



WIMBLEDON AND PUTNEY COMMONS CONSERVATORS

**REPORT OF THE CONSERVATORS
AND**

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2019**

FOR

THE WIMBLEDON AND PUTNEY COMMONS ACT 1871

REGISTERED CHARITY NUMBER: 303167

Kreston Reeves LLP

Chartered Accountants & Statutory Auditor

9 Donnington Park
85 Birdham Road
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West Sussex
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**Wimbledon and Putney Commons
Conservators**

**Reference and Administrative Details
for the Year Ended 31 March 2019**

Conservators	Mrs D Neil Mills (Chairman) – Elected April 2018 Mrs S Gillbe – Re-elected April 2018 Mr D Hince – Elected April 2018 Mr P Hirsch – Elected April 2018 Mrs S-J Holden – Elected April 2018 Mr M Rappolt - Appointed by Ministry of Defence May 2017 Dr R Taylor - Appointed by DEFRA April 2013 Mr N Ware - Appointed by Home Office March 2018
Chief Executive	Mr S Lee
Principal address	Ranger's Office Manor Cottage Wimbledon Common London SW19 5NR
Registered charity number	303167
Independent auditors	Kreston Reeves LLP Chartered Accountants and Statutory Auditor 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ
Solicitors	Russell-Cooke LLP, 2 Putney Hill, London SW15 6AB
Bankers	Barclays Bank plc 8 Alexandra Road Wimbledon London SW19 7JZ

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APPROVED

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COMMENTS FROM THE CHAIRMAN AND CHIEF EXECUTIVE

CHAIRMAN'S STATEMENT

The Conservators recognise the enormous potential of Wimbledon and Putney Commons and are united by a shared sense of purpose and collective ambition to achieve the long-term vision. That vision will be secured through the delivery of a comprehensive programme of specific initiatives focussed on strengthening the foundations of the organisation. Although progress has been made across the entire organisation over the past year, there has been particular focus on three key areas: effective governance, financial discipline and strong community engagement.

Effective Governance – The governance arrangements of Wimbledon and Putney Commons are unique, particularly amongst open spaces in London. Most other common land in London and its environs that was transferred into public ownership in the 19th century was constituted under the Metropolitan Commons Act 1866, governed by locally appointed board members and financed through grant funding. WPCC's model of directly elected/cabinet level appointed Conservators, governed by a separate Act of Parliament and financed by a Levy, allows both local and the wider public interests to be represented and decision-making to be fully devolved. As Conservators, we value the independence and powers that we have been granted and recognise the enormous responsibility with which we have been entrusted to provide the stewardship that this magnificent resource deserves.

As such, one of our highest priorities over the past year has been a focus on governance with a view to delivering greater consistency, transparency and clarity across WPCC's processes and decision-making frameworks. A review of WPCC's constitution has also been initiated with the objective of improving the organisation's ability to achieve its fundamental duty of preserving, protecting and enhancing the Commons for the purposes of exercise and recreation. This is not about introducing a more permissive regime or diluting the original purposes of the charity, which are absolutely fundamental and immutable.

Financial Discipline – Strict financial discipline has allowed the 2018-19 business plan to be delivered within the agreed budget and a small operational surplus to be achieved. Despite this focus on effectively managing short-term expenditure, however, the organisation struggles to make the sustainable long-term investment in its assets that is required. As such, Conservators have begun to explore the feasibility of amending the Levy, which at present provides for approximately 70 percent of the unrestricted income. The Conservators recognise that if this were to be formally progressed, any amendment would require secondary if not primary legislation and as such remains a long-term endeavour.

To supplement the Levy, formal use of the Commons by third parties continues to be important not only because of the financial contribution made by such user groups but also because of the relationships with the local community that are forged. A number of these user groups depend on the built facilities on the Commons and proper long-term investment in this infrastructure, which is difficult in the current environment, is therefore critically important.

Fundraising for specific projects continues to play an important role in enhancing the estate with the benches appeal, memorial garden and horse rides all benefitting from the generosity of residents, visitors and organisations over the past year. In an effort to further build on the goodwill of the community, Conservators have recently agreed to establish and lead a Friends of Wimbledon and Putney Commons Programme to focus on fundraising and provide opportunities for members of the local community to collectively celebrate their passion for the Commons. Formal launch of the programme is expected for the autumn 2019.

Strong Community Engagement - Whilst the Commons have always been recognised for the importance of the physical asset to many, less well appreciated is the contribution they make to both the social and spiritual dimensions of the local community. Nowhere was this more evident than in the dawn and dusk Remembrance Day Centenary Services that were held on the 11th November 2018, where the need in the community for collective commemoration was clearly visible.

The role of the Commons in providing opportunities for shared and collective experiences of this nature is of increasing importance given the demise of other traditional community facilities and services. In

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addition to hosting one-off events such as the Remembrance Day Commemoration, the Commons currently provide a venue for a wide range of regular community events and activities ranging from the increasingly popular guided health walks, the Annual Open Day and BioBlitz to those managed by other organisations including the Bookfest, the Rosslyn Park Sevens Rugby tournament and fairs as well as a hugely popular carols concert at the Wimbledon Windmill. The Commons play a key role in not only providing a vast open space but also in providing staff with the requisite management capabilities, experience and confidence to manage events involving large crowds in an orderly and safe manner.

In closing, I would like to thank my fellow Conservators, whose continued support through a wide range of channels has enabled the achievements of the past year to be delivered. On behalf of the Conservators, I am also most grateful to the small army of volunteers, whose selfless and quiet contribution is so vital to our operations. We are also indebted to individuals and organisations who have supported us financially, enabling specific enhancements to be delivered for the benefit of all. Finally, I would like to thank the staff, led by the chief executive, for their expertise, commitment and dedication. They are often the first if not the only point of contact for members of the public and they are a great tribute to us all. Thank you.

CHIEF EXECUTIVE'S FOREWORD

I continue to be impressed by the commitment, dedication and affection shown by all those connected to the Commons. The support given by all our partners, staff and volunteers demonstrates the passion people have for their Commons.

This year has been extremely positive, the newly constituted Board has built upon the vision and values underpinning our Commons Strategy 2018-28. In June 2018 the Board agreed a number of key priorities focussing on long-term investment in the Commons, improving engagement and delivering enhancements to our assets.

Our volunteers play an increasingly important role in the management of the Commons, undertaking activities to improve our heathlands and woodlands and also through the recently launched volunteer litter-picking campaign, helping to keep the Commons free of litter. Through the volunteer-led flora and fauna monitoring programmes we have a greater understanding of the impact of our work activities, particularly on The Plain.

We have made excellent progress on a number of exciting projects, including our partnership with the South East Rivers Trust and their work to rejuvenate Beverley Brook. The development of a woodlands management plan delivering sustainable and diverse woodlands formed the basis for the award of a successful five-year Countryside Stewardship scheme, delivering £115,000 of external grant support.

Our annual programme of events from the smaller healthy-walking campaign led by the Conservation and Engagement Officer to the larger BioBlitz/Weekend of Nature and the annual Commons Open Day again proved very popular. Our newer events including the Easter Egg Hunt and Halloween trails were extremely well supported in 2018-19.

We end this year in a stronger financial position, but recognise that our heritage and operational buildings, together with the Commons cherished rural landscape need investment for the long-term future.

That we have achieved so much in the past year is thanks largely to the loyalty and commitment of our staff. I would like to thank them for all their support and dedication to maintaining this unique open space. We look forward to the year ahead with great optimism and enthusiasm.

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WHAT WE ACHIEVED DURING THE PAST YEAR

Strategic Context

In June 2017, the WPCCC Board ('the Board') approved the first ever Wimbledon and Putney Commons Strategy ('the Strategy'), following a recommendation from the 2014 Governance Review. The Strategy sets out both the broad vision and specific initiatives for managing the Commons over the ten-year period from the 1 April 2018 to the 31 March 2028.

Our Vision

"Wimbledon and Putney Commons will be recognised as an exceptional and welcoming natural place for visitors where wildlife thrives"

The Strategy demonstrates the way in which the Board will play its part in making this area of southwest London a great place to live, work and visit, contributing towards a world class city. (A copy of the Strategy can be viewed at <https://www.wpcc.org.uk/downloads/publications/commons-strategy-2017-2019.pdf>.) The Strategy identifies two overarching long-term Strategic Objectives, which remain relevant for the purposes of this Conservators' report and are set out in Figure 1 below.



*We will **achieve** these through exemplary organisation and management, delivering services, projects, and attracting more resources to the benefit of the Commons.*

Figure 1 – WPCCC Strategic Objectives

Within the Strategy, five Strategic Themes emerged (refer to Figure 2 below).

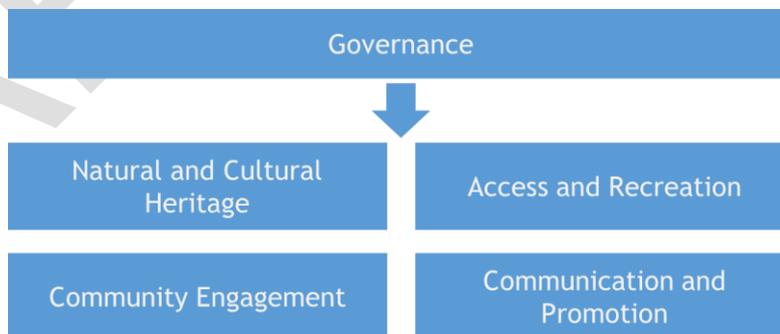


Figure 2 – Strategic Themes

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Achievements and Performance 2018-19

It is within this strategic framework that individual initiatives are progressed. In June 2018 the new Board agreed 19 key priorities and progress with these over the past financial year is set out under each of the five Strategic Themes.

Governance

The closure of the Statutory Inquiry remains the charity’s highest priority. A significant development over the past year was the decision by the Charity Commission in late August 2018 to revoke the Interim Manager’s appointment with immediate effect, bringing the investigative phase of the inquiry to a close. This decision was taken on the basis of the Interim Manager having completed his function and provided the Charity Commission with his report. The Charity Commission has stated that it expects to close the inquiry by the end of the second quarter of 2019.

Following the elections in February 2018 and the appointment by the Home Office of a new Conservator in March 2018, the inaugural meeting of the newly constituted Board took place in April 2018. At that meeting, the Board agreed to establish a new governance and engagement structure and to develop and publish terms of reference for each of the three newly established bodies (refer to Figure 3 below).

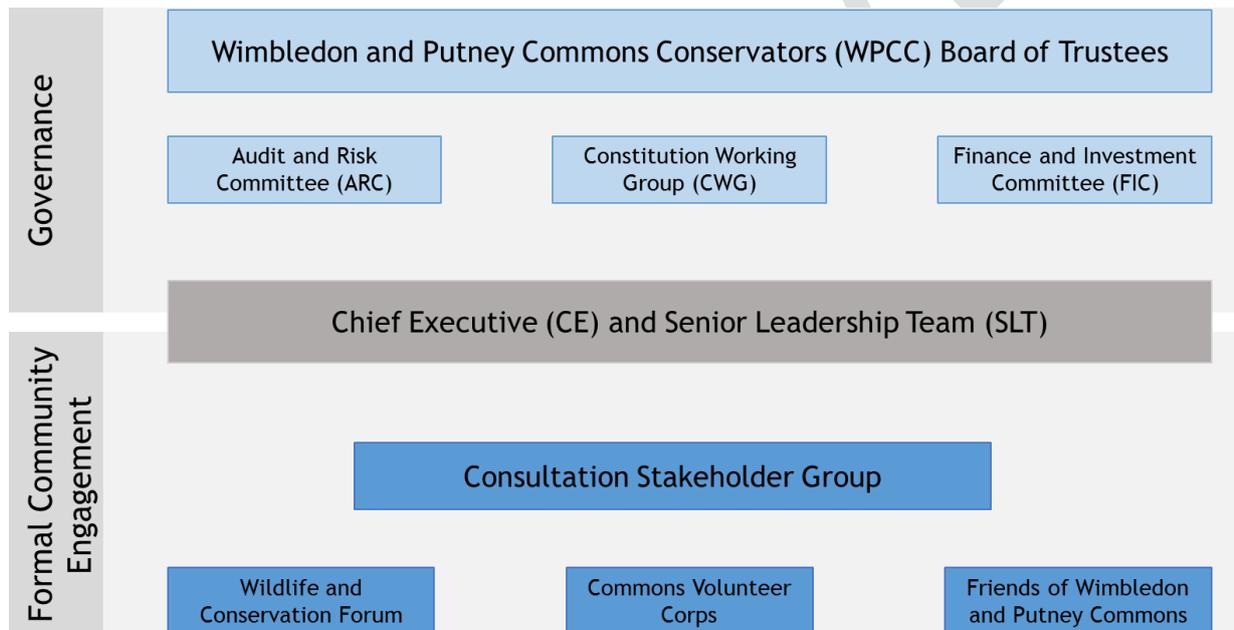


Figure 3 – Governance and Engagement Structure

The Audit and Risk Committee (ARC), working with the newly appointed auditors Kreston Reeves, managed the process of the annual audit and production of the annual accounts that were presented at WPCCC’s Annual Open Meeting in June 2018. In addition to monitoring financial performance, the Finance and Investment Committee (FIC) has reviewed the charity’s investment management arrangements and following a procurement process moved to a discretionary mandate with CCLA Investment Management Limited. FIC is also undertaking a review of the contractual agreements between WPCCC and third parties to identify matters to be addressed when the opportunity arises. In November 2018 the Board was delighted to approve the co-option of Mrs Sarah Wilton, a Fellow of the Institute of Chartered Accountants, to serve on the ARC on a pro-bono basis.

The current Management Information System and Management Information Technology platform is outdated. Work has commenced on the procurement of a dedicated fibre cable to provide business grade, high-speed internet access to serve the Ranger’s Office. With this connectivity in place, there is a need

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for FIC to consider the investment requirements associated with the full integration of cloud based technology with unified communication and collaboration systems, given the efficiencies that such systems could deliver.

In 2017, the Charity Commission acknowledged that the constitution of the charity needs updating and is no longer not fit for purpose in the 21st Century. The Constitution Working Group has begun the process of considering amendments necessary to WPCC's constitutional framework to enhance WPCC's ability to achieve its fundamental purpose of preserving, protecting and enhancing the Commons for the purposes of exercise and recreation.

The Constitution Working Group is supported by two barristers on a pro-bono basis, one of whom brings specialist knowledge of charity law and the other expertise in commons and open spaces. The group is exploring various ways in which amendments could be introduced to the constitution. The Board has not yet formally considered the matter and in order to deliberate such a decision, a detailed evaluation of the various issues that might be addressed through the various processes would need to be undertaken.

Following the 2018 Conservator Elections, the Charity Commission wrote to the Board (in late April 2018) advising that it had received complaints relating to the conduct of the charity's elections and requested responses to a number of questions that the Charity Commission was investigating. The Conservators provided a detailed response to the Charity Commission and, in response, the Charity Commission confirmed that it would address the matter within the report of the existing Statutory Inquiry. As part of the process, the Board recognised the benefit in clarifying the rules for the elections and in October 2018, the Board agreed new draft guidelines for the management of the triennial elections including the role of the Returning Officer and scrutineers as well as guidance for candidates, incumbent Conservators and officials of WPCC.

Natural and Cultural Heritage

In September 2018, WPCC received two Gold Awards in the annual London in Bloom 'Common of the Year' category of the London in Bloom competition: one for Wimbledon Common and the other for Putney Lower Common. In addition, Wimbledon Common won the coveted 'Commons of the Year Award 2018', a reflection of the expertise, dedication and relentless effort of staff and volunteers.

A significant partnership project has been the collaboration with the South East Rivers Trust involving works to rejuvenate and restore 1.3km of Beverley Brook on Wimbledon Common. The Brook, like many of London's rivers, has been heavily modified in the past leaving it with little variation in flow and depth and, consequently, there is little habitat diversity for fish and aquatic invertebrates. The project replicating similar works to the Brook in Richmond Park has introduced natural processes into the stream which will enable the river to 'self-heal' and become a fully functioning riverine ecosystem. The woodland canopy has also been opened to allow light into the brook, essential for the new habitats to develop, providing important shelter and refuges for wildlife. Funded through two external grants provided by the Environment Agency and Landfill Tax Grants and supported by Natural England, over £100,000 has been invested in this major restoration project.

As part of the work to support the production of a Land Management Plan, WPCC was successful in obtaining a grant from the Forestry Commission towards the production of a woodland management plan. This plan sets out a vision for achieving sustainable and diverse (structure and species) woodlands of predominately native trees mixed with glades and wetlands which provide both amenity and biodiversity and complements the acidic grassland management plan supporting this Countryside Stewardship Scheme. The woodland management plan enabled an application to be made for a Countryside Stewardship Grant with the Forestry Commission and the WPCC was awarded a grant of £23,000 per annum for five years commencing in January 2019, towards enhancement of the Commons' designation as a Site of Special Scientific Interest (SSSI) and Special Area of Conservation (SAC).

Access and Recreation

One of the priorities identified by the newly constituted Board has been the need to consider the long-term funding of the Commons, particularly the need for ongoing investment to support the assets and

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infrastructure. Two initiatives have been progressed to support this work: (i) preparation of a detailed brief to secure external seed funding from the Heritage Lottery Fund to support the development of a masterplan for the Commons; and (ii) preliminary work to support an investigation into the feasibility of increasing and potentially extending WPCC's Special Levy ('the Levy'). Although WPCC was unsuccessful with the initial bid to the Heritage Lottery Fund, WPCC has been encouraged to submit a new bid under the Heritage Lottery Fund's new strategic funding strategy.

The founding legislation that established Wimbledon and Putney Commons in 1871 was clear in establishing the intention for the Commons to be used for the purposes of recreation and exercise. In meeting this objective, WPCC has a duty to properly manage competing and often conflicting demands for use of this great resource. WPCC is receiving an increasing number of requests to use the Commons from a wide range of user groups and whilst this growing participation is welcome, accommodating and managing the requests for access whilst respecting the duties incumbent upon the Conservators is an increasing challenge. To ensure that decisions relating to access requests are taken in a more systematic manner, the Board agreed an Access Framework (including a Charging Policy) to ensure that the impact of the increasing demands are considered in line with our duties under both our founding 1871 Act and charity legislation.

The use of the Commons by outdoor learning groups was considered by the Board as part of its Access Framework. Although the Commons have been used by some groups for several years, there has been a substantial growth in the popularity of this outdoor activity for young children. The Board agreed that outdoor learning is compatible with the Conservators' overriding duties and its charitable purposes. It was further agreed that such activity would be best regulated through licence arrangements, which would clearly set out both the rights and responsibilities of such groups.

Following the success of the 'Access for All' appeal, which raised £55,000, works commenced in April 2018 to restore the Inner Windmill Road, which forms a main arterial route through the middle of the Commons. The second stage of the restoration, the siting of new memorial benches along the road and the introduction of new wooden field gates, is also nearing completion and to mark this achievement the Conservators hosted a small ceremony on Friday 22 March 2019 when the Chairman of the Wimbledon Foundation and the Chairman of the WPCC Board officially opened the new access path.

The Board has considered the provision of car parking arrangements, particularly in relation to capacity issues. WPCC continues to appeal to those local businesses whose staff use the car park for commuter purposes not to do so as it disenfranchises those who genuinely want to visit and use the Commons. The voluntary donation scheme at the windmill car park has raised nearly £7,000 and a mobile phone donation system has been introduced.

A planning application was submitted and approved for the replacement of the maintenance centre roof, which is experiencing water ingress during heavy rainfall, presenting a serious problem. Works are planned for the replacement of the roof over the 2019 summer period.

Community Engagement

In addition to the highly successful annual BioBlitz/Weekend of Nature held in June 2018 and the Commons Open Day held in early September 2018, there are now a range of bat walks, bird walks, fungi forays and treasure hunts. Our events are aimed at engaging children and families to learn about the Commons - the Easter/Summer/Halloween treasure hunts attracted 969 participants.

During the period April to March (inclusive) there have been 29 management and education walks and talks connected with the Commons' wildlife and history. These events have included staff led walks, school and university visits, talks to local residents associations and volunteer led nature walks. Over the year, approximately 887 people have joined us for these events.

The Conservators were pleased to support the commemoration events for the centenary of the Great War on Sunday the 11 November 2018. Two candlelit walks, one from Roehampton War Memorial led by the Rt Hon Justine Greening MP for Putney and the other from Wimbledon War Memorial, led by Mr Stephen Hammond MP for Wimbledon, were very well attended with an estimated crowd of 1,000 people

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congregating at the Wimbledon Windmill for the event. The illumination of the windmill tower in red with a poppy lighting up its cap, together with a roll call of all those who gave their lives in Putney, Roehampton, Southfields and Wimbledon in The Great War, provided a moving tribute as part of the Battle's Over events that took place around the world.

The Board continued to develop the engagement strategy to better understand visitor and stakeholder issues. The WPCC Stakeholder Consultation Group met on four occasions and there are now 15 members of the Group, representing many of the different constituencies using the Commons, from horse-riders and dog walkers to runners and golfers. Both Putney and Wimbledon amenity societies are represented, together with a number of local residents' associations.

The Wildlife and Conservation Forum met on six occasions during the year. Under the Chairmanship of Dr R Taylor, the Conservator appointed by DEFRA, the group has been instrumental in progressing several initiatives including the production of the annual Ecological and Environmental Monitoring Report.

In the summer of 2018, a visitor survey was launched; to date some 502 surveys have been completed and the data is currently being analysed.

It has been another very successful year for volunteering on the Commons with 3,740 volunteer hours contributed. In addition to the regular scrub bashing sessions, the new estate management volunteers have become firmly established, supporting a range of work, including painting of the Stables Yard and woodland management work. In the autumn of 2018, following concerns raised at the Annual Open Meeting, a litter picking volunteer scheme was launched with the Commons divided into 22 separate zones. Some 36 volunteers are now participating in regular litter picking sessions covering 12 of these zones.

From the 1 April 2018 to the 31 March 2019, there were 25 one hour Walking for Health events and four two hour seasonal walks led on the Commons as part of our ongoing involvement with the national Walking for Health programme. Some 90 different individuals took part in these events and the highest attendance for a single walk was on Tuesday 5 March 2019 when 34 walkers were involved.

Another important part of the work of the Commons' staff is providing public reassurance and dealing with incidents, particularly those of an anti-social nature. This work is undertaken predominantly by the team of six Mounted Keepers who undertake daily patrols of the Commons. During the period April to March (inclusive) our Mounted Keepers have dealt with 916 specific incidents. These include 314 separate instances relating to breaches of the cycling regulations, 167 issues relating to appropriate dog control, 30 barbeque incidents and 62 occasions when golfers were breaching their regulations.

In recognition of the amenity value provided by the benches placed by The Spencer Public House ('the Spencer') on Putney Lower Common, the Board agreed to enter into a licence with the Spencer in late May 2018 for the placement of such benches for one season. Following this decision, the Charity Commission contacted WPCC in late June 2018 in relation to concerns that had been raised by a Levy-Payer regarding the benches. Independent legal advice was obtained from a barrister and a detailed written response was provided to the Charity Commission. In July 2018, the Charity Commission advised WPCC that it was satisfied that WPCC had taken appropriate professional advice and carried out due diligence in its decision making and as such the Charity Commission would not be taking any further action regarding this matter. The provision of benches over the summer months has continued to be a popular feature for use by all users of the Commons and the licence arrangement clearly sets out the rights and responsibilities of the Spencer including restoration works following removal of the benches, proper signage to indicate that the benches are for use by all users of the Commons and other matters. In February 2018, having obtained further advice from specialist valuers based on 2018 trading figures from the Spencer, the Board agreed a four-year licence with the Spencer for benches to be placed on Putney Lower Common from the 1st April till the 31st October each year.

On the evening of the 10 September 2018, a traveller incursion occurred at the Richardson Evans Memorial Playing Fields. Utilising the services of a professional enforcement agency, a Writ of Possession was obtained from the High Court on the 12 September 2018 and the group of illegal trespassers vacated

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the playing fields at 6.00pm that same day. The legal and enforcements costs to the charity were in excess of £18,000. Following this incursion, the Board agreed that measures were necessary to protect the Commons and specialist advice was sought on obtaining an injunction. On Thursday 13 December 2018, WPCC officers, supported by their legal representatives, obtained a three-year Injunction Order in the High Court of Justice against future incursions. Further unplanned expenditure of £10,000 was necessary to obtain this injunction.

Communication and Promotion

A detailed brief for the development of a Heritage Lottery Bid was compiled by a small working group. The scope of works that the consultants would be expected to undertake includes the development of a number of strategic plans, set out below, that would underpin the long-term investment programme that is necessary to achieve WPCC's strategic objectives.

- Masterplan
- Conservation Management Plan
- Access Audit
- Visitor Research/Audience Development Strategy
- Volunteer Development Plan
- Education Plan
- Business Plan

The brief formed the basis of an invitation to tender to four multi-disciplinary consultancy firms and, following interviews and evaluation of submissions, it was agreed, subject to the success of the Heritage Lottery Fund grant application, that the preferred firm to be appointed would be Barker Langham. A detailed submission, with several letters of support, was made to the Heritage Lottery Fund in early January 2019 under the Heritage Resilient Grant scheme for a £150,800 grant. Although unsuccessful with this bid, WPCC was encouraged to submit a new application under the Heritage Lottery Funds new strategic funding programme and this was submitted with the support of the retained consultant at the end of May 2019.

In recognition of the benefits inherent in establishing appropriate formal procedures for managing enquiries and complaints, the Board developed and implemented formal procedures for managing such communications in June 2018. The purpose of the procedures is to ensure that such matters are properly and consistently considered in accordance with published timescales and processes by the appropriate personnel with the objective of resolving matters to the satisfaction of the individuals as far as reasonably possible and as quickly as possible. The complaint process also provides the opportunity for escalation in the event that an individual feels that a complaint has not been properly addressed.

The Board also reviewed and updated procedures relating to conflicts of interest, gifts and hospitality, conduct of Conservators and complaints made against Conservators, all of which were consolidated into an updated Code of Conduct which was approved by the Board in February 2019.

Over the course of the year, a significant amount of resource of both officers and Conservators was consumed by the consideration of a small number of information requests made under the Environmental Information Regulations 2004 (EIR) from a Levy-Payer in relation to the enforced sale of Mill House in 2006 and the exchange of use of land between WPCC and the Royal Wimbledon Golf Club in 1979, which enabled the presiding Board to build a maintenance centre to house and repair the machinery and equipment necessary for the day to day management of the Commons. The requests highlighted both the need for WPCC to publish specific procedures for the handling of such requests in accordance with the relevant legislation and the need for WPCC to agree an internal process for the handling of such requests to ensure that WPCC's resources are deployed in the most efficient manner; both of these recommendations were approved by the Board in February 2019.

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What We Want to Achieve in 2019/20

The focus is on continuing to consolidate the position of the charity and building upon the three key areas that address immediate issues and help to secure the long-term future of the Commons.

Long-term Investment

- As part of the process of reviewing the charity's constitution, undertake investigations to understand what work would be required to change the basis of the current Levy.
- Subject to the success of the Heritage Lottery Fund, aspire to develop a fully costed masterplan for the whole of the Commons to be used as the basis for delivering external funding to secure the future of major assets.
- Through the formation of a Friends of Wimbledon and Putney Commons group, seek to harness the passion and energy of the local community, building on the success of raising additional funds to support the management of the Commons and specific projects, including the 150th anniversary of the royal assent of the 1871 Act.
- Continue the work identified by the CWG to ensure that the charity is able to govern effectively in the 21st Century.

Access

- Complete the work to support the Access Framework so that applications to utilise the Commons are considered in a comprehensive, consistent and structured manner that respects WPCC's duties, powers and prohibitions.

Land Management

- Continue the preparation of a Land Management Plan setting out the longer-term operational direction for the continued enhancement of the Commons, with an emphasis on bringing the SSSI and SAC back into 'favourable' condition.
- Continue implementation of the heathland and woodland Countryside Stewardship Schemes.

OUR FINANCIAL POSITION

Financial Review

During the 2018-19 year, the Conservators were able to achieve a surplus at the operating level. The table below summarises the financial performance and shows that for the year ended 31 March 2019 there was an excess of unrestricted income over expenditure of £92,000 before taking account of the additional charges in respect of the defined benefit pension scheme - such additional charges do not of themselves result in a cash outflow for the charity.

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	Unrestricted funds £,000	Restricted funds £,000	Total funds £,000
Total income	1,717	27	1,744
Total expenditure before additional charges in respect of defined benefit pension scheme	(1,625)	(69)	(1,694)
Net income/(expenditure) before additional charges in respect of defined benefit pension scheme	92	(42)	50
Additional charges in respect of defined benefit pension scheme	(250)	-	(250)
Net expenditure before investment gains	(158)	(42)	(200)
Net gain on investments	13	-	13
Net expenditure before other recognised gains and losses	(145)	(42)	(187)
Actuarial gain on defined benefit pension scheme	471	-	471
Net movement in funds for the year	326	(42)	284
Total funds brought forward	(1,155)	80	(1,075)
Total funds carried forward	(829)	38	(791)
Comprising:			
Negative pension reserve	(2,713)	-	(2,713)
Other reserves	1,884	38	1,922
Total funds	(829)	38	(791)

The unrestricted income for the year was 3.2% (£54,000) greater than last year with the main increase being £43,000 in respect of the Levy from residents in the Levy-Paying area. The Levy accounted for 69% (2018: 68%) of the total unrestricted income received by the charity in the year.

Apart from the Levy, the most significant changes in WPCC's unrestricted income were as follows:

- An increase in donations of £35,117, primarily as a result of the bench appeal and the settling in of the car park voluntary donations scheme.
- An increase in rents and wayleaves of £17,808, mainly relating to the letting of one of the cottages previously occupied by a member of staff for part of the year.
- A reduction of £25,338 in income from filming and fairs. The charity received significantly fewer requests from film production companies during the financial year than in previous years.
- A reduction of £14,665 in the income from sports facilities as a result of reduced use of the sports facilities by one of the long-term contracted football clubs, a reduction in the number of cross country runs and use of the commons for educational purposes.

In view of the on-going need to optimise the use of the charity's resources and recognising the requirement to commit investment to the Commons buildings and infrastructure, the Conservators increased the 2019-20 Levy to its maximum permitted level which will generate an additional £38,593 of income in the year ending 31 March 2020.

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Total unrestricted expenditure on charitable activities for the year amounted to £1,625,000 before taking account of the additional charges in respect of the defined benefit pension scheme, which represented an increase of 0.5% over the previous year.

The most significant changes in expenditure during the year were as follows:

- Legal and enforcement fees of £28,000 relating to the traveller incursion described earlier.
- An increase in Commons maintenance costs of £76,000 because of expenditure on the restoration of the Inner Windmill Road of £56,040 and horse-rides of £12,500.
- An increase in administrative staff salaries of £25,000 because in 2017-18 a rebate was received from the London Borough of Merton in respect of pension payments for one former employee.

The overall movement in funds for the year was an increase in unrestricted funds of £326,000 and a decrease in restricted funds of £42,000.

The charity's cash flow has remained robust throughout the year and at no time have the aggregate bank balances fallen below £100,000. At 31 March 2019 the bank balances amounted to £292,772.

Pension Scheme

The charity is a member of the London Borough of Merton Local Government Pension Scheme (LGPS). As at 31 March 2019 the WPCC's pension deficit within the LGPS was £2,713,000, an improvement of £221,000 over the previous year. This represents a snapshot of WPCC's share of assets and liabilities in the LGPS at the year end, that change year on year, depending on a range of different factors.

The contribution levels are set by the actuaries to the scheme based on the triennial actuarial valuation, which valuation is computed on a different basis to that used for accounting purposes. At the last actuarial valuation in 2016, the LGPS had assets sufficient to cover 94% of its accrued liabilities. The next actuarial valuation, which will be carried out during 2019 in respect of the position as at 31 March 2019, will set the contributions payable by the WPCC for the three years ending 31 March 2023.

The London Borough of Merton has agreed a funding strategy with the LGPS, whereby the contributions are set at a level which is expected to result in the elimination of the deficit within a period of some 16 years.

Generally Accepted Accounting Practice in the United Kingdom requires the inclusion in WPCC's accounts of the deficit on the LGPS. The deficit itself is shown as a liability on the balance sheet with a corresponding amount charged to a negative pension reserve. The movements in the deficit from year to year are charged/credited within the Statement of Financial Activities and comprise primarily:

- the current service cost of providing the pension which for the year ended 31 March 2019 was £173,000 in excess of the contributions payable to the LGPS by the WPCC,
- a notional interest charge on the defined benefit pension obligation which amounted to £73,000, and
- any actuarial gain or loss – this year there was an actuarial gain of £471,000.

It should be noted that the pension liability included in the balance sheet does not represent a liability which is payable in the near future and its inclusion does not impact on the day to day operating position of the WPCC.

Further details of the LGPS will be found in note 22 to the financial statements.

Principal risks and uncertainties

During 2018-19 the principal risk remained the outcome of the Statutory Inquiry by the charity Commission into the Putney Hospital easement. The Interim Manager was discharged by the charity Commission during the year and the Charity Commission has stated that it expects to close the Inquiry by the end of the second quarter of 2019. One of the main issues to be dealt with by the report is whether the non-conflicted Conservators' decision in February 2017 not to pursue the loss arising from the easement was

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in the best interests of the charity. In the event that the Conservators were to be required to pursue the loss arising from the granting of the easement it is likely that this would result in the charity having to incur substantial legal expenses.

Despite various amendments that have been introduced over the years, the administrative provisions of the 1871 Act have not been materially updated since 1871 and this presents a risk that has been acknowledged by the Charity Commission. As explained earlier in the report, a Constitution Working Group has been established to review the current arrangements.

More recently, during a routine inspection the charity's mechanical and electrical engineers discovered that the sheet metal combustion chambers on two of the five boilers in the pavilion at the Richardson Evans Memorial Playing Fields were showing signs of deterioration. These boilers are old and spare parts for them are no longer available. This means that, subject to obtaining specialist engineering consultancy advice, the WPCC will have to replace the boilers during the 2019-20 financial year at an estimated cost of £60,000.

Risks to the charity's buildings and other infrastructure are managed by means of routine inspections which are aimed at identifying problems before they arise. However, given the age of such buildings and infrastructure it is inevitable that unforeseen and sometimes costly expenditure will arise from time to time.

Fundraising

Work on the restoration of the Inner Windmill Road following the success of our 2017 "Access for All" Appeal began in May 2018 and was completed soon after. The second phase of the restoration, including the installation of new wooden access gates and the siting of new memorial benches along the road, has now also been completed at a total cost of £56,040.

The Wimbledon Village Stables have continued with their fundraising activities to improve the equestrian facilities on the Commons. A further £14,034 has been raised during the past year and works to a value of £12,500 have been expended on upgrading the surface of the horse-rides and also enhancing the exercise area at the Sandy Ring.

During the summer of 2018 the Board launched a new appeal to raise £20,000 for the creation of a Wildlife Garden in front of the Ranger's Office, near to the Information Centre. The work marks the start of the enhancement of the area to make it more appealing to visitors and to create an education area for our younger visitors to see the wildlife that is attracted to the garden, learn about the flowers and plants or try their hand at pond dipping. As of the 31st March 2019 £12,634 had been raised with an application made to the Postcode Lottery for further external funding. The garden will also provide a living memorial to Mr Dave Wills, a local bird expert, who devoted a lot of his time studying the Commons' bird life and produced the annual Commons Bird Report for over 40 years.

The Board has also agreed to establish a Friends of Wimbledon and Putney Commons to focus on fundraising and provide opportunities for members of the local community to collectively celebrate their passion for the Commons. Formal launch of the programme is expected for the autumn 2019 and it is hoped that the programme will help raise funds to support the general work of WPCC as well as specific capital initiatives.

Apart from the appeal described above in relation to the Wildlife Garden and the voluntary donations scheme at the Windmill car park, the charity did not undertake any significant fundraising activities during the year and it was not subject to an undertaking to be bound by any voluntary scheme for regulating fundraising or any voluntary standard of fundraising. No professional fundraiser or commercial participator carried on any fundraising activities on behalf of the WPCC and the charity received no complaints about its fundraising activities. The WPCC makes every effort to ensure that any fundraising that it undertakes is not unreasonably intrusive, persistent or pressurised.

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Reserves

At 31 March 2019 the charity had unrestricted reserves (excluding the negative pension reserve of £2,713,000) of £1,883,521 and restricted reserves of £37,818. At 31 March 2018, £1,196,255 of the unrestricted reserves was attributable to the Mill House Fund which, at the time of its creation, was designated by the Conservators for use on land, buildings and investments. During the year ended 31 March 2019, the Conservators removed the designation in respect of this fund which now forms part of the general reserves of the WPCC.

The charity's free reserves can be analysed as follows:

	£
Unrestricted reserves, excluding negative pension reserve	1,883,521
Deduct:	
Replacement of maintenance centre roof and playing fields' pavilion boilers during 2019-20 – estimated cost	(150,000)
Estimated cost of next triennial elections in 2021	(55,000)
Funds required to fund the net book value of tangible fixed assets	(129,000)
Free reserves, before negative pension reserve	1,549,521

As noted earlier, the negative pension reserve represents the net liability in respect of the LGPS and is calculated in accordance with the specific requirements of the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102). The net liability is being funded by regular contributions to the pension scheme out of the charity's annual income at a rate determined by the scheme's actuary.

The following table sets out the Conservators' estimated potential requirements for unrestricted funds over the period to 31 March 2022 for the purposes stated:

a. Provision of working capital to cover day to day fluctuations in income and expenditure and meet, in the short term, either unexpected expenses or income shortfalls	£450,000 to £500,000
b. Possible additional payments to the Local Government Pension Scheme following the next triennial actuarial valuation in 2019	£50,000 to £100,000
c. Potential litigation or legal costs arising as a result of the closure of the Statutory Inquiry	£75,000 to £125,000
d. Renovation works to estate buildings	£275,000 to £325,000
e. Costs associated with changes to the constitutional arrangements	£75,000 to £95,000

Overall this gives a total requirement of between £925,000 and £1,145,000. As described above, the WPCC's free reserves at 31 March 2019 were £1,549,521, which is more than the total requirement in the table above. Therefore, WPCC believes it has adequate resources to meet its reserves policy. It should be noted that the WPCC's estate is a substantial area which has on it a number of buildings which are in excess of 100 years old. Consequently, it is often the case that circumstances arise which involve unforeseen expenditure. Therefore, it is the Conservators intention to maintain high levels of reserves to cover such unforeseen expenditure.

The level of income generated by the WPCC's activities in their present form are insufficient to enable the Conservators to make any significant investment in the commons' estate. Accordingly, the Conservators are considering ways of broadening their income base.

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Investment Management

The charity placed the funds remaining from the enforced sale of the Mill House in 2007 in the hands of its investment managers Charlwood Leigh. The Conservators adopted a low to medium risk investment strategy with the risk rating of the funds in the region of 4/10 with 10 being of the highest risk nature and 1 the lowest.

The charity's principal objective from the investment is protecting the capital against inflation whilst attempting to produce the income streams formerly delivered from the rent of the Mill House property, which were in the region of £30,000 per annum. The Conservators review the investment performance on a regular basis with their advisors Charlwood Leigh.

At 31 March 2019, the collective investment account had a value of £1,539,446 which represented a rise of 0.8% over the value at the previous year end. This compares with a rise of 2.2% in the FTSE All Share Index.

The charity's assets can be invested widely and are diversified by asset class, geographical spread and by business sector and market caps. This reduces the level of overall risk should a company, sector or country fall out of favour with investors.

The WPCC carried out a review of its investment managers during the financial year and decided to appoint CCLA Investment Management Limited (CCLA) as its investment manager with a discretionary mandate. The charity's funds will be invested in the COIF Charity Investment Fund, a specialist charity fund managed by CCLA. The change of investment manager and transfer of funds will take place in the second quarter of 2019.

Going Concern

The Conservators have considered the charity's forecasts for the next three years and believe that the charity has sufficient funds to continue to operate for the foreseeable future. Accordingly, the Conservators continue to adopt the going concern basis in the preparation of the financial statements.

Although the net pensions liability computed under FRS 102 is substantial, the Conservators presently anticipate that it will be possible to meet any increase in funding that may be required after the next actuarial valuation in 2019 out of the charity's normal net income. However, in order to be prudent the Conservators have made an allowance of £50,000 to £100,000 in their reserves calculation (see above) in case a lump sum payment were to be required.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Objectives and Activities

The Wimbledon and Putney Commons Act 1871 ('the 1871 Act'); which can be reviewed at <https://www.wpcc.org.uk/downloads/publications/1871-act-amended2.pdf>) incorporated the Wimbledon and Putney Commons Conservators as a body corporate. The 1871 Act set out the Conservators' statutory functions and duties, and it conferred powers on the corporate body. Section 8 of the 1871 Act provides:-

"There shall be a body of Conservators for carrying this Act into execution, the full number of whom shall be eight, and who are hereby incorporated by the name of the Wimbledon and Putney Commons Conservators, and by that name shall be one body corporate, with perpetual succession and a common seal, and with power to take and hold and to dispose of (by grant, demise, or otherwise) land and other property (which body corporate is in this Act referred to as the Conservators)."

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The preamble to the 1871 Act requires the Conservators to keep the Commons:

“open and unenclosed and unbuilt on, and to protect... and preserve the same for public and local use, for purposes of exercise and recreation and other purposes”.

In addition, the Conservators have duties under the 1871 Act:

- to preserve the natural aspect and state of the Commons;
- to protect and manage trees, heather, gorse and other vegetation;
- not to sell, lease, grant or in any manner dispose of any part of the Commons, except as expressed under the 1871 Act.

On 14 April 1972 the site was registered as a charity with a founding objective:

“to preserve the Commons as open spaces for purposes of exercise and recreation and other purposes.”

Under the Wimbledon and Putney Commons (Special Levies) Regulations 1990, as amended by the Wimbledon and Putney Commons (Special Levies) (Amendment) Regulations 1993, WPCC have the power to raise a Levy. This is collected by the boroughs of Wandsworth, Merton and Kingston in a proportion relevant to the number of "D" Band properties in each borough within the Levy-Paying area. The boroughs pass on this Levy by way of an addition to the Council Tax on properties in the area.

Under Section 84 of the 1871 Act the Conservators have the power to make byelaws to regulate and control the use of the land for which they are responsible.

Governance is prescribed within the separate Commissioners Clauses Act 1847, as amended by the 1871 Act, that deals with the constitution and regulation of the organisation.

The Commons are comprised of 461 hectares (1,140 acres) and contain a wide variety of landscapes, buildings, infrastructure and visitor facilities. Unlike land that is constituted as parkland, the glory of the Commons is that they are a relic of the former manorial lands.

As stewards of the Commons and through our independent governance structure, Conservators safeguard the natural aspect and condition so that the Commons are safe, available, welcoming and accessible for all.

This requires the WPCC to:

- conserve, enhance and protect the Commons natural aspect and wildlife for present and future generations to enjoy;
- demonstrate sound governance and financial discipline by constantly reviewing operational procedures and all aspects of management;
- seek to balance the enjoyment of the majority of users who come for informal activity and appreciation of the Commons quiet natural aspect with the needs of groups who undertake formal and/or more rigorous recreational activities;
- improve understanding and identity of Wimbledon and Putney Commons and interpret its rich and varied heritage;
- work in partnership with stakeholders to promote and achieve the Vision;
- improve facilities used for organised recreation, sport and events;
- encourage volunteering as a rewarding activity engaging people of all ages and abilities;
- work in an environmentally sustainable manner.

The Commons are a part of the UK series of Sites of Special Scientific Interest (SSSI) reflecting the importance of their grassland and heathland habitats. Under European Conservation Law they are also a Special Area of Conservation (SAC) with importance for beetles and insect diversity. The Commons

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are also designated as Metropolitan Open Land, which affords the land the same level of protection as the Green Belt.

Volunteering is increasingly important in the delivery of the charity's activities and there are various opportunities for people to become involved. These range from supporting practical activities, such as heathland and woodland management, estate maintenance as well as litter management. Through the Wildlife and Conservation Forum there is a group of expert volunteers who undertake monitoring of flora and fauna contributing towards the annual Ecological and Environmental Monitoring Report.

In planning and delivering its activities, the Conservators have referred to the Charity Commission's guidance on public benefit. We confirm that we have complied with our duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Structure

The Board consists of eight Conservators. Five Conservators are elected triennially by those who live within the Levy-Paying area who are entitled and registered to vote, if their place of residence (or place treated as their residence) is within three-quarters of a mile of Wimbledon Common or anywhere within the old Parish of Putney. The 1990 Election Byelaws supplement the requirements under the 1871 Act prescribing the timescales and procedures for undertaking the triennial elections.

Three other Conservators are appointed by central government departments – currently the Department of Environment, Farming and Rural Affairs (DEFRA), the Home Office and the Ministry of Defence.

Governance

The work of the charity is overseen by the Board of Conservators, more commonly today referred to as Trustees in this context. The Board sets policy and is responsible for the conduct of WPCC's affairs and for ensuring that the charity operates in accordance with its founding legislation, charity law and other statutory requirements/byelaws. The role of the Board is to develop and agree the charity's vision, mission, values and strategy. The Board is responsible for implementing and monitoring the strategy through a three year rolling business plan, which includes a financial plan.

The Chairman is elected from within the Board on an annual basis. The Board meets on a bi-monthly basis or more frequently as required. The Board receives regular reports at its meetings on the financial status of the charity and how progress is being made against approved budgets, the status of its investments, together with reviewing the Top Ten risks. Reports are also brought to the Board on operational and property matters as required.

The Board has established two Committees:

- **Audit and Risk Committee**

On behalf of the Board, it is the responsibility of the Audit and Risk Committee (ARC) independently to:

- monitor the integrity of the annual financial statements of WPCC, reviewing significant financial reporting issues and judgements contained in them;
- ensure effective policies and procedures and compliance systems for managing risk are in place and to review their effectiveness;
- make recommendations to the Board in all matters in relation to the external auditor;
- ensure effective procedures and safeguards are in place to monitor the prevention of fraud and corruption;
- prepare and publish an annual report of the work of the ARC; and
- report back to the Board on all matters where decisions are required unless, exceptionally, authority has been delegated to the ARC by the Board in respect of a particular matter.

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- **Finance and Investment Committee**

On behalf of the Board it is the responsibility of the Finance and Investment Committee (FIC) to be responsible for:

- Scrutinising and overseeing all financial and investment aspects of WPCC so as to ensure short and long term viability of WPCC;
- Reporting back to the Board on all matters where decisions are required unless specifically delegated by the Board.

Terms of Reference for both the ARC and the FIC have been approved by the Board and placed on the WPCC website.

A Constitutional Working Group has been established with Terms of Reference placed on the WPCC website and the group has begun the process of considering amendments necessary to WPCC's constitutional framework.

The Board has established a Stakeholder Consultation Group which is a body of people with knowledge and interest in the Commons, providing views and suggestions to the Board. There are currently 15 members of the Group, representing local organisations. In addition, there is a Conservation and Wildlife Forum with volunteer experts supporting the Commons' staff in their role of protecting the natural environment of the Commons.

Following their election or appointment to the Board, each Conservator receives a briefing pack outlining their role, together with information on WPCC, its founding legislation, its policies, structures and work.

Each new Conservator completes a register of interests which is updated annually and whenever any changes occur. Each Conservator also completes a related party transaction form.

A formal induction process is provided for each new Conservator. All Conservators are offered opportunities to learn more about the WPCC's work, through individual meetings with staff and site visits.

Summary of the Audit and Risk Committee Annual Report 2018/19

The WPCC established a new Audit and Risk Committee (ARC) as a sub-committee of the Board in April 2018 and Terms of Reference were approved by the Board in May 2018. The role of ARC is to review and scrutinise WPCC's corporate governance, financial reporting, internal controls and risk management ensuring that they support the achievement of the charity's objectives. The full ARC report for 2018-19 can be found on the WPCC web site: <http://bit.ly/ARC18-19>

During 2018/19 the Committee met on four occasions. The members of the Committee are Michael Rappolt, Appointed Conservator (Chair), Shirley Gillbe, Elected Conservator, Peter Hirsch, Elected Conservator and Sarah Wilton – Co-opted member since 7th November 2018.

A risk based integrated work plan was established covering ARC's business for 2018-19 and beyond and was approved by the Board on 18th September 2018. The work plan is ambitious and it was recognised by the Committee that it might not all be achieved in one financial year.

In respect of the financial statements ARC reviewed and where necessary approved the Audit Plan 2018-19, compliance with accounting standards and practices, the draft WPCC financial statements for the year ended 31 March 2018, the external Auditor's Annual Letter and the WPCC Annual Report. They recommended the Accounts to the Board subject to a number of amendments. ARC members are satisfied that the external auditors have received the necessary assistance from WPCC when carrying out their audit and no limitations have been placed on the scope of their work.

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ARC also reviewed the following during the year:

- a) At each meeting whistleblowing reports, tender waivers and write offs, debt write offs, the top ten risks and follow up of actions arising from previous meetings
- b) IT strategy
- c) The Risk Register in total and the risk management process
- d) The Whistleblowing Policy in respect of Conservators
- e) Asset register processes and procedures
- f) HR policies, employee handbook, and their application and monitoring
- g) Contingency and disaster planning
- h) Cash management
- i) Financial controls – responsibilities, fraud control and segregation of duties
- j) Financial control manual
- k) Procurement processes and achievement of value for money

Minutes from ARC meetings are received by the Board during its meetings throughout the year. At Board meetings the ARC Chair provides an oral report to the Trust Board on significant conclusions, concerns and recommendations arising from the Committee's work. The issues highlighted to the Board this year included that the Asset Register needed clarification, a recommendation to Board regarding current staff capacity issues and that an archiving policy was required.

The ARC believes that it has, to the best of its ability, met its terms of reference. It gratefully acknowledges the excellent support it has received from WPCC staff without which it could not have fulfilled its remit.

Management

The day-to-day management of the charity is delegated by the Board to the Chief Executive who has overall responsibility to the Board for the effective planning, performance, management, direction and leadership of Wimbledon and Putney Commons in accordance with policies and budgets set by the Board. The Chief Executive is supported by the Senior Leadership Team consisting of the:

Chief Operations Manager - responsible for direction of all staff and day-to-day operations activity;

Deputy Clerk and Ranger - responsible for finance, administration, HR and election/ appointment of Conservators;

EA/Communication Officer – responsible as EA to the Chief Executive, secretariat to the Board, communications (including reception) and filming/events;

Conservation and Engagement Officer – responsible for conservation/ecology and public engagement.

Pay Policy for Senior Staff

The Board considers that the Conservators and Senior Leadership Team comprise the key management personnel of the charity in charge of directing, controlling, running and operating the charity on a day to day basis. All Conservators give of their time freely and the founding Act prohibits any Conservator receiving remuneration or holding any office of profit.

The pay of staff is reviewed annually by the Board as part of its budget preparation process. The Finance and Investment Committee has a responsibility to consider staff remuneration within their Terms of Reference for the Chief Executive and members of the Senior Leadership Team.

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CONSERVATORS' RESPONSIBILITY STATEMENT

The Conservators acknowledge their responsibility for the preparation of the financial statements for each financial year in accordance with Section 2 of the 1871 Act, which are required to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, surplus or deficit of the charity for that period.

The Conservators are also responsible for preparing the Report of the Conservators and the financial statements in accordance with applicable charity law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice (GAAP)) under FRS 102.

The law applicable to charities in England & Wales requires the Conservators to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Conservators are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures, which should be disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Board of Conservators is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 1871 Act. The Board of Trustees is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving the Conservators' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charity's auditor is unaware; and
- The Conservators, having made enquiries of fellow Conservators and the charity's auditor that they ought to have individually taken, have each taken steps that she/he is obliged to take as a Conservator in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the Board of Conservators on

and signed on its behalf by:

Mrs D Neil Mills (Chairman)
Elected Conservator

Wimbledon and Putney Commons Conservators

Independent auditors' report to the Conservators of Wimbledon and Putney Commons Conservators

Opinion

We have audited the financial statements of Wimbledon and Putney Commons Conservators (the 'charity') for the year ended 31 March 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Conservators' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Conservators have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Wimbledon and Putney Commons Conservators

Independent auditors' report to the Conservators of Wimbledon and Putney Commons Conservators

Other information

The Conservators are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Conservators

As explained more fully in the Conservators' responsibilities statement, the Conservators are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Conservators 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 Conservators are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Conservators either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Wimbledon and Putney Commons Conservators

Independent auditors' report to the Conservators of Wimbledon and Putney Commons Conservators

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 Auditors' 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.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Statutory Auditor

9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ
Date:

Kreston Reeves LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Wimbledon and Putney Commons Conservators

Statement of financial activities For the year ended 31 March 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations	2	64,272	26,668	90,940	116,815
Charitable activities	3	1,616,525	-	1,616,525	1,610,037
Investments	4	36,989	-	36,989	35,688
Total income		1,717,786	26,668	1,744,454	1,762,540
Expenditure on:					
Charitable activities	5,6	1,875,814	68,890	1,944,704	1,919,420
Total expenditure		1,875,814	68,890	1,944,704	1,919,420
Net expenditure before investment gains/(losses)					
		(158,028)	(42,222)	(200,250)	(156,880)
Net gains/(losses) on investments	11	13,075	-	13,075	(36,918)
Net expenditure before other recognised gains and losses					
		(144,953)	(42,222)	(187,175)	(193,798)
Other recognised gains	22	471,000	-	471,000	134,000
Net movement in funds		326,047	(42,222)	283,825	(59,798)
Reconciliation of funds:					
Total funds brought forward		(1,155,526)	80,040	(1,075,486)	(1,015,688)
Total funds carried forward		(829,479)	37,818	(791,661)	(1,075,486)

The notes on pages 28 to 44 form part of these financial statements.

Wimbledon and Putney Commons Conservators

Balance sheet As at 31 March 2019

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	10		129,178		120,603
Investments	11		1,539,446		1,526,371
			<u>1,668,624</u>		<u>1,646,974</u>
Current assets					
Stocks	12	85		825	
Debtors	13	87,694		131,502	
Cash at bank and in hand		292,773		297,957	
			<u>380,552</u>	<u>430,284</u>	
Creditors: amounts falling due within one year	14	(120,136)		(206,128)	
			<u>260,416</u>		<u>224,156</u>
Net current assets			1,929,040		1,871,130
Creditors: amounts falling due after more than one year	15		(7,701)		(12,616)
			<u>1,921,339</u>		<u>1,858,514</u>
Net assets excluding pension scheme liabilities			1,921,339		1,858,514
Defined benefit pension scheme liability	22		(2,713,000)		(2,934,000)
			<u>(791,661)</u>		<u>(1,075,486)</u>
Net liabilities including pension scheme liabilities			(791,661)		(1,075,486)
Charity Funds					
Restricted funds	17		37,818		80,040
Unrestricted funds	17		(829,479)		(1,155,526)
			<u>(791,661)</u>		<u>(1,075,486)</u>
Total deficit			(791,661)		(1,075,486)

The financial statements were approved by the Conservators on
by:

and signed on their behalf,

Mrs D Neil Mills (Chairman)
Elected Conservator

The notes on pages 28 to 44 form part of these financial statements.

Wimbledon and Putney Commons Conservators

Statement of cash flows For the year ended 31 March 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	19	<u>11,767</u>	<u>159,217</u>
Cash flows from investing activities:			
Dividends and interest from investments		36,989	35,688
Proceeds from the sale of tangible fixed assets		3,250	4,250
Purchase of tangible fixed assets		<u>(52,275)</u>	<u>(28,998)</u>
Net cash (used in)/provided by investing activities		<u>(12,036)</u>	<u>10,940</u>
Cash flows from financing activities:			
Repayments of borrowings		<u>(4,915)</u>	<u>(8,769)</u>
Net cash used in financing activities		<u>(4,915)</u>	<u>(8,769)</u>
Change in cash and cash equivalents in the year		(5,184)	161,388
Cash and cash equivalents brought forward		<u>297,957</u>	<u>136,569</u>
Cash and cash equivalents carried forward	20	<u><u>292,773</u></u>	<u><u>297,957</u></u>

The notes on pages 28 to 44 form part of these financial statements.

**Notes to the financial statements
For the year ended 31 March 2019**

1. Accounting policies

1.1 General information and basis of preparation of financial statements

Wimbledon and Putney Commons Conservators is a body corporate incorporated under The Wimbledon and Putney Commons Act 1871; it is also a charity registered in England. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are included within the Conservators' report.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Wimbledon and Putney Commons Conservators constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The financial statements have been prepared on a going-concern basis, despite there being an overall deficit after taking into account the net pension obligations. These obligations are long term and the Conservators have prepared detailed cash flow forecasts to ensure the Charity can continue to operate at least over the next two years.

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised but see pages 4 & 9 of the Conservators' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**Notes to the financial statements
For the year ended 31 March 2019**

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Commons plant and machinery	-	25% on reducing balance
Playing fields equipment	-	25% on reducing balance

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1.6 Heritage assets

The Commons land and buildings owned by the Conservators are heritage assets, the value of which is not recognised on the balance sheet as reliable information on its valuation is not available, and cannot in the Conservators' opinion be obtained at a cost commensurate with the benefit to the users of the accounts and the charity. Under the 1871 Act none of the properties can be sold and therefore have no market value in the Conservators' hands. For this reason, no depreciation on land or buildings is shown. Under the 1871 Act, the charity may not use the property values as security to overdraw on its bank account. The insurance value of the buildings is £9.5 million agreed with the Conservators' Insurance Brokers SBJ Bluefin (UK) Limited on 1 April 2016, being their estimate of the cost of rebuilding all the properties on the Common.

1.7 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the Statement of financial activities if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

1. Accounting policies (continued)

1.9 Taxation

The charity is exempt from taxation on its income and gains falling within part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable activities.

1.10 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.11 Stocks

This represents the stock of publications, maps, postcards, and Christmas cards at the lower figure of either cost or net realisable value at the balance sheet date. No value has been attributed to the stock held of the book 'Wimbledon Common and Putney Heath - A Natural History' as the cost of publication has already been covered by donations and sales. Future sales will be included in income as and when they occur.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.15 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**Notes to the financial statements
For the year ended 31 March 2019**

1. Accounting policies (continued)

1.16 Pensions

The charity operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation. The latest full actuarial valuation was as at 31 March 2016 and the next valuation, which will be as at 31 March 2019, is in the course of preparation.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

1.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Conservators in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Conservators for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.18 Critical accounting estimates and areas of judgment

As detailed in note 22 the company operates a defined benefit pension scheme for the benefit of employees. The cost of operating the scheme is determined using actuarial valuations undertaken by the scheme actuary. Their valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of the scheme, such estimates are subject to significant uncertainty.

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

2. Income from donations and legacies

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Golf club contributions	17,140	-	17,140	16,592
Footpath appeal	-	-	-	57,112
Horserside appeal	-	14,034	14,034	31,096
Wildlife memorial garden appeal	-	12,634	12,634	-
Other donations	47,132	-	47,132	12,015
	<u>64,272</u>	<u>26,668</u>	<u>90,940</u>	<u>116,815</u>
Total donations and legacies	<u>64,272</u>	<u>26,668</u>	<u>90,940</u>	<u>116,815</u>
Total 2018	<u>28,607</u>	<u>88,208</u>	<u>116,815</u>	

3. Income from charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Levy received from councils	1,179,675	-	1,179,675	1,136,954
Countryside stewardship grant	13,000	-	13,000	12,777
Windmill restoration income	-	-	-	11,730
Sports facilities	255,164	-	255,164	269,829
Property rent and wayleaves	120,919	-	120,919	103,111
Rent from filming and fairs	24,987	-	24,987	50,325
Logs and timber sales	20,719	-	20,719	23,014
Publication sales	2,061	-	2,061	2,297
	<u>1,616,525</u>	<u>-</u>	<u>1,616,525</u>	<u>1,610,037</u>
Total 2018	<u>1,598,307</u>	<u>11,730</u>	<u>1,610,037</u>	

4. Investment income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	36,989	-	36,989	35,688
Total 2018	<u>35,688</u>	<u>-</u>	<u>35,688</u>	

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

5. Direct costs

	Charitable activities £	Total 2019 £	Total 2018 £
Windmill	7,927	7,927	22,078
Keepers & commons security	542,059	542,059	530,118
Commons maintenance	479,782	479,782	403,423
Playing fields maintenance	187,842	187,842	195,166
Property maintenance & improvements	144,519	144,519	151,209
	<u>1,362,129</u>	<u>1,362,129</u>	<u>1,301,994</u>
Total 2018	<u>1,301,994</u>	<u>1,301,994</u>	

6. Support costs

	Charitable activities £	Total 2019 £	Total 2018 £
Administration staff salaries	109,494	109,494	84,596
Audit and accountancy	13,500	13,500	13,000
Office expenses	13,514	13,514	16,790
Insurance	21,917	21,917	11,274
Utilities and services	18,339	18,339	16,555
Advertising and printing	16,075	16,075	21,640
Computer and IT support	17,271	17,271	12,084
Events	13,494	13,494	5,806
Council tax	22,751	22,751	22,376
Defined benefit pension cost in excess of contributions paid	198,000	198,000	203,998
(Profit)/loss on sale of fixed assets	(2,390)	(2,390)	86
Interest cost on pension liability	73,000	73,000	74,000
Legal fees	34,889	34,889	44,254
Professional fees	27,181	27,181	14,084
Election expenses	-	-	52,383
Interim manager cost	5,540	5,540	24,500
	<u>582,575</u>	<u>582,575</u>	<u>617,426</u>
Total 2018	<u>617,426</u>	<u>617,426</u>	

Included in support costs above are governance costs totalling £53,929 (2018: £134,137). These costs include audit and accountancy, legal fees, election expenses and interim manager costs.

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

7. Net income/(expenditure)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets: - owned by the charity	<u>42,840</u>	<u>41,369</u>

During the year, no Conservators received any remuneration, benefits in kind or reimbursement of any expenses (2018 - £NIL).

8. Auditors' remuneration

The Auditor's remuneration amounts to an Audit fee of £9,675 (2018 - £9,500), and amounts relating to non audit services of £3,825 (2018 - £3,500).

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Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

9. Staff costs

The average number of persons employed by the charity during the year was as follows:

	2019 No.	2018 No.
Chief Executive	1	1
Chief Operations Manager	1	1
Deputy Clerk and Ranger	1	1
Administration	1	1
Wildlife and Conservation Officer	1	1
Security	7	7
Maintenance	7	7
Playing Fields	3	3
Property	1	1
	<u>23</u>	<u>23</u>

The number of higher paid employees was:

	2019 No.	2018 No.
In the band £80,001 - £90,000	1	1

The Board considers that the Conservators and Senior Leadership Team comprise the key management personnel of the charity in charge of directing, controlling, running and operating the Charity on a day to day basis. The Senior leadership team consists of the Chief Executive Officer, Chief Operations Manager, Deputy Clerk & Ranger, Conservation & Engagement Officer and PA to Chief Executive and Communications Officer.

Total key management personnel remuneration for the year was £328,909 (2018: £324,066).

Staff salaries

	2019 £	2018 £
Wages and salaries	845,573	825,001
Social security costs	89,556	87,213
Other pension costs	330,403	305,398
	<u>1,265,532</u>	<u>1,217,612</u>

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

10. Tangible fixed assets

	Commons plant and machinery £	Playing fields equipment £	Total £
Cost			
At 1 April 2018	270,397	96,677	367,074
Additions	47,620	4,655	52,275
Disposals	(1,007)	-	(1,007)
	<u>317,010</u>	<u>101,332</u>	<u>418,342</u>
At 31 March 2019			
Depreciation			
At 1 April 2018	187,726	58,745	246,471
Charge for the year	32,468	10,372	42,840
On disposals	(147)	-	(147)
	<u>220,047</u>	<u>69,117</u>	<u>289,164</u>
At 31 March 2019			
Net book value			
At 31 March 2019	<u>96,963</u>	<u>32,215</u>	<u>129,178</u>
At 31 March 2018	<u>82,671</u>	<u>37,932</u>	<u>120,603</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Commons plant and machinery	<u>18,367</u>	<u>24,489</u>

The Commons land and buildings owned by the Conservators are heritage assets, the value of which is not recognised on the balance sheet as reliable information on its valuation is not available, and cannot in the Conservators' opinion be obtained at a cost commensurate with the benefit to the users of the accounts and the charity.

11. Fixed asset investments

	Listed securities £
Market value	
At 1 April 2018	1,526,371
Revaluations	13,075
	<u>1,539,446</u>
At 31 March 2019	
Historical cost	
	<u>1,500,000</u>

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

11. Fixed asset investments (continued)

Investments at market value comprise:

	2019 £	2018 £
Listed investments	<u>1,539,446</u>	<u>1,526,371</u>

All the fixed asset investments are held in the UK

12. Stocks

	2019 £	2018 £
Finished goods and goods for resale	<u>85</u>	<u>825</u>

13. Debtors

	2019 £	2018 £
Trade debtors	39,131	77,737
Other debtors	25,613	47,015
Prepayments and accrued income	22,950	6,750
	<u>87,694</u>	<u>131,502</u>

14. Creditors: Amounts falling due within one year

	2019 £	2018 £
Net obligations under finance leases and hire purchase contracts	5,470	5,470
Trade creditors	38,683	134,033
Other creditors	46,076	51,625
Accruals and deferred income	29,907	15,000
	<u>120,136</u>	<u>206,128</u>

Deferred income

Resources deferred during the year	10,000
Deferred income at 31 March 2019	<u>10,000</u>

Income has been deferred in the period in respect of licence fee income received in advance of the period to which it relates.

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

15. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Net obligations under finance leases and hire purchase contracts	<u>7,701</u>	<u>12,616</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2019 £	2018 £
Between one and five years	<u>7,701</u>	<u>12,616</u>

16. Financial instruments

	2019 £	2018 £
Financial assets measured at fair value through income and expenditure	<u>1,539,446</u>	<u>1,526,371</u>

The fair value of these assets is readily obtainable as there is a ready market for their sale at publicly listed prices.

The gain/(loss) on these assets during the period was £13,075 (2018: (£36,918)).

The dividend and interest income generated by these assets during the period was £36,989 (2018: £35,688).

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
Designated funds						
Mill House	1,196,255	-	-	(1,196,255)	-	-
Election Sinking fund	-	-	-	18,336	-	18,336
	<u>1,196,255</u>	<u>-</u>	<u>-</u>	<u>(1,177,919)</u>	<u>-</u>	<u>18,336</u>
General funds						
General Conservancy fund	582,219	1,717,786	(1,625,814)	1,177,919	13,075	1,865,185
Defined Benefit Pension	(2,934,000)	-	(250,000)	-	471,000	(2,713,000)
	<u>(2,351,781)</u>	<u>1,717,786</u>	<u>(1,875,814)</u>	<u>1,177,919</u>	<u>484,075</u>	<u>(847,815)</u>
Total Unrestricted funds	<u>(1,155,526)</u>	<u>1,717,786</u>	<u>(1,875,814)</u>	<u>-</u>	<u>484,075</u>	<u>(829,479)</u>
Restricted funds						
Windmill Restoration fund	20,974	-	(350)	-	-	20,624
Footpath Appeal	57,112	-	(56,040)	-	-	1,072
Horseride Appeal	1,954	14,034	(12,500)	-	-	3,488
Wildlife Garden Appeal	-	12,634	-	-	-	12,634
	<u>80,040</u>	<u>26,668</u>	<u>(68,890)</u>	<u>-</u>	<u>-</u>	<u>37,818</u>
Total of funds	<u><u>(1,075,486)</u></u>	<u><u>1,744,454</u></u>	<u><u>(1,944,704)</u></u>	<u><u>-</u></u>	<u><u>484,075</u></u>	<u><u>(791,661)</u></u>

The Election Sinking fund is maintained to provide for the fees and costs of conducting the triennial election of five Conservators.

The Mill House fund represented the funds remaining out of the proceeds of the enforced sale of Mill House. This amount had been ring fenced by the Conservators to be expended only on land, buildings and investments. However, during the period the trustees resolved to un-designate these funds and therefore transfer the value to the General Conservancy Fund.

The Windmill Restoration fund represents the fund remaining from a Heritage Lottery Grant received for use restoring the Windmill, on Windmill Road.

The Defined Benefit Pension fund represents the defined benefit pension scheme liability.

The Footpath Appeal fund includes the donated income and related expenditure on the footpath restoration campaign run during the year ended 31 March 2018.

The Horseride Appeal fund includes donated income and related expenditure on the horse ride route restoration campaign started during the year ended 31 March 2018.

The Wildlife Garden Appeal fund includes donated income on the campaign to create a new wildlife garden at the Ranger's Office.

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2018 £
Designated funds						
Mill House	1,197,196	27,331	-	-	(28,272)	1,196,255
Election Sinking Fund	48,000	-	(52,383)	4,383	-	-
	<u>1,245,196</u>	<u>27,331</u>	<u>(52,383)</u>	<u>4,383</u>	<u>(28,272)</u>	<u>1,196,255</u>
General funds						
General Conservancy fund	524,880	1,635,271	(1,564,903)	(4,383)	(8,646)	582,219
Defined Benefit Pension	(2,811,000)	-	(257,000)	-	134,000	(2,934,000)
Total Unrestricted funds	<u>(1,040,924)</u>	<u>1,662,602</u>	<u>(1,874,286)</u>	<u>-</u>	<u>97,082</u>	<u>(1,155,526)</u>
Restricted funds						
Windmill Restoration Fund	25,236	11,730	(15,992)	-	-	20,974
Footpath Appeal	-	57,112	-	-	-	57,112
Horserside Appeal	-	31,096	(29,142)	-	-	1,954
	<u>25,236</u>	<u>99,938</u>	<u>(45,134)</u>	<u>-</u>	<u>-</u>	<u>80,040</u>
Total of funds	<u><u>(1,015,688)</u></u>	<u><u>1,762,540</u></u>	<u><u>(1,919,420)</u></u>	<u><u>-</u></u>	<u><u>97,082</u></u>	<u><u>(1,075,486)</u></u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	129,178	-	129,178
Fixed asset investments	1,539,446	-	1,539,446
Current assets	342,734	37,818	380,552
Creditors due within one year	(120,136)	-	(120,136)
Creditors due in more than one year	(7,701)	-	(7,701)
Provisions for liabilities and charges	(2,713,000)	-	(2,713,000)
	<u>(829,479)</u>	<u>37,818</u>	<u>(791,661)</u>

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	120,603	-	120,603
Fixed asset investments	1,526,371	-	1,526,371
Current assets	350,244	80,040	430,284
Creditors due within one year	(206,128)	-	(206,128)
Creditors due in more than one year	(12,616)	-	(12,616)
Provisions for liabilities and charges	(2,934,000)	-	(2,934,000)
	<u>(1,155,526)</u>	<u>80,040</u>	<u>(1,075,486)</u>

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	(187,175)	(193,798)
Adjustment for:		
Depreciation charges	42,840	41,369
(Gains)/losses on investments	(13,075)	36,918
Dividends and interest from investments	(36,989)	(35,688)
(Profit)/loss on the sale of fixed assets	(2,390)	86
Decrease in stocks	740	297
Decrease/(increase) in debtors	43,808	(57,883)
(Decrease)/increase in creditors	(85,992)	110,916
Pension fund adjustments	250,000	257,000
Net cash provided by operating activities	<u>11,767</u>	<u>159,217</u>

20. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand and at bank	292,773	297,957
Total	<u>292,773</u>	<u>297,957</u>

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

21. Contingent liabilities

On 18 August 2016 the Charity Commission opened a statutory inquiry relating to the granting of an easement in August 2014. The inquiry was to consider the potential financial loss to the charity as a result of the grant of an easement being made at undervalue.

On 31 May 2017 the Commission appointed an interim manager to consider the trustees decision not to take further action in respect of the loss suffered by the charity in this respect.

The Conservators had taken legal advice and concluded that the possibility of a positive outcome in pursuing the loss was small. The risk that further costs would be incurred and would also not be recovered was significant and, therefore, the Conservators concluded that no action to recover the loss should be taken.

In August 2018 the Charity Commission advised the WPCC that it had revoked the appointment of the interim manager as he had completed his function and provided his final report. The Charity Commission has stated that it expects to close the statutory inquiry by the end of the second quarter of 2019. At that time it will issue its findings, which will include the interim manager's report, and detail any actions required by the charity.

In the event that the Conservators are required by the Charity Commission to pursue the loss arising it is likely that the charity will have to incur substantial legal expenses. As part of the reserves policy the conservators have set aside an amount of between £75k and £125k being a best estimate of the obligation that may arise.

22. Pension commitments

Retirement benefits to employees of WPCC are provided by the Local Government Pension Scheme (LGPS) which is a defined benefit scheme.

The LGPS is a funded scheme, administered by the London Borough of Merton. Contributions are set every three years as a result of an actuarial valuation of the fund. There are no minimum funding requirements but the contributions are generally set to target a funding level of 100%, using actuarial assumptions.

In general, participating defined benefit schemes mean that the employer is exposed to a number of risks:

- Investment risk
- Interest rate risk
- Inflation risk
- Longevity risk (where members live longer than assumed)

In addition many unrelated employers participate in the London Borough of Merton scheme, and there is a potential orphan liability risk where employers who leave the Fund with insufficient resources to cover their pension obligations, will leave a deficit in the scheme that may fall on the remaining employers. There is however no way of ascertaining the potential loss, should such an event take place.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages) :

	2019	2018
Discount rate at 31 March	2.40 %	2.55 %
Future salary increases	3.95 %	3.85 %
Future pension increases	2.45 %	2.35 %

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

22. Pension commitments (continued)

The assets in the scheme were:

	Fair value at 31 March 2019 £	Fair value at 31 March 2018 £
Equities	4,512,000	4,922,000
Diversified growth	692,000	-
Property	271,000	234,000
Cash	66,000	31,000
Gilts	908,000	1,556,000
Multi asset credit	733,000	-
Total market value of assets	<u>7,182,000</u>	<u>6,743,000</u>

The actual return on scheme assets was £504,000 (2018 - £142,000).

The amounts recognised in the Statement of financial activities are as follows:

	2019 £	2018 £
Current service cost	(326,000)	(329,000)
Administrative expenses	(4,000)	(5,000)
Net interest on the defined liability	(73,000)	(74,000)
Total	<u>(403,000)</u>	<u>(408,000)</u>

Movements in the present value of the defined benefit obligation were as follows:

	2019 £	2018 £
Opening defined benefit obligation	9,677,000	9,459,000
Interest cost	244,000	253,000
Contributions by scheme participants	58,000	57,000
Change in financial assumptions	429,000	(171,000)
Change in demographic assumptions	(567,000)	-
Current service cost	326,000	329,000
Benefits paid	(272,000)	(250,000)
Closing defined benefit obligation	<u>9,895,000</u>	<u>9,677,000</u>

Wimbledon and Putney Commons Conservators

Notes to the financial statements For the year ended 31 March 2019

22. Pension commitments (continued)

Changes in the fair value of scheme assets were as follows:

	2019 £	2018 £
Opening fair value of scheme assets	6,743,000	6,648,000
Expected return on assets	333,000	(37,000)
Interest income	171,000	179,000
Contributions by employer	153,000	151,000
Contributions by scheme participants	58,000	57,000
Administrative expenses	(4,000)	(5,000)
Benefits paid	(272,000)	(250,000)
	<u>7,182,000</u>	<u>6,743,000</u>

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2019 £	2018 £
Defined benefit obligation	(9,895,000)	(9,677,000)
Scheme assets	7,182,000	6,743,000
Deficit	<u>(2,713,000)</u>	<u>(2,934,000)</u>

The other recognised gains included in the Statement of financial activities comprise the following:

	2019 £	2018 £
Return on fund assets in excess of interest	333,000	(37,000)
Change in financial assumptions	(429,000)	171,000
Change in demographic assumptions	567,000	-
Total	<u>471,000</u>	<u>134,000</u>

23. Conservators' remuneration and related party transactions

During the year, no Conservators received any remuneration, benefits in kind or reimbursement of any expenses (2018 - £NIL).

There were no related party transactions for the year ended 31 March 2019 or the year ended 31 March 2018.