management compensation fund relates to the net amount (after legal fees were deducted and returned to the relevant funds) paid to the Trust in settlement for an unauthorised development. This fund is restricted by the terms of the Scheme of Management to be applied in subsequent years in the manner authorised by the Scheme of Management, which is made for the purpose of ensuring the maintenance of the character and amenities of Hampstead Garden Suburb. This fund is held in trust for the members of the Scheme of Management. The funds are kept in a bank account separate to any other funds held by the Trust. Opportunities to invest monies from the Compensation Fund on projects to protect and maintain the character and amenity of the Suburb are planned for 2026/27.

21a. Endowment designated fund

Year ended 31 March 2026	As at 1 April 2025 £	Income £	Expenditure £	Transfers & gains/losses £	As at 31 March 2026 £
Endowment Designated Fund	60,469	426	-	-	60,895

Year ended 31 March 2025	As at 1 April 2024 £	Income £	Expenditure £	Transfers & gains/losses £	As at 31 March 2025 £
Endowment Designated Fund	59,992	477	-	-	60,469

The endowment designated fund contains donations to support the Trust's ability to preserve the amenities and character of the Suburb in the long term; for that reason the Trust Council has determined that not more than half the fund's real growth in capital and income will be spent in any year.

21b. Designated fund

Year ended 31 March 2026	As at 1 April 2025 £	Income £	Expenditure £	Transfers & gains/losses £	As at 31 March 2026 £
Designated Fund	3,382,191	-	-	2,217,809	5,600,000

Year ended 31 March 2025	As at 1 April 2024 £	Income £	Expenditure £	Transfers & gains/losses £	As at 31 March 2025 £
Designated Fund	3,382,191	-	-	-	3,382,191

The designated fund was set up in 2008/2009 for the purpose of ensuring the long-term future of the Trust and the Suburb. The designated fund represents the investments of the Trust which it is intended shall be conserved and grown so that the Trust can continue to meet its objects to preserve the character and amenity of the Suburb and is held within the Trust's investment portfolio. In line with its Reserves and investment Policy, the Trust uses the revenue from the sale of assets to purchase investment properties, the income from which is set against the Trust's own financial obligations to the Scheme of Management.

21c. Designated funds total

Year ended 31 March 2026	As at 1 April 2025 £	Income £	Expenditure £	Transfers & gains/losses £	As at 31 March 2026 £
Designated Funds Total	3,442,660	426	-	2,217,809	5,660,895

Year ended 31 March 2025	As at 1 April 2024 £	Income £	Expenditure £	Transfers & gains/losses £	As at 31 March 2025 £
Designated Funds Total	3,442,183	477	-	-	3,442,660

22. Analysis of net assets by fund

Fund balances at 31 March 2026	General Fund £	Designated Funds £	Restricted Fund £	Total Funds £
Fixed assets	317,867	5,660,895	-	5,978,762
Cash on short term deposits	220,000	-	-	220,000
Net current assets	1,815,145	-	144,360	1,959,505
	2,353,012	5,660,895	144,360	8,158,267

Fund balances at 31 March 2025	General Fund £	Designated Funds £	Restricted Fund £	Total Funds £
Fixed assets	2,462,184	3,442,660	137,900	6,042,744
Cash on short term deposits	-	-	-	-
Net current assets	1,654,907	-	-	1,654,907
	4,117,091	3,442,660	137,900	7,697,651

THE FOLLOWING PAGE (NO. 42) DOES NOT FORM PART OF THE STATUTORY REPORT & ACCOUNTS

Resources expended allocated to funds and relating to Management Charge period 1 April 2025 to 31 March 2026

Expenditure items	Total	General Fund, Designated & Restricted Funds	Management Charge	Year ended 31 March 2026 Cost per charge	Year ended 31 March 2025 Cost per charge
	£	£	£	£	£
Staff costs: Staff salaries inc. PAYE & NI, contract and temporary staff, employee and volunteer expenses, training costs	846,160	93,078	**753,083**	185.76	165.45
Premises costs: Office rent, utilities, telephone, Council Tax, repairs and renewals, cleaning etc.	41,982	4,618	**37,364**	9.22	9.63
Administrative costs: Insurance (except for trustees), office equipment, printing, postage & stationery, public relations, bank charges, depreciation	83,806	11,491	**72,315**	17.84	17.40
Governance costs: Trustee insurance etc.	7,959	876	**7,083**	1.75	3.58
Projects and amenities costs: Maintenance of amenity areas and other projects costs	245,828	153,772	**92,056**	22.71	15.15
Legal costs	57,115	28,682	**28,433**	7.01	2.32
Other professional costs: Arboriculturalist, human resources, valuation and other advice	2,437	2,328	**109**	0.03	0.85
Audit costs	18,153	2,148	**16,004**	3.95	2.98
EXPENDITURE	1,302,747	296,993	**1,005,754**	**248.26**	**217.36**
Less					
Income from fees on freehold applications			(108,684)	(26.81)	(20.61)
Legal costs recovered			-	-	(0.05)
NET COST			**897,763**	**221.45**	**196.70**
INCOME					
Management Charges including in-year enfranchisers			**937,402**		
Balance of Management Charges to be (charged) credited to Freeholders			**39,639**	**9.77**	**20.61**

At 1 April 2025, 4,044 Management Charges payable. At 31 March 2026, 4,054 Management Charges payable.

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