

HAMPSTEAD - GARDEN - SUBURB - TRUST

REPORT AND ACCOUNTS FOR THE YEAR
ENDED 5 APRIL 2015



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CHAIRMAN'S REVIEW 2014/2015

I open my review giving warmest thanks to Jane Blackburn, who retired as Trust Manager in January 2015 after 10 years of committed service. With her wide-ranging knowledge, inclusive approach and a strong business mind, she helped transform the fortunes of the Trust during her time with us, significantly reorganising its limited resources and reinforcing its ability to preserve the character and amenities of the Suburb. Jane will be missed by Trustees and Suburb residents alike. She has left to concentrate her efforts on a new cooperative housing project in Colchester, and I would like to wish her the best of luck in her new venture.

The smooth running of the Trust has continued with Nick Packard taking over as Manager. Nick was the Estate Manager from 2009. His knowledge of the Suburb and previous involvement in the administration of the Trust put him in a good position to build on Jane's work. Nick's appointment as Trust Manager created a vacancy as Estate Manager, which has been taken up by Jane Horder, an experienced Chartered Surveyor.

Changes have also taken place to the Trust Council. Simon Hurst leaves us after 12 years' service. I wish to thank Simon on behalf of the Trust for his dedication and contribution, particularly as chairman of the important Property and Plans Committee and latterly as vice-chairman of the Trust. His replacement as the RIBA appointed Trustee is Elspeth Clements, an accredited conservation architect. Saul Zadka, who served for three years as an elected Resident Trustee, retired by rotation and David White was elected unopposed to the Trust Council.

I must also thank the many volunteers who give up their valuable time for the Trust. Many hours are spent serving on the Trust's committees and on specific projects. In particular, Judith Chaney has been tireless in her efforts to complete the Tree Survey. Judith led volunteers on the Area Character Appraisal some years ago, which has since been adopted by both the Trust and Barnet. This current project started in 2012, and is now into its final stages, with the results due to be published in the next 12 months.

The finances of the Trust continue to improve, but we are still running a deficit. Our receipts (other than that which comes from the Scheme of Management – which may only be used for running the Scheme) come from three main sources: investment income (now principally rents), sale of freeholds, and the grant of licenses and covenant variations. Our non-investment income is necessarily time-limited, in that we will run out of freeholds to sell, and the number of residents seeking licenses and covenant variations will decline. Of our total principal receipts of £604,991, investment income accounted for only £161,548, and our non-Scheme of Management expenditure amounted to £459,267.

Our financial situation is flattered on paper by the revaluation of our investment properties which amounted to an additional £171,532 on our balance sheet. This of course is money we can't actually spend – any more than a resident can spend the amount by which the value of his or her house has increased. The current value of our investment property is £1,772,180. This produced a return of about 11.66% over the year. The Trustees are considering ways in which investment in properties can be accelerated to balance our income and expenditure more sustainably for the long term.

Growing numbers of people wish to build basements, both on the Suburb and across London. The Trust has been appraising such developments within the Suburb, and noted the approach adopted by some Local Authorities in conservation areas seeing an increase in such developments. The Trust's existing basement guidance is being clarified, in light of the publications of planning authorities and the judgments in the case involving the Trust and a property in Green Close. During the year, the Trust threatened litigation against an owner who had constructed a basement in excess of a Provisional Consent. It is important to the Trust that those who choose to carry out works without consent should do so in the knowledge that the Trust's policy is to obtain injunctions to restrain or reverse unauthorised work whenever possible, or seek damages when it is not.

The Trust has continued to develop its Estate Management role on the Suburb. Two significant road reconstruction projects at Turner Close and Linnell Close were completed. Major progress was made on the restoration of the Great Wall which forms the important demarcation of the rural Heath Extension and the townscape of the Suburb. These works are the culmination of several years' consultation with residents, consultant engineers and contractors. Alongside these major works, equally important cyclical maintenance takes place to maintain communal areas.

Another significant achievement during the year was the relaunch of the Trust's website, with more information available, and including a mobile-friendly version to allow residents and contractors quick access to information wherever they are.



Richard Wiseman
Chairman

LEGAL, ADMINISTRATIVE AND OTHER INFORMATION ABOUT THE TRUST

MEMBERS OF THE COUNCIL ON 21 JULY 2015



Back row (l-r): Jonathan Ross, Elspeth Clements, Alison Blom-Cooper, Tim Leach. Front row (l-r): Claire Calman, Richard Wiseman, Michael Franklin, David White

Elected members:

Claire Calman

Elected 1 October 2012

Claire has been a Suburb resident for over twelve years and first became involved with the work of the Trust as the Chair of Reynolds Close Residents Association. She is a published author and has worked as a journalist and editor.

Michael Franklin

Elected 26 September 2013

Michael grew up and went to school on the Suburb, returning as a resident again in 2001. He was Chairman of the Suburb Horticultural Society for six years until 2014. His background is in business.

Michael David White

Elected 10 September 2014

David has lived on the Suburb since 1960 when his parents bought 2 Meadway. David was, for many years, the honorary secretary of the Garden Suburb Theatre and is the sole Church Warden for St Jude's. David is a chartered accountant and a licensed insolvency practitioner and prior to his retirement, he was the training director for the Association of Business Recovery Professionals.

Richard Wiseman (Chairman)

Elected 26 September 2013

Richard has lived on the Suburb for about eighteen years. Prior to his election to the Trust Council he was an active member of the Residents Association Executive. He is a lawyer and prior to his retirement he was global head of ethics and compliance for Shell.

*Appointed members:***Alison Blom-Cooper BSc MPhil MRTPI****Appointed by the Royal Town Planning Institute on 12 April 2014**

Alison has over 30 years' experience of planning issues across both the public and private sectors. She has a particular interest in training and communications. She is currently a Director of Fortismere Associates which offers planning, design and management consultancy support for communities and the public sector.

Elsbeth Clements**Appointed by the Royal Institute of British Architects on 1 April 2015**

Elsbeth is a member of RIBA Council and is an accredited RIBA Conservation Architect. She works in partnership with David Porter as Clements & Porter Architects, founded in 1979. She is also Chairman of the Highgate Society Planning Group and wrote part of the Highgate Conservation Area Appraisal.

Tim Leach BA (Hons) Architecture, DipArch, Dip Con (AA), RIBA**Appointed by the Victorian Society on 16 September 2009. Re-appointed 2012**

Tim is an Architect Director of Building Design Partnership and leads the culture and heritage work of the London office. His wide experience includes the master planning of historic environments and the design and implementation of complex conservation projects.

Jonathan Ross**Appointed by the Law Society on 18 July 2011.****Re-appointed 2014**

Jonathan is a solicitor and is head of property litigation at Forsters LLP, 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.

Election and Appointment to the Council:

The departure of Saul Zadka after three years in office left one vacancy for a resident Trustee. David White was nominated by Pia Duran and David Littaur. As there was only one nomination there was no ballot.

There was one vacancy for an appointed member created by the retirement, as the appointee of the Royal Institute of British Architects, of Simon Hurst, who was first appointed on 20 May 2003. On 1 April 2015 the Royal Institute of British Architects appointed Elspeth Clements as his successor.

REGISTERED OFFICE

The registered office of the Trust is 862 Finchley Road, London NW11 6AB, telephone numbers 020 8455 1066 and 020 8458 8085, email mail@hgstrust.org, website www.hgstrust.org. The office is normally open Monday to Friday 9am to 5pm, excluding public holidays.

TRUST COMPANY MEMBERSHIP

At 5 April 2015 there were 988 members of the Trust Company and 55 associate members. Membership of the Trust is open to adults who have been continuously resident on the Suburb for over three years. Other adult residents may join as associate members. Applications are welcome (there is no charge or subscription, and each member's liability is limited to a guarantee of £1). The application form can be obtained from the website (www.hgstrust.org) or from the Trust office at the address above.

TRUST COUNCIL'S RESPONSIBILITIES

The Trust Council meets ten times a year to direct and oversee the work of the Trust staff 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 Property and 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, RIBA, 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**

Judith Chaney, Philip Freedman, Helen Leiser, Steven Rosen, Patricia Major.

Finance Committee

Jeremy Clynes, Robin Marks, Paul Hartley, Max Petersen.

Grants and Amenities Committee

John Freeborn, Eva Jacobs, Sally Lewis, Louise Scheuer.

Property and Plans Committee

Jonathan Rowley, Max Petersen, Geoffrey Spyer.

PROFESSIONAL ADVISERS:**Solicitors**

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

Bankers

HSBC Bank plc Temple Fortune,
40 Temple Fortune Parade, Golders Green,
London NW11 0QU

Auditors

haysmacintyre,
26 Red Lion Square
London WC1R 4AG

Arboriculturalist

Anthony George Dip LA, MLI, FRSA,
Anthony George and Associates, The Old Brick House,
Village Road, Dorney, Windsor SL4 6QJ

LEGAL, ADMINISTRATIVE AND OTHER INFORMATION ABOUT THE TRUST (Continued)

STAFF

The following people are currently employed by the Trust:

Administration Team:



Nicholas Packard
MA (European Real Estate)
MRICS
Trust Manager and
Company Secretary



Rosalinde de Best
MA History of Art
Trust Manager's
Assistant



Georgina Malcolm
Finance and
Legal Assistant



Paul Capewell
BSc (Hons) Information
Management
Information and
Communications
Assistant



Patricia Lewin
Credit Control
(part-time)

Architectural Team:



David Davidson
BA (Arch), MA (Arch Cons)
IHBC
Architectural Adviser



Heidi Pearce
BA (Hons) History of Art
Planning and
Casework Assistant



Michael Tutton
Dip Cons, PgDip (Bldg Cons)
IHBC
Assistant
Architectural Adviser
(part-time)



Marjorie Galbinski
PgDip CHE
Assistant
Architectural Adviser
(part-time)



Ann Marsh
BA Dip Arch, RIBA
Architectural
Consultant
(part-time)

Estate Management Team:



Jane Horder
MRICS
Estate Manager



Ruth Bull
Assistant
Estate Manager



Lana Clarke
Assistant
Estate Manager
(Maternity Cover)



Susan Samuels
Estate Management
Assistant
(part-time)

REPORT OF THE COUNCIL

The Council members, who act in the role of directors and Trustees, present their forty-seventh annual report, together with the audited accounts of the Trust for the year ended 5 April 2015. 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”.

OBJECT AND PRINCIPAL ACTIVITY

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

In 1967 legislation was passed that obliged landlords to sell their freeholds on demand to long leaseholders. This created a new situation for the Trust, as for other landlords, as it was constituted at that time. In 1967, therefore, it was dissolved and replaced by the present Trust with a new constitution. The new Trust has members (who must be Suburb residents) but no shareholders and no owners. The Trustees are not permitted to benefit financially from their positions and on dissolution the assets of the Trust would be at the disposal of the Charity Commission.

The new Trust had two principal functions that it continues to carry out to the present day.

1. The new Trust was not obliged to dispose of all its assets but holds them and its unenfranchised leaseholds in trust **for all the residents of the Hampstead Garden Suburb including the Freeholders**. It manages these assets so as to maximise their value and devotes any operating surplus to the maintenance of its financial position and to the charitable purposes described in its Memorandum of Association.
2. The new Trust was also designed so as to enable it to operate a Scheme of Management as provided for in section 19 of the Leasehold Reform Act of 1967. In 1974 the High Court authorised a Scheme under which the appearance of the building and grounds of all enfranchised properties is controlled by the Trust and which the Trust still operates. The purpose of the Scheme is to ensure that the Suburb's architectural integrity and its amenities in terms of its trees, open spaces and gardens are preserved and that unreasonable development is prevented. The Scheme is funded by a Management Charge payable by Freeholders. This money is held in trust **for the Freeholders alone** and remains the property of Freeholders until expended. Any surplus must be returned to them. The Scheme's finances have to balance year on year. The Scheme does not have any reserves and does not own anything. It is not a legal entity, simply an accounting device.

Since 1974 the great majority of the houses and many of the flats on the Suburb have enfranchised and fall within the Scheme of Management, the numbers increasing year by year. In 1988 the Trust acquired the freeholds of all the long leasehold properties on the Suburb (including most of the blocks of flats) from Ashdale Land and Property Company Ltd. Through these leases, the freehold ownership of 11 allotment sites, 27 unadopted roads, some 50 other communal open spaces and the Scheme of Management itself, the Trust can maintain a unified control over nearly all Suburb properties and the trees, hedges and many of the communal areas around them. Control of the public highways and the larger open spaces rests with the London Borough of Barnet and Transport for London.

STATUS

The Trust is a company limited by guarantee (registered in England number 928520), not having a share capital and is registered as a charity (Number 1050098). It is governed by its Memorandum and Articles of Association dated 8 March 1968 and most recently amended on 17 September 2008. Until 15 January 2007 it was known as The New Hampstead Garden Suburb Trust Limited.

The Trust's charitable purposes cover the advancement of the arts, culture and heritage, environmental protection and improvement. Hampstead Garden Suburb is internationally recognised as the finest and best realised example of English twentieth century domestic architecture and planning. The public benefit extends far beyond the 16,000 or so residents of the Suburb to the international community – lay and professional – with an interest in architecture, planning and social history. The lessons to be learnt from the ethos, history, landscape and architecture of the Suburb benefit both present and future generations.

The Trust's long term strategy is to undertake:

- Regulation of change on the Suburb through vigorous exercise of the Trust's obligations and rights under the Scheme of Management (for enfranchised freehold properties) and through the terms of the leases (for property where the Trust retains the freehold reversion)
- Direct, planned management of the residual estate, including communal open spaces, private roads and allotments
- An effective architectural advisory service for residents, owners and their professional agents and contractors.
- An education and awareness programme through walks, talks, publications, broadcast and new media
- A modest programme of charitable donations to Suburb good causes
- Management and enhancement of the Trust's reserves to permanently eliminate revenue deficit.

REPORT OF THE COUNCIL (Continued)

Main developments in 2014/2015 have been:

- Continued improvement in the Trust's financial position through investment in Suburb property assets to provide a steady income
- Significant staff change
- The Suburb-wide Tree Survey continues to make excellent progress with the final four areas left to be surveyed
- Repair and conservation works to Linnell Close, Turner Close and The Great Wall

The Trust Council confirms that it has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

It is through care, regulation and control over the Suburb that the Charity is able to provide the public benefits identified above not only to residents but also to students of and visitors to the Suburb. The care, regulation and control aspects of the Trust's work are detailed below.

REGULATION: DEFENDING THE SUBURB

Applications

In 2014/15, the Trust received 260 applications (282 applications in 2013/14) to change the external appearance, use or structure of property. There were four new applications for demolition, two of which were renewals of previous consents. All four of these remained unresolved during the course of the year and all four included rebuilding with a basement. In addition, eighteen applications were received which involved the construction of, or extension to, a basement in an existing property, one of which was a renewal of an old consent. Of these, three were refused and one was approved. One was withdrawn and thirteen remained unresolved during the course of the year. Consent was also given for three basements received in previous years. Four applications involved creating new hardstandings, one of which was approved, two were refused and one remained unresolved during the course of the year.

The application process involves consultation with neighbours and negotiation with owners and their architects to achieve an acceptable design. Following the approval of applications by the Trust Council, Trust staff check construction details, monitor work in progress, approve building materials and components, carry out final inspections and issue final consent for correctly completed work.

Advice and Enforcement

Throughout the year the Trust's staff gave practical guidance to residents, potential residents and their professional advisers on matters including preliminary advice regarding applications, routine care and maintenance work, legal matters, the pruning and felling of trees and the care of landscape and hedges. Applications to fell mature trees are a matter of constant concern to the Trust and the staff work with consultants, residents and the local authority, including Ward Councillors, to resist inappropriate felling.

Twenty recorded infringements have been resolved and lifted during the course of the year. Thirty four new infringements have been recorded.

Awareness and Education

The Trust endeavours to promote understanding of the special nature of the Suburb to residents and others through talks, guided tours and written and illustrated material. The Trust Council considers that wider awareness and appreciation of the Suburb, as an important landmark in the evolution of domestic architecture and Town Planning, is critical to its continued preservation.

The Trust's Design Guidance remains a useful tool for residents. In light of recent developments, supplementary basement guidance is being considered. Residents and representatives from the Trust visited Rothenburg, the German medieval town that provided an inspiration for the Suburb to Raymond Unwin, and the Trust welcomed representatives from Rothenburg's tourism agency, reinforcing the historical link between the two areas. In December, Trust Architectural Adviser David Davidson gave a winter lecture highlighting some of the connections. International interest from academics and scholars continues, and the Trust has hosted several visits from individuals and groups wishing to understand the origins and development of the Suburb, as well as the ways in which the Trust maintains the integrity of the area.

In September 2014, the Trust launched its new website – the first redesign in a number of years – with much more information for property owners and contractors, a fresh new look, as well as a more modern layout for navigating on mobile devices.

MAINTAINING THE FABRIC OF THE SUBURB

In conjunction with the relevant owners and the City of London, a programme of repairs began to restore Charles Paget Wade's Great Wall, an important architectural feature dividing the rural Heath Extension from the urban Suburb. Major road reconstruction works were completed on private roads at Turner Close and Linnell Close. Following the expiry of a lease on three tennis courts in Central Square, one of the hard courts was refurbished and made available for the use of residents of the Suburb and their guests. An online system was put in place to manage bookings. Work started by a second consultant engineer on a scheme to repair a retaining wall at Corringham Road. The Tree Survey continued in conjunction with the Residents Association and LB Barnet. Annual inspections were carried out of all the hard and soft landscaping owned by the Trust across the Suburb. Where appropriate, tree and repair works were carried out following consultation with LB Barnet, owners liable to contribute to costs or neighbours.

GRANTS

The Trust's grant aid to local bodies whose charitable activities are likely to be beneficial to residents has again increased. During 2014/2015 the Trust, advised by the Grants & Amenities Committee, made grants from the general fund of £14,500.00 (2013/2014: £13,958). Grants include £3,000 to the Proms at St Jude's, £1,300 to the HGS Archive Trust to cover their accommodation costs in the Trust offices, £800 to Open City London, £2,850 to Fellowship towards the front garden at Fellowship House, £2,000 to St Jude-on-the-Hill towards notice boards and reinstatement of hedging, £500 to the Free Church towards replacement of a grand piano, £550 to the Garden Suburb Theatre towards the cost of a performance in Little Wood, £450 to the Orchard Housing Society towards replacing fruit trees, £500 to Alyth Synagogue for Shalom suppers, £300 to Abbeyfield to reimburse management charges and road sweeping charges, and a further £250 to support a programme of outings, £500 to Golders Green Quaker Meeting House for installation of lightweight iron gates, and £1,500 to Northway Gardens Animal Park to fund a pirate ship in the play area redevelopment.

VOLUNTEERS

In 2014/2015 the Trust has again benefited from input to its work by volunteers including non-Trustee members of the Property & Plans Committee, the Estate Committee, the Finance Committee and the Grants and Amenities Committee. Volunteers continue to assist with tasks in the office. The Tree Survey programme, using resident and other volunteers, is into its final stage with four remaining areas to be surveyed. The names of those who served on the Trust's advisory committees are given above. Altogether there are twenty-one residents serving on the Trust Council and committees. This does not exhaust the list of those who help the Trust in various valuable ways.

FINANCIAL MATTERS

The form in which the statement of financial activities is set out on page 13 complies with the Charity Commission requirements to relate expenditure to the Trust's objectives rather than under heads of expenditure. The statement also details the finances of the Scheme of Management as well as those of the Trust, although each is separately identified. As a supplement to assist members and charge payers the Trust has included, as an appendix to the report and accounts, an analysis of the Management Charge, which gives a breakdown under heads of expenditure (see final page).

The Trust's finances

The Trust has a dual obligation. All its assets are held in trust for the benefit of all Suburb residents; Freeholders, leaseholders, tenants and others. The Trust also operates a Scheme of Management under section 19 of the Leasehold Reform Act 1967. The Scheme is funded by a Management Charge paid by enfranchised Freeholders. These funds are accounted for separately from the Trust's own property and are held in trust for the Freeholders until expended. The Trust is not permitted to profit from its operation of the Scheme and any surplus is returned to the Freeholders.

REPORT OF THE COUNCIL (Continued)

A. Assets held in Trust for all residents

Revenue is derived from the ground rents and other charges relating to the Trust's leased properties, which are generally falling in real terms. In the course of 2014/2015 the Trust's total reserves increased by £382,502. This is derived from three sources. Part is from the sale of freeholds and lease extensions, as required by the Leasehold Reform Acts. Part is in the form one-off payments for variations to leases and covenants. Together these total £416,028. Part is constituted by donations totalling £5,497, including gift aid, received from residents during the year. The latter amount is placed in a restricted fund where the capital element of the fund is to be maintained for the longer term with not more than half of the real growth in capital and income spent in any one year. It will be noted that the £382,502 increase in reserves is less than the £416,028 received from the sales of assets. These assets are not renewable and the net receipts must be husbanded with great care and invested to provide the Trust with a secure income to support its work for the indefinite future.

In the opinion of the Council the market value of the Trust's land and buildings is considerably in excess of the value appearing in the accounts.

The Council considers that the overall state of the Trust's financial affairs is once again strengthened, but still remains capable of further improvement. The Trust's assets are available and adequate to fulfil its current obligations.

B. The Scheme of Management

As stated above the Scheme of Management is funded by Freeholders and its finances are accounted for separately from those of the Trust itself: the funds within the Scheme of Management are not the property of the Trust. Income and expenditure under the heads of the budget for the year, were the equivalent of an actual charge for the year of £117.82 per household. This is below the estimated charge of £135.40 and the equivalent of a rebate to charge payers of £17.72 over the full year. This will be set against the estimated charge for 2015/2016 when the Management Charge bills are sent out in August/September. Charge payers should note that the Management Charge is a land charge that runs with the property; the law requires that rebates must be made to the current owner even when they are made in respect of costs incurred before a transfer of ownership.

TRUST COUNCIL

Information regarding the Trust Council, including details of those members in office during the year and at the date of approval of this report, is shown 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then 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 the 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 at any time the financial position of the charitable company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

RESERVES AND INVESTMENT POLICY

Until 2005 the Trust's assets were steadily depleted by subsidising the operation of the Scheme of Management. The withdrawal of the subsidy from the Scheme of Management in that year arrested the deterioration of the Trust's finances. Since 2005 revenue has been generated by the sale of assets which were on the balance sheet at book value and by fees from the variation of covenants which had no assigned balance sheet value. Cash from these balance sheet 'crystallisations' is no longer invested on the stock market but is being invested in Suburb property. The purchase of a small flat was completed in 2014/15 and contracts were exchanged to purchase another before the end of the financial year. The income from these modest investments in residential property is bringing the operating account, in deficit for many years, into balance.

The fundamental financial objective of the Trust is to restore the level of its investible assets to a level that will enable it to produce an increasing real income – quite independent, of course, of the Scheme of Management. Over the last nine years the Trust has made some progress towards this goal but it will need some years of well controlled expenditure and investment before it is firmly established.

In effect, the Trust is restructuring its balance sheet. Its freeholds have been subject to compulsory sales since 1967 and the revenue from these sales will eventually be extinguished; meanwhile they have some way to run. These freeholds are held at book value. The Trust also derives revenue from variations in covenants. The Trust's experience of these transactions suggest that they will decline but that, for the foreseeable future they will make it possible to reinvest what are essentially balance sheet assets so as to improve the Trust's financial position. The intention is that this should be continually strengthened by careful management.

FINANCIAL MANAGEMENT

- During the year the stated value of the Trust's balance sheet grew by an amount (£382,502) greater than the deficit on its operations (£33,526) after stripping out the £416,028 surplus on freehold sales, licences and variations
- £579,027 is held in the Trust's general fund (see note 23). This includes the Trust's working capital, the calls on which include the funding of the deficit in the cash flow of the Scheme of Management that occurs in the course of the year.

- £42,077 is held in restricted funds (see note 21). 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 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 £2,084,725. These resources are in the form of: £1,834,373 in property assets and £250,352 of cash on deposit.

RISK MANAGEMENT

The Trust Council members have reviewed the Trust's risk management strategy. This included examining the Trust's building, public liability and professional indemnity insurance, banking arrangements, health and safety issues, etc. The Council members consider that procedures are in place to mitigate any risks to which the Trust could be exposed.

PLANS FOR FUTURE PERIODS

The long term financial objectives of the Trust are, with respect to its own resources, to husband and consolidate them so as to generate revenue to enable it to preserve the character and amenities of the Suburb as well as to ensure its long-term survival. With respect to the Scheme of Management the Trust will ensure that its expenditures are controlled so as to be consistent with the requirements of the Scheme of Management and endeavour to keep them within a predicted range related to the rates of inflation in the items of expenditure that constitute the expenses of the Scheme of Management.

AUDITORS

haysmacintyre, chartered accountants and registered auditors experienced in the charity sector were re-appointed in September 2014. haysmacintyre is willing to continue in office and a resolution will be proposed at the Annual General Meeting for their re-appointment and for their remuneration to be fixed by the Council.

By order of the Council



Nicholas Packard
Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HAMPSTEAD GARDEN SUBURB TRUST LIMITED

We have audited the financial statements of the Hampstead Garden Suburb Trust for the year ended 5 April 2015 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial; and non-financial information in the Report of the Council to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Although work was conducted so as to arrive at a conclusion regarding the truth and fairness of the financial statements, we also confirm as required by clause 7(d) (i) of the Scheme, that during the course of our work, nothing came to our attention that would indicate that the Trust, or its operation of the Scheme of Management, has been run in anything other than an economical, efficient and consistent manner.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2015 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report of the Council for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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 to take advantage of the small companies exemption in preparing the Report of the Council.

Richard Weaver (Senior Statutory Auditor)
for and on behalf of **haysmacintyre, Statutory Auditors**
26 Red Lion Square, London WC1R 4AG

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2015

(Including the income and expenditure account)

	Notes	2014/2015				2014/15 Total £	2013/14 Total £
		General Fund £	Restricted Funds note 21 £	Designated Funds note 22 £	Scheme of Management note 2 & 24 £		
Incoming resources	1(c)						
Incoming resources from generated funds:							
Voluntary income							
Leaseholders voluntary & other donations	21	-	5,497	-	-	5,497	7,355
Activities for generating funds:							
Commissions and fees	3	2,257	-	-	-	2,257	2,600
Sundry income		6,280	-	-	-	6,280	5,845
Investment income	4	161,548	-	-	-	161,548	114,669
Incoming resources from charitable activities:							
Building application fees	5	13,381	-	-	139,108	152,489	146,173
Management charges payable by freeholders		-	-	-	511,771	511,771	468,596
Legal fees recovered		-	-	-	-	-	119,142
Estate Maintenance Charges	1(e)	242,274	-	-	-	242,274	298,954
Other incoming resources:							
Surplus on freehold sales, licences & variations		416,028	-	-	-	416,028	502,793
Total incoming resources		841,768	5,497	-	650,879	1,498,144	1,666,127
Resources expended	6,7						
Costs of Generating Funds:							
Rental/Investment Management		40,715	-	-	-	40,715	85,321
Charitable Activities:							
Regulation: Applications		24,542	-	-	128,840	153,382	151,110
Regulation: Awareness/Advice/Enforcement		41,717	-	-	231,528	273,245	380,026
Maintaining the Fabric of the Suburb		103,830	-	-	196,433	300,263	273,063
Rechargeable Estate Maintenance	1(e)	242,274	-	-	-	242,274	298,954
Governance Costs:							
Governance costs including audit fees	1(c)	6,189	-	-	26,542	32,731	33,557
Total resources expended		459,267	-	-	583,343	1,042,610	1,222,031
Net incoming/(outgoing) resources before transfers	8	382,501	5,497	-	67,536	455,534	444,096
Balance of Freeholders Management							
Charges: charged/(refunded)		-	-	-	(31,756)	(31,756)	(69,628)
Transfers (designated funds)		(466,262)	-	466,262	-	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		(83,760)	5,497	466,262	35,779	423,778	374,468
Gain/(loss) on investments and properties		171,532	-	-	-	171,532	(2,948)
Net movement in funds		87,772	5,497	466,262	35,780	595,311	371,520
Funds brought forward at 5 April 2014	17	491,255	36,580	1,618,463	31,756	2,177,874	1,806,534
Funds at 5 April 2014 before return or charge of balance of Management Charge		579,027	42,077	2,084,725	67,536	2,773,365	2,178,054
Balance of Freeholders Management							
Charges to be charged/(refunded)	2	-	-	-	(67,536)	(67,536)	(31,756)
Funds carried forward at 5 April 2015		579,027	42,077	2,084,725	-	2,705,829	2,146,298

All of the above are continuing activities of the Trust. The Trust had no recognised gains and losses other than those included above. The attached notes on pages 15 to 23 form part of these accounts.

BALANCE SHEET AT 5 APRIL 2015

Company number 928520

	Notes	2014/2015 £	£	2013/2014 £	£
Fixed Assets					
Tangible assets					
Freehold and long leasehold estate, at cost	10 & 1(b)	49,865		52,205	
Freehold property	11	34,800		34,800	
Property investments		1,772,180		1,343,692	
Assets in Course of Construction		-		-	
Office equipment and furniture	12	-		-	
Estate Works	13	104,269		125,373	
Investments	14	250,352		246,625	
			2,211,466		1,802,695
Current Assets					
Debtors	15	285,877		389,689	
Scheme of Management surcharge/(rebate)	15	(67,536)		(31,756)	
Cash at bank and in hand		569,799		579,610	
			788,140		937,543
Current Liabilities					
Creditors: amounts falling due within one year	16	(293,777)		(593,940)	
Scheme of Management		-		-	
Net Current Assets			494,363		343,603
Net Assets			2,705,829		2,146,298
Representing:					
General fund			579,027		491,255
Restricted fund	21		42,077		36,580
Freehold Scheme of Management	17		-		-
Designated fund	22		2,084,725		1,618,463
			2,705,829		2,146,298

Approved and authorised for issue on behalf of the Council on 21 July 2015 and signed on its behalf by



Richard Wiseman



Alison Blom-Cooper

The notes on pages 15 to 23 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2015

1. ACCOUNTING POLICIES

The following are the accounting policies adopted by the Trust:

a) Basis of accounting

The financial statements are prepared under the historical cost convention, as modified by the valuation of the Trust's freehold land and building, and on the going concern basis. In order to present a true and fair view, because of the special circumstances in which the Trust is operating, the Statement of Financial Activities is drawn up in a form which differs from that provided for by the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP) issued in March 2005. With this exception the accounts have been prepared in accordance with the provisions of the SORP, the Companies Act 2006 and applicable United Kingdom Accounting Standards.

In accordance with Financial Reporting Standard No. 1, the Trust is exempt from the requirement to prepare a cash flow statement as it is a small company.

b) 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 freehold building has been reviewed for impairment in accordance with Financial Reporting Standard No. 11 and any depreciation charge would be immaterial. The book value of the Trust's freehold land and building is based on a professional valuation carried out as at 12 December 1968. The Trust is adopting the transitional provisions of Financial Reporting Standard No. 15 in that it has not updated this valuation.

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.

c) Incoming resources and resources expended

All incoming resources and all resources expended are accounted for in the period to which they relate.

Restricted funds comprise monies raised for, and their use restricted to, a specific purpose; or donations subject to donor imposed conditions (see Note 21).

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.

d) Taxation

As a registered charity the Trust is generally not liable to taxation on its surplus or capital gains. It is not however, exempt from value added tax. Irrecoverable value added tax is included in the cost of those items to which it relates.

e) Rechargeable Estate Maintenance

The Trust carries out numerous works on behalf of residents in the year. This work relates directly to specific areas for items such as gardening and road works. This is recharged to those residents affected by the works.

f) Pensions

The Trust has contributory pension arrangements.

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. Any surplus or deficit arising on revaluation is taken directly to the fund as an unrealised gain or loss. No depreciation is charged on investment property.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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 (ie 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 2014/2015 in an apportionment of 84%:16% 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 (ie 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 2014/2015, this results in an apportionment of 72%:28% 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 the final page. The net surplus of £67,536 (2013/2014: net surplus of £31,756) 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. COMMISSIONS AND FEES

This amount includes Royal & Sun Alliance (insurers) £2,257.33 (2014: £2,600), for an original requirement (now lapsed) in some Trust leases that insurance was to be provided by them.

4. INVESTMENT INCOME

	2014/2015 £	2013/2014 £
Rental income	157,537	111,752
Bank interest	4,011	2,917
	161,548	114,669
Allocated to:		
Trust and estate management (general fund)	161,548	114,669
Restricted Fund (interest)	-	-
	161,548	114,669

5. BUILDING APPLICATION FEES

	2014/2015 £	2013/2014 £
Leasehold	13,381	19,206
Freehold	139,108	126,967
	152,489	146,173

6. RESOURCES EXPENDED

	Direct £	Support £	2014/2015 £	2013/2014 £
Costs of Generating Funds				
Rental/Investment Management	24,560	16,155	40,715	85,321
Charitable activities				
Regulation: Applications	113,158	40,224	153,382	151,110
Regulation: Awareness/Advice/Enforcement	199,732	73,513	273,245	380,026
Maintaining the Fabric of the Suburb	255,389	44,874	300,263	273,063
Rechargeable Estate Maintenance	242,274	-	242,274	298,954
Governance Costs	29,164	3,567	32,731	33,557
	864,277	178,333	1,042,610	1,222,031

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. DIRECT AND SUPPORT COSTS

	Staff Costs £	Support Costs £	Amenities & Project Costs £	Legal/ Professional Costs £	Total 2014/2015 £	Total 2013/2014 £
Costs of Generating Funds						
Rental/investment management	24,560	16,155	-	-	40,715	85,321
Charitable Activities						
Regulation: Applications	113,158	40,224	-	-	153,382	151,110
Regulation: Awareness/Advice/Enforcement	137,294	73,512	967	61,472	273,245	380,026
Maintaining the Fabric of the Suburb	91,810	44,875	137,332	26,246	300,263	273,063
Rechargeable Estate Maintenance	-	-	242,274	-	242,274	298,954
Governance Costs inc. audit fees	10,014	3,567	-	19,150	32,731	33,557
	376,836	178,333	380,573	106,868	1,042,610	1,222,031

Support costs include £56,839 (2014: £55,416) of management and staff costs (see note 9).

8. NET INCOME RESOURCES

	2014/2015 £	2013/2014 £
Net incoming resources for the year has been stated after charging:		
Depreciation – Office	-	-
Depreciation – Estate	21,104	21,104
Auditors remuneration – audit (haysmacintyre)	8,490	8,910
Auditors remuneration – non audit	1,560	2,964

9. MANAGEMENT AND STAFF COSTS

The average number of full and part-time staff (employees and contracted staff) during the year was 14 (2014:12) of which 8 (2014: 7) were part-time and all of whom were involved in the delivery of the Trust's activities.

	2014/2015 £	2013/2014 £
Management and staff costs during the year comprised:		
Wages and salaries	339,096	315,662
Employers NI	34,430	32,509
Pension	11,498	9,531
Other management costs and expenses incurred	48,651	57,940
	433,675	415,642

For the year ended 5 April 2015 one employee received emoluments in the range £60,000-£70,000 (2014: One). No Trustees received remuneration in either this or the previous year.

10. FREEHOLD AND LONG LEASEHOLD ESTATE, AT COST

	2014/2015 £	2013/2014 £
At 5 April 2014	52,205	46,821
Disposals during the year	(2,340)	(1,800)
Acquisition during the year	-	7,184
At 5 April 2014	49,865	52,205

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 Surplus on Sales of Freeholds net of an allocation of the original cost.

11. FREEHOLD PROPERTY

	Land £	Building £	Total £
Valuation on 12 December 1968			
At 5 April 2014 and 2015	7,800	27,000	34,800

12. OFFICE EQUIPMENT AND FURNITURE

	£
Cost	
At 5 April 2014 and 2015	-
Depreciation	
At 5 April 2014	-
Charge for year	-
At 5 April 2015	-
Net Book Value	
At 5 April 2015	-
At 5 April 2014	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. ESTATE WORKS

£

Cost

At 5 April 2014	211,043
Additions during the year	-

At 5 April 2015	211,043
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Depreciation

At 5 April 2014	85,670
Charge for the year	21,104

At 5 April 2015	106,774
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Net Book Value

At 5 April 2015	104,269
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At 5 April 2014	125,373
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14. INVESTMENTS

	2014/2015 £	2013/2014 £
Investments brought forward	-	2,948
Additions at cost	-	-
Disposal proceeds at market value	-	-
Unrealised gains/(losses)	-	(2,948)
	-	-
Cash held	250,352	246,625
	250,352	246,625
Investments listed on a recognised stock exchange	-	-
Cash held as part of the investment portfolio	250,352	246,625
	250,352	246,625

15. DEBTORS

	2014/2015 £	2013/2014 £
Management income owed to the Trust	279,293	94,727
Other debtors	1,243	247,462
Prepayments and accrued income	5,341	47,500
Refund of Management Charge	(67,536)	(31,756)
	218,341	357,933

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014/2015 £	2013/2014 £
Accruals and deferred income	65,692	315,588
Completion of investment property purchase	228,085	278,352
	293,777	593,940

17. FREEHOLD SCHEME OF MANAGEMENT

	£	£
Funds brought forward as at 05/04/2014 as previously stated		(31,756)
Balancing charges 2014/15		31,756
Surplus for 2014/15	(67,536)	
Balance refundable to freehold charge payers in 2014/15	67,536	
Funds carried forward as at 05/04/2015	-	-

18. INDEMNITY INSURANCE

During the year ended 5 April 2015 the Trust paid £4,149 (2014: £4,149) 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.

19. REMUNERATION OF THE TRUSTEES

No remuneration is paid to any of the Trust's Trustees (2014: Nil). No Trustees were reimbursed for travelling expenses (2014: Nil).

20. MEMBERS LIABILITY

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

21. RESTRICTED FUNDS

	As at 06.04.14 £	Incoming Resources £	Resources Expended £	Transfer £	As at 05.04.15 £
Main Restricted Fund	36,580	5,497	-	-	42,077
	36,580	5,497	-	-	42,077

The main restricted 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 not more than half the fund's real growth in capital and income will be spent in any year.

22. DESIGNATED FUND

	As at 06.04.14 £	Incoming Resources £	Resources Expended £	Transfers/ gains & losses £	As at 05.04.15 £
Designated Fund	1,618,463	-	-	466,262	2,084,725

The designated fund was set up in 2008/2009 for the purpose of ensuring the long term future of the Trust and the Suburb. Only part of the real growth in capital and income will be spent in any one year. The designated fund represents the fixed assets and 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.

23. ANALYSIS OF NET ASSETS BY FUND

Fund balances at 5 April 2015 are represented by

	General Fund £	Restricted Fund £	Designated Funds £	Total Funds £
Tangible fixed assets	84,664	42,077	1,834,373	1,961,114
Investments	-	-	250,352	250,352
Net current assets	494,363	-	-	494,363
	579,027	42,077	2,084,725	2,705,829

The investments in the general fund have maturities of three months or less.

24. RESOURCES EXPENDED ALLOCATED TO FUNDS AND RELATING TO MANAGEMENT CHARGE YEAR ENDED 5 APRIL 2015

Expenditure items	Total £	General Fund, Designated & Restricted Funds £	Scheme of Management £	Cost per charge £	2013/2014 £
1. Staff costs:	433,675	69,388	364,287		
Staff salaries inc PAYE & NI, contract & temporary staff, employee & volunteer expenses, training costs					
Less:					
Income from fees on freehold applications			(139,108)		
Net staff costs				225,179	59.72
					59.29
2. Premises costs:	53,280	8,525	44,755	11.87	20.10
Office rent, utilities, telephone, Council Tax, repairs and renewals, cleaning etc.					
3. Administrative costs:	68,213	10,914	57,299	15.20	17.02
Insurance (except for Trustees), office equipment, printing, postage & stationery, public relations, bank charges, depreciation					
4. Governance costs:	6,299	1,008	5,291	1.40	1.44
Trustee insurance etc.					
5. Projects and amenities costs:	138,300	109,820	28,480	7.55	5.51
Maintenance of amenity areas and other projects					
6. Legal costs:	61,414	8,029	53,385	14.16	4.98
7. Other professional costs:	29,105	7,701	21,404	5.68	5.96
Arboriculturalist, human resources, valuation and other advice					
8. Audit fees:	10,050	1,608	8,442	2.24	2.28
Expenditure	800,336	216,993	444,235	117.82	116.58
Income from fees on freehold applications			139,108		
Total management charges including in-year enfranchisers			511,771		
Total income			650,879		
Total expenditure			583,343		
Balance of Management Charges to be (charged) credited to freeholders			67,536	17.72	rounded figures

At 6 April 2014 3,757 Management Charges payable. At 6 April 2015 3,784 Management Charges payable.

The Hampstead Garden Suburb Trust Limited

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

862 Finchley Road, Hampstead Garden Suburb, London NW11 6AB
Tel: 020 8455 1066 / 020 8458 8085 Email: mail@hgstrust.org

Company number: 928520
Registered charity number: 1050098 Registered in England

