

STATEMENT OF ACCOUNTS
FOR THE YEAR ENDING 31 MARCH 2017

The Conservators of Ashdown Forest
The Ashdown Forest Centre
Wych Cross
Forest Row
East Sussex
RH18 5JP

Foreword

The accounts for 2016/2017, set out in the following pages, show the financial performance of the Board of Conservators for the year, together with its overall financial position as at 31 March 2017. The purpose of the published statement of accounts is to give the Board of Conservators and other interested parties clear information about the Board's finances. The accounts provide the reader with information of the cost of conserving and managing Ashdown Forest and running and maintaining the Ashdown Forest Centre.

Statement of Accounting Policies and main principles adopted in compiling the accounts

The Board's accounts have been prepared in accordance with the Account and Audit (England) Regulations 2015 for Councils with a gross budgeted income of less than £6,500,000. In addition, supporting notes have been included where appropriate.

The Balance Sheet

This shows the balances and reserves at the Board's disposal as well as the liabilities as at 31 March 2017 (see page 4).

General Account

This reports the expenditure and income relating to conservation and management of the Forest in order to comply with the requirements of the Ashdown Forest Act 1974 and in recognition of the Forest's status as a Site of Special Scientific Interest (SSSI), Special Protection Area (SPA) and Special Area for Conservation (SAC) under European legislation.

The Income and Expenditure Accounts

A summary is shown on page 5 with a detail breakdown shown on pages 6 and 7.

Debtors and creditors outstanding at the end of the year are included in the accounts on the basis of known quantifiable commitments. There are no known Capital Creditors and Debtors.

All capital works and purchases of vehicles, etc., funded by the Conservators are charged to the General Budget in the year in which expenditure arises (i.e. no depreciation applied).

Central administrative charges are wholly charged to the General Budget.

As a non-principal authority there is no requirement to produce a Cash Flow Statement.

Statement of Responsibility for the Statement of Accounts

The Board's Responsibilities

The Board is required to:

- a) make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. The Conservators have employed a Finance Officer to undertake this responsibility.
- b) manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- c) approve the statement of accounts.

The Responsible Financial Officer's Responsibilities

The Financial Officer (FO) is responsible for the preparation of the Board's statement of accounts which, in terms of the Account and Audit (England) Regulations for Councils 2014, is required to present fairly the financial position of the Board at the accounting date and its income and expenditure for the year ended 31 March 2017.

In preparing this statement of accounts the FO is responsible for:

- a) selecting suitable accounting policies and then applying them consistently;
- b) making judgements and estimates that are responsible and prudent;
- c) complying with the Account and Audit (England) Regulations for Councils 2014 and fully disclose any significant non-compliance.

The FO is also responsible for:

- a) keeping proper accounting records which are up to date;
- b) taking responsible steps for the prevention and detection of fraud and other irregularities.

These financial statements represent fairly the financial position of the Conservators as at 31 March 2017 and reflect its income and expenditure during the year.

Approved by the Board on 19 June 2017

Signed

Chairman

Signed

Finance Officer

Ashdown Forest Finances to 31 March 2017

Balance Sheet

2015/16		2016/17
£	CURRENT ASSETS	£
3,356	INFORMATION CENTRE STOCK	3,351
11,761	RENTS AND RATES OUTSTANDING	6,404
1,404	DEBTORS	27,717
290,326	ACCRUED INCOME	396,665
15,324	PAYMENTS IN ADVANCE	19,082
482	FUEL & STAMPS	1,255
315,744	CASH ON DEPOSIT	350,118
197	CASH IN HAND	359
	VAT	-
638,594	TOTAL ASSETS	804,952
£	CURRENT LIABILITIES	£
43,134	CREDITORS	51,775
12,194	STAFF COSTS	5,105
1,030	CREDIT CARD	1,217
7,901	ACCRUED EXPENDITURE	22,550
2,610	DEPOSITS IN HAND	700
-	SALES TAX CONTROL A/C	- 1,428
1,578	VAT	2,115
68,448	TOTAL LIABILITIES	82,033
570,146	TOTAL ASSETS LESS CURRENT LIABILITIES	722,919
570,146	NET ASSETS	722,919

STATEMENT OF RESERVES AS AT 31 MARCH 2017

	CORE	HLS*	CS	TOTAL
Reserves Balance as at 1.4.16	284,302	224,204	61,641	570,147
Plus Income	555,721	-	531,885	1,087,606
Less Expenditure	530,470	-	404,365	934,835
RESERVES BALANCE AS AT 31.3.17	309,553	224,204	189,162	722,919
ALLOCATION OF RESERVES				
Restricted Reserves for Conservation Programme		224,204	154,162	
Restricted Overheads & Staff Costs Reserve	182,000		35,000	
Restricted Discretionary Reserves	62,686			
Total Unrestricted Reserves	64,867			

RESERVES POLICY as agreed by the Board of the Conservators on 21 March 2016

- 1 It is the Board's policy to maintain an Overheads Reserve equal to six months salaries and administration costs. The salaries accounted for exclude staff costs covered by Countryside Stewardship grant funding.
- 2 The Board will maintain Restricted Discretionary Reserves which will be allocated to earmarked projects or cost centres, to be reviewed annually.

Additional note: *Higher Level Stewardship (HLS) was a conservation programme preceding CS – paid bi-annually in arrears there was a surplus of £224,204 when the programme ceased at the end of 2016. These funds are currently being used for cash flow management and will ultimately be spent in the spirit of the original agreement under the guidance of Natural England.

Ashdown Forest Finances to 31 March 2017
Combined Income and Expenditure Summary
Core Budget and Countryside Stewardship

2015/2016 INCOME SUMMARY

2016/2017

£		£
88,800	Grants for Core Budget	88,800
139,589	Countryside Stewardship Payments (commenced 1 January 2016)	531,885
315,164	Higher Level Stewardship Payments (ceased 31 December 2015)	-
72,514	Charitable Receipts and Donations	71,807
37,644	Restricted Funds (designated for a specific purpose)	61,343
177,462	Licences & Forest Rate	193,643
17,387	Visitors	14,646
17,725	Sundry Receipts	16,782
3,441	Financial	3,154
869,726	TOTAL INCOME	982,060

2015/2016 EXPENDITURE SUMMARY

2016/2017

£		£
387,199	Staff Costs (Core and CS Staff)	443,482
92,816	Administration Overheads	63,548
13,217	Visitors	27,368
-	Forest Centre Development	21,746
67,556	Operational expenses	75,012
79,690	HLS Conservation (project ceased)	-
38,051	Countryside Stewardship Conservation (excl. staff costs)	149,486
23,844	Financial	22,298
702,373	Total non capital Expenditure	802,940
43,920	Capital expenditure	26,349
746,294	TOTAL EXPENDITURE	829,289

123,432 SURPLUS OF INCOME OVER EXPENDITURE

152,771

Note: Allocation of surplus

Surplus / (Deficit) attributable to HLS	-
Surplus / (Deficit) attributable to CS	127,521
Surplus / (Deficit) attributable to Core Budget	25,251
	<hr/> 152,772

Income Summary Core Budget

2015/16 Actual Full Year £		2016/17 Actual Full Year £
96,214	Grants	88,800
75,800	ESCC	75,800
13,000	WDC	13,000
7,414	Other Grants	-
-	Countryside Stewardship Staff Uplift	105,546
	Core staff: 1.8 multiplier difference above employee cost	39,445
	Contracted-out in-house staff	66,100
70,596	Charitable Receipts and Donations	71,807
65,100	Ashdown Forest Trust	65,100
5,496	Donations	6,707
32,148	Restricted Funds (designated for a specific purpose)	61,343
20,821	Friends of Ashdown Forest	14,745
11,327	AF Conservation Trust	23,000
-	Ashdown Forest Riding Association	5,000
1,264	Feed in Tarif (solar panels)	1,313
5,540	Education income	17,286
177,462	Licences and Forest Rate	193,643
19,132	Acknowledgement Rent for Access Tracks	21,862
91,708	Other Rents/Licences and Wayleaves	95,700
31,081	Riding Permits	32,751
22,251	Forest Rate	21,623
8,545	Licence preparation/deed of covenant/consideration fees	11,315
4,744	Temporary licences (incl Filming, Wood, Events)	10,393
11,847	Visitors	14,646
7,440	Barn sales	6,015
516	Exhibition sales	557
2,594	AF Centre Events (<i>Pop-up café, Sheep Proof Your Dog</i>)	2,724
955	Hire of premises/equipment/staff time	5,206
343	Talks by staff	144
13,607	Sundry Receipts	16,782
725	Forest products	173
5,550	Grazing project income	12,446
7,333	Miscellaneous other (incl. memorials) Renewable Heat Incentive (RHI)	4,163
3,441	Financial	3,154
791	Bank Interest	329
2,650	Sale of Assets	2,825
405,314	TOTAL INCOME	555,721

2015/16 Actual Full Year £		2016/17 Actual Full Year £
305,873	Staff Costs	319,673
	Gross salaries	249,046
	Employer's NI	20,342
	Employer's pension contribution	50,284
	Recruitment Expenses	-
60,252	Administration Overheads	63,548
37,270	Forest Centre Running costs (rates, utilities, maintenance)	18,980
123	Post, phone, printing, stationery	6,927
8,978	Professional fees (incl land purchase)	13,890
13,645	Insurances	16,603
53	IT	6,701
184	Miscellaneous	448
18,311	Visitors	27,368
4,680	Information Centre (Shop stock)	1,581
10,820	Education Programme	18,545
2,811	Forest Centre Events	7,243
13,217	Forest Centre Development	21,746
-	Education Barn upgrade	21,746
13,217	Forest Centre Development	-
67,121	Operational expenses	75,012
40,283	Transport, machinery, equipment (incl vehicle insurance)	41,833
3,732	Staff expenses	5,255
2,131	Staff and volunteer training	201
2,492	Volunteer expenses	2,497
395	Bye laws and signage	493
3,040	Non-CS conservation(dangerous trees, exotics)	7,365
272	Vachery	7,518
11,816	General Operations (car parks, bridges, litter, rides)	7,330
2,959	Other (memorials, subs, misc. amenity costs)	2,521
23,844	Financial	22,298
-	Budget Contingency (not to be included in future budgets)	-
984	Credit card terminal	749
889	Bank charges	881
21,948	Input VAT irrecoverable	20,668
488,619	Total non capital Expenditure	529,645
38,555	Capital expenditure	825
527,174	TOTAL EXPENDITURE	530,470

Countryside Stewardship Budget: Finance Summary 2016/17

PROJECT INCOME/EXPENDITURE SUMMARY TO 31 March 2017

INCOME SUMMARY TO 31 March 2017

Heathland Area Payment (LH1)	428,953
Bracken Supplement (SP3)	33,651
Educational Visits (ED1) and Access (AC1)	9,190
Invisible Fencing Capital Payment (FG6)	-
Woodland CS (WD2)	53,841
Managing Cultural Features (MC26)	6,250
Additional expenditure	-
Assets/livestock/Capital items	
Recoverable VAT	
TOTAL CS INCOME	531,885

CS STAFF EXPENDITURE SUMMARY TO 31 March 2017	General
NB: Cost of employees fully funded by CS funding	Expenditure
	31-Mar-17

	94,440
CS Staff Team	86,644
Deer Programme Co-ordinator	7,796

PROJECTS EXPENDITURE SUMMARY TO 31 March 2017	General	Contracted-
	Expenditure	out Forest
	31-Mar-17	Centre core
		staff time

Heathland Area Projects (LH1)	66,452	48,075
01 - MH31/03 Manage Scrub (Gorse)	25	9,561
02 - AP30/01 Wild Fire Risk and Plan	19	1,437
03 - MH31/01 Birch, Oak, Willow and Scots Pine Control		12,323
04 - MS00/02 Remove Rhododendron and Gaultheria (Heathland)	-	-
07 - MD31/02 Provide/Maintain Livestock Control Structures (Visible)	5,271	12,889
08 - MG00/01 Conservators Grazing - Cattle	15,642	1,965
09 - MG00/02 Commoners Headage Payments	29,784	1,278
10 - MG00/03 Commoners Herd Project - Cattle	-	-
11 - MG10/01 Conservators Grazing - Sheep	5,728	3,256
12 - MG20/01 Conservators Grazing - Ponies	2,171	529
13 - MD03/01 Livestock Welfare Facility	-	-
14 - MH37/01 Manage Heather	-	767
15 - MH32/03 Manage Grassland (Mowing)	-	961
16 - MH31/02 Removal of Invasive Woodland	-	-
19 - MS10/01 Control non-native species (spraying)	322	2,950
21 - MH04/01 Annual mowing of woodland rides	-	-
25 - MH61/01 Manage Habitat (open waters, etc) by excavation	-	106
26 - MH64/01 Manage Habitat (open waters, etc) - dredging	-	53

27 - ME02/01/MI00 Inform Stakeholders	-	-
29 - MI100 Ashdown Forest Life	7,038	-
31 - AT50 Volunteer Expenses	453	-
32/35 - ML80/30 Stakeholder Liaison	-	-
Bracken Supplement (SP3)	17,103	11,825
05 - MH32/02 Bracken Control	17,103	11,825
Educational Visits (ED1) and Access (AC1)	10,270	-
28 - MI60 School Visits - Teacher time & support costs (ED1)	7,250	-
28 - MI60 School Visits - Materials (AC1)	720	-
30 - ME02/01 Maintain signs & boards (AC1)	2,300	-
Invisible Fencing Capital Payment (FG6)	18,902	778
Provide/Maintain Livestock Control Structures (Invisible fencing)	18,902	778
Woodland CS (WD2): Woodland Management	1,554	2,359
17 - MS00/01 Rhododendron Removal by Cutting and Spraying (Woodland)	1,554	1,036
18 - MS00/03 Remove Turkey Oak	-	265
20 - MH02/01 Create Glades	n/a	1,058
Woodland CS (WD2): Deer Management	11,223	2,850
22 - MS30/01 Deer Project additional costs (excl.staff cost)	11,223	2,850
Managing Cultural Features (MC26)	-	212
24 - MC6/01 - Manage Cultural Features, Archaeology	-	212
ADDITIONAL EXPENDITURE	23,981	-
Staff Expenses and Training	4,654	
CMSi Software & Training	1,881	
Memberships/Subscriptions	1,565	
Small tools and equipment (under £100)	425	
Vehicle expenses including repairs	1,442	
Machinery repairs	874	
HLS expenditure (<i>Heathland work 2015/16</i>)	900	
VAT	12,241	
TOTAL NON-CAPITAL EXPENDITURE	149,486	
CAPITAL ITEMS	25,524	
Forage Harvester (LH1 payment-funded)	24,233	
Machinery Capital (other)	-	
Livestock Capital	1,291	
TOTAL CAPITAL EXPENDITURE	25,524	
TOTAL CS PROJECT EXPENDITURE 2016/17	175,010	
TOTAL IN-HOUSE CORE STAFF TIME attributed to CS Projects		66,100

Ashdown Forest Finances to 31 March 2017

Supporting Statement to the Income and Expenditure Accounts

<u>Income</u>	£
1 Natural England funds CS core staff; a multiplier is added to these costs which is allocated to the Core budget to cover overheads. In-house staff (countryside workers) time allocated to individual projects is also allocated from CS funds to the core budget. These costs are shown as a 'Staff uplift' in the core budget.	105,546
2 A number of small to medium donations received from individuals and groups using the Forest. £1,000 donated specifically to replace a damaged bridge.	6,707
3 Friends of Ashdown Forest funded a number of projects including the Education Programme, major repairs at the Vachery and A Celebration of Ashdown Forest	14,745
4 The Ashdown Forest Conservation Trust funded the Education Barn electrical upgrade and improved sewage treatment works.	23,000
5 Ashdown Forest Riding Association made a number of donations throughout the year for Ride Maintenance work.	5,000
6 Income from the Feed in Tarif (Solar Panels) is ring-fenced for Forest Centre Development	1,313
7 Education income is made up of funding from the Friends of Ashdown Forest and Natural England, smaller grants and invoicing schools.	17,286
8 Changes to the filming licence fee structure coinciding with the anniversary of Winnie the Pooh generated increased income in 2016/17.	10,393
9 Wealden District Council's reimbursement of Director's staff time on SAMMs project work	5,206
10 Forest product income decreased in 2016/17 due to unavailability of Christmas trees for sale	173
11 Grazing project income - sale of livestock, meat (beef & hogget) and deer carcasses	12,446
12 Memorials and deposits withheld or in hand	4,163
13 Renewable Heat Incentive due to be received from the biomass boiler. Ofgem currently processing the claim; income will be backdated and shown in 2017/18 accounts.	-
<u>Expenditure</u>	
14 Salary costs increased due to additional hours allocated to office staff	319,673
15 Education programme fully funded by income from the Friends of Ashdown Forest, Natural England, invoicing schools and small grant applications.	18,545
16 A Celebration of Ashdown Forest funded by the Friends of Ashdown Forest. Audio Trail funded by Gatwick Airport Conservation Trust.	7,243
17 As per note 4 above (exclusive of VAT)	21,746
18 Staff and volunteer training expense budget restricted due to cash flow	201
19 Major repair works at the Vachery funded by the Friends of Ashdown Forest	7,518
20 General operations - key cost centre expenditure restricted due to cash flow	7,330
21 Conservators of Ashdown Forest subject to VAT as not charitable status	20,668

Ashdown Forest Finances to 31 March 2017

Combined Assets

Movements in the year

The following assets were purchased:

	Cost £
Flail mower	16,740
2 kenwood radios	1,000
Polaris Ranger Diesel RV16 OPY	13,000
Wildlife cameras x 3 (donated)	600
Stalkers' high seats x 10	2,125
Desk top - GP	514
Glen - rifle	1,000
Chainsaw	566
Total assets purchased	<u><u>35,545</u></u>

The following assets were sold:

	£
Quickfencer	2,000
Super Winch Bi OX	125
Chainsaw	700
Total assets sold	<u><u>2,825</u></u>

As at 31 March 2017 the following land assets were held:

	Value £
Hectares The Conservators own the following land:	
34.8 Chelwood Gate (Streeters Rough)	1
1.82 Chelwood Gate (Charles Smith Wood)	1
0.12 Millbrook, Nutley	1
0.2 Glenmore Road, Crowborough	1
1.27 Twyford	1
5.54 Isle of Thorns	1
27.92 Chelwood Vachery	1
1.42 Brabies Gate	1
0.8 Whitehouse Farm, Duddleswell	1
2.3 Friends Fields, Chuck Hatch	1
0.19 Browns Brook, Fairwarp	1
0.38 Lamberts, Colemans Hatch	1
<u>76.76</u>	<u><u>12</u></u>

Since the Board's policy is that land acquired within the Pale will not be disposed of, a nominal value of £1 per item is given. The remainder of the Forest is owned by the Ashdown Forest Trust.

The Insured Value of the Centre and assets, including those on page 9, is as follows:

	£
Ashdown Forest Centre buildings (Insured replacement value)	1,513,017
Whitehouse Barn (Insured value)	91,001
Contents, stock, equipment, machinery (excl. vehicles and livestock)	254,848
Vehicles	220,895
Livestock	60,859

Creditors (See Page 4)

At the year end sundry creditors were owed £51,775 by the Conservators of Ashdown Forest. Almost half of this amount is owing to one creditor, Flotec, for the supply and installation of the improved sewage works at the Forest Centre. 50% deposit for the work was paid in April; the remainder to be settled following successful completion of the work. The cost is being accounted for in 2016/17 as grant funding for the project was received in the same financial year.

£10,000 prepayment has been made as a deposit for the deer chiller. This will be shown in the 2017/18 accounts along with the corresponding grant received from Natural England.

Outstanding staff costs to be paid to Inland Revenue after year end amount to £5,105. There are no Pension Fund costs outstanding.

The insurance due to NFU of £11,112 is apportioned for 2016/17 and has been entered into the 2017/18 accounts as a prepayment and will be journalled to the new financial year.

Accruals have also been made for payment of internal and external audit services, estimated to be in the sum of in the sum of £5,100.

End of quarter payments for exhibitors in the Information Barn amounted to £1,500.

The remainder of the creditors were all under £1,000 and **all creditors were paid by the end of April.**

Debtors (see page 4)

At the year end, sundry debts due to the Conservators of Ashdown Forest of £27,717 were outstanding.

Annual fee for the Ice Cream licence, which is issued and paid for on a calendar basis, has been pro-rated and accrued.

A local primary school also owes £3,500 for school visits to be undertaken. This is an accrued amount and not overdue.

Riding permits in the sum of around £7,000 received prior to 1st April 2017 have been allocated as prepayments for 2017/18.

Countryside Stewardship annual revenue payment of £526,000 is paid twice-yearly on a calendar year basis. The first half payment for January to June 2016 was received in December 2016. The second half payment for June-December 2016 is due in June 2017 and this sum has been accrued in the 2016/17 accounts.

Pension Contributions (See page 5)

The Conservators of Ashdown Forest contributed a sum equivalent to 21.1% of the salaries bill to the pension fund. The total was £71,779. The Employer's primary contribution rate will change to 17.4% in 2017/18 until 2019/20 inclusive. There will be an additional secondary 'monetary' rate in the sum of £13,000 for 2017/18, £15,000 in 2018/19 and £17,000 in 2019/20.

Advertising and Publicity

The Conservators have a statutory obligation to advertise the publication of the accounts and the notice of the Commoners' Annual Meeting. Public Notices are placed in local newspapers, on the Forest Centre's notice boards and on the Conservators' web site to meet this requirement. The total cost during 2016/17 was £920.