

FILE COPY

THE VERDERERS OF THE NEW FOREST

HIGHER LEVEL STEWARDSHIP SCHEME

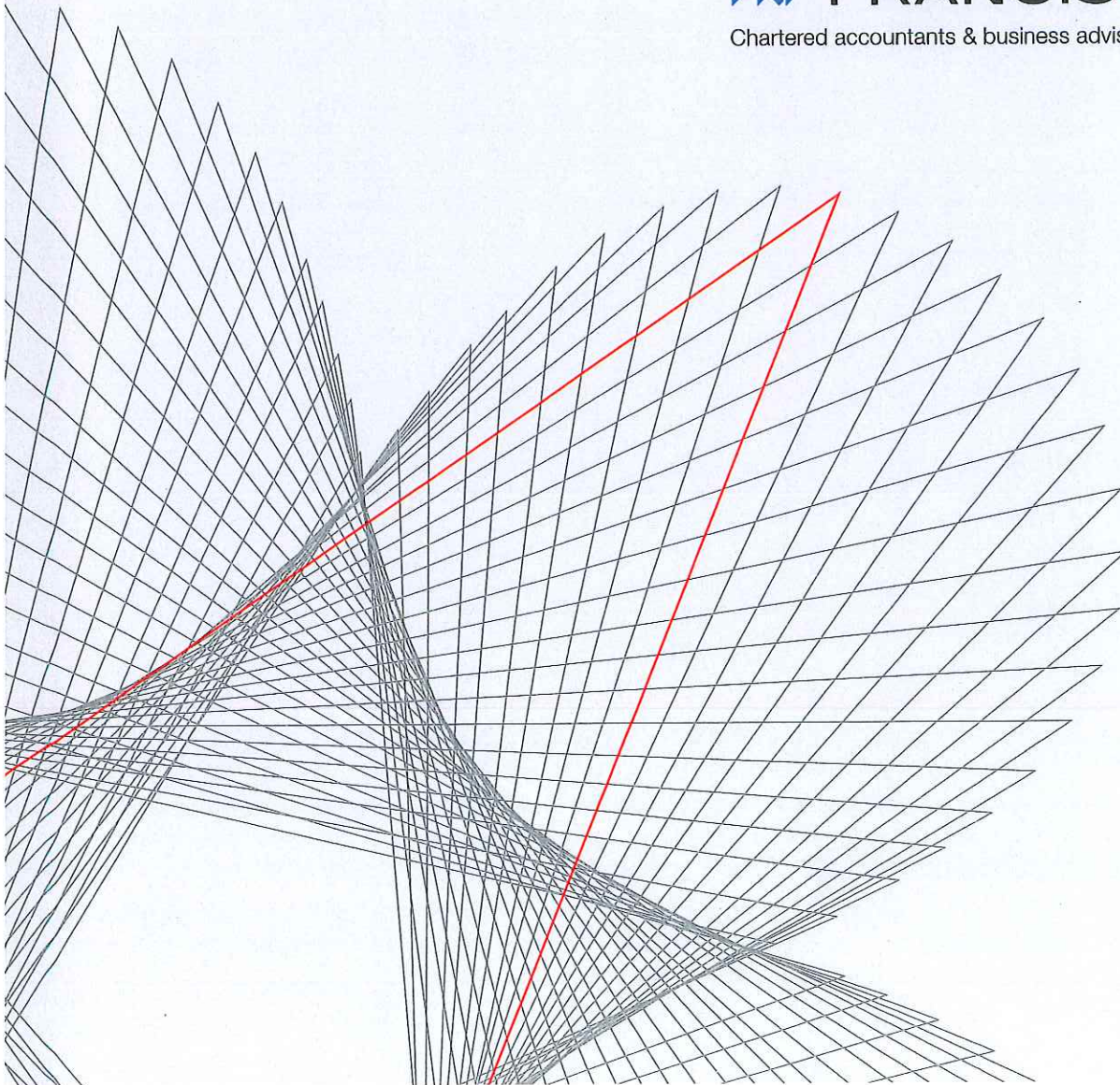
Reference AG00350016 "The HLS Scheme"

Statement of Accounts for the year ended

31 December 2016

PKF FRANCISCLARK

Chartered accountants & business advisers



The Verderers of the New Forest Higher Level Stewardship Scheme

Statement of accounts for the year ended 31 December 2016

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The Verderers of the New Forest Higher Level Stewardship Scheme

Scheme details

Scheme name: The Verderers of the New Forest Higher Level Stewardship Scheme

Number: AG00350016

For the year to 31 December 2016

Board

Voting Members
Verderers of the New Forest
New Forest National Park Authority
Forestry Commission

Non-voting Members
Natural England Hants & IOW
Commoners Defence Association

The Verderers of the New Forest have entered into an agreement with Natural England to carry out environmental land management and capital works in the New Forest.

The objectives of the HLS Scheme will be implemented by a partnership of the Verderers of the New Forest, The New Forest National Park Authority and the Forestry Commission.

Financial Review

The Scheme has an excess of income over expenditure for the year of £36,333 (2015 : £92,607). The Scheme's assets and liabilities are reflected in the balance sheet on page 3.

The Verderers of the New Forest Higher Level Stewardship Scheme

Income and Expenditure Account For the year ended 31 December 2016

	2016		2015
	£	£	£
Income			
Income from Natural England – annual entitlement	2,028,895		2,029,209
Other income	200		-
Commons payments to 2014 VGS			
- Waterslade Farm	-	-	
- Wellow PC	-	-	
- Minstead Estate	-	-	
- Hampshire County Council	-	-	
- National Trust	-	38,551	
	-	38,551	38,551
Commons payments to 2015 VGS			
- Waterslade Farm	-	438	
- Wellow PC	-	2,493	
- Minstead Estate	-	2,909	
- Hampshire County Council	-	3,378	
- National Trust	-	38,552	
	-	47,770	47,770
Commons payments to 2016 VGS			
- Waterslade Farm	-	-	
- Wellow PC	2,493	-	
- Minstead Estate	2,909	-	
- Hampshire County Council	3,378	-	
- National Trust	38,552	-	
	47,332	-	-
Total income	2,076,427	-	2,115,530
Expenditure			
Forestry Commission managed project expenditure			
- Annual programme	1,155,653		1,107,818
New Forest National Park Authority managed project expenditure	85,010		59,727
Verderers managed project expenditure	729,295		781,985
Verderers managed project expenditure – Commons	41,446		44,853
	2,011,404	-	1,994,383
Total project costs	2,011,404	-	1,994,383
Administrative costs			
Administration charge from Forestry Commission	26,500		26,500
Independent Accountant's Fee	2,190		2,040
	28,690	-	28,540
	36,333	-	92,607
Surplus for the year	-	-	-

The Verderers of the New Forest Higher Level Stewardship Scheme

General Fund Balance Sheet As at 31 December 2016

	Note	2016	2015
		£	£
Current assets			
Accrued income from Natural England		2,031,080	1,015,697
Accrued income from Third Parties		38,552	2,909
Cash at bank and in hand		315,593	384,103
		2,385,225	1,402,709
Current liabilities			
Accruals		2,190	2,100
Due to Verderers of the New Forest		62,414	45,404
Due to Forestry Commission		946,592	17,509
		1,011,196	65,013
Net scheme assets		1,374,029	1,337,696
Represented by:			
Funds			
Brought forward		1,337,696	1,245,089
Arising in the year		36,333	92,607
Funds		1,374,029	1,337,696

The notes on page 4 form part of these financial statements.

Approved on 5th April 2017 and signed on behalf of the Board of the Verderers of the New Forest Higher Level Stewardship Scheme by



Dominic May
Official Verderer

The Verderers of the New Forest Higher Level Stewardship Scheme

Notes to the accounts
For the period ended 31 December 2016

1 Accounting policies

Basis of preparation

The accounts are prepared under the historical cost convention.

Income

Income from Natural England is recognised in the year to which the Scheme relates. Grants received after the year end that relate to the scheme year are reflected in income as accrued income. Any income (allocated from the year's grant) that relates to project expenditure incurred after the year end is included in creditors as deferred income. Any unallocated income is carried forward in accumulated fund. Any other income is recognised when receivable.

Expenditure

Expenditure is accounted for on the accruals basis and is recognised in the year the costs are incurred by the scheme and the project partners. Any costs not paid or paid to third parties or reimbursed to the partners before the year end are accrued and included in creditors and accruals.

2 Related party transactions

New Forest National Park Authority and the Forestry Commission are partners to the Scheme. Each partner manages a number of projects and is reimbursed by the Verderers for the expenditure incurred. Amounts paid or payable to the parties were as follows:

	2016	2015
	£	£
Forestry Commission	1,182,153	1,134,318
New Forest National Park Authority	85,010	59,727

The amounts payable included in the above are separately disclosed in the balance sheet.

Amounts paid to individual Verderers from the Verderers' Grazing Scheme totalled £4,038 in the year.

The Verderers of the New Forest Higher Level Stewardship Scheme

Accountants Report on the unaudited statement of accounts for the year ended
31 December 2016

In accordance with the letter of engagement letter we have compiled the financial information of the Verderers of the New Forest Higher Level Stewardship Scheme for the year ended 31 December 2016 from the accounting records and information and explanations you have given us.

The financial information has been compiled on the accounting basis set out in note 1 and is not intended to achieve full compliance with United Kingdom generally accepted accounting policies.

Our report has been prepared under the terms of our engagement with the Board of HLS and for no other purpose. No person is entitled to rely on this report other than the Board of HLS or any person expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for the report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute.

You have approved the financial information and have acknowledged your responsibility for it, for the appropriateness of the accounting policies adopted and for providing all information and explanations necessary for its compilation.

We have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial information.

DRAFT

THE ACCOUNTS HAVE NOT BEEN SIGNED BY THE ACCOUNTANTS

Date

PKF Francis Clark is the trading name of PKF Francis Clark Limited, a limited company registered in England and Wales (registered number 09080678)

The Verderers of the New Forest - Higher Level Scheme

The Official Verderer
The Queen's House
Lyndhurst
Hampshire
SO43 7NH

PKF Francis Clark
Chartered Accountants
The George Business Centre
Christchurch Road
New Milton
Hampshire
BH25 6QJ

Dear Sirs

Financial Statements of The Verderers of the New Forest - Higher Level Scheme For the year ended 31 December 2016

I confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy myself that I can properly make each of the following representations to you.

1. Responsibility for the Financial Statements

I acknowledge as Official Verderer my responsibility for the financial statements which you have prepared at my request and in particular confirm that I have selected suitable accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent.

I also acknowledge my responsibilities for:-

- a) Keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Higher Level Scheme
- b) Safeguarding the assets of the Higher Level Scheme and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

2. Assets

All assets are included in and noted on the accounts and I have no reason to believe that any material items have been omitted.

I confirm that at the year end £2,031,080 was due to the Higher Level Scheme from Natural England.

3. Liabilities

All liabilities of the Higher Level Scheme of which I have knowledge are included in the appropriate classifications and I have no knowledge of any pending litigation or other claims against the Higher Level Scheme or any contingent liabilities or capital commitments. No liabilities are 'secured' by reason of suppliers restricting the transfer of title to goods supplied.

4. Expenditure

Expenditure has been properly allocated.

5. Completeness of Information

All the accounting records have been made available to you for the purpose of preparing the financial statements and all the transactions undertaken by the Higher Level Scheme have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all Board meetings (held during the year and up to the date of this letter) have been made available to you.

6. Going Concern

I confirm that, in my considered opinion, the Higher Level Scheme is able to continue for the foreseeable future and for at least one year from the date of this letter. In arriving at this opinion, I have considered the Higher Level Scheme's current financial position, its current level of activity and all other relevant information.

7. Post Balance Sheet Events

There have been no events since the balance sheet date which necessitate revision of the figures included in the financial statements or inclusion of a note thereto, nor which affect the Higher Level Scheme's ability to continue trading as a going concern. Should any such material events occur, I will advise you accordingly.

8. Transactions with Higher Level Scheme Board Members

The Higher Level Scheme Board members received no remuneration from the Higher Level Scheme during the year.

At the year end, £62,414 was due to the Verderers of the New Forest and £946,592 was due to the Forestry Commission. Both organisations are members of the Higher Level Scheme.

9. Related Party Transactions


I confirm that I have disclosed to you all related party transactions relevant to the Higher Level Scheme and that I am not aware of any further related party matters that require disclosure.

10. Laws and Regulations

I confirm that there are no Laws or Regulations that are central to the Higher Level Scheme's ability to conduct its business that may have an impact on amounts or disclosures in the financial statements.

Yours faithfully


.....
Official Verderer


.....
Date