

THE VERDERERS OF THE NEW FOREST

Report and Financial Statements

Year ended

31 March 2015



# The Verderers of the New Forest

Annual report and financial statements  
for the year ended 31 March 2015

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# **The Verderers of the New Forest**

## **Report of the Verderers of the New Forest for the year ended 31 March 2015**

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The Verderers present their report together with the financial statements for the year ended 31 March 2015.

### **Principal activity**

The Verderers of the New Forest act as regulators of development as well as overseeing commoning on the Forest. They work in conjunction with Natural England, the New Forest National Park Authority and with the Forestry Commission, a government agency, which administers the Crown lands on behalf of the nation.

### **The Verderers**

Mr Dominic May, Official Verderer  
Mr Richard Deakin, Elected Verderer  
Mr Anthony Gerrelli, Elected Verderer  
Miss Dionis Macnair, Elected Verderer  
Mr Clive Maton, Appointed National Park Authority Planning Verderer  
Mr David Readhead, Elected Verderer  
Mrs Diana Westerhoff, Appointed Natural England Verderer  
Mr Barry Dowsett, Appointed Forestry Commission Verderer  
Mr Richard Stride, Co-opted  
Mr Hallam Mills, Appointed DEFRA Verderer

### **Review of the Year**

The Verderers report a surplus of income over expenditure on the general fund for the year of £21,952 (2014: £97,565).

### **Statement of Verderers' Responsibilities**

The New Forest Act 1877 requires the Verderers to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Verderers and of the income and expenditure for both the general fund and the gridding fund for that period. In preparing these financial statements, the Verderers are required to:-

- Select appropriate accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that they will continue to operate.

## The Verderers of the New Forest

### Report of the Verderers of the New Forest for the year ended 31 March 2015 (continued)

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The Verderers are responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time, the financial position of the Verderers of the New Forest. The Verderers have general responsibility for instituting adequate systems of internal financial control and safeguarding the assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The report on behalf of the Verderers of the New Forest was approved on 17<sup>th</sup> June 2015 and signed on their behalf by



Dominic May  
Official Verderer

# The Verderers of the New Forest

## Report of the Independent Auditors to the Verderers of the New Forest

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I have audited the financial statements of The Verderers of the New Forest for the year ended 31 March 2015, which comprise the general fund and the gridding fund as set out on pages 4 to 13. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Verderers of The New Forest, as a body. My audit work has been undertaken so that I might state to the Verderers of The New Forest those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Verderers of The New Forest as a body, for my audit work, for this report or for the opinions I have formed.

### *Respective responsibilities of Verderers and auditors*

As explained more fully in the Statement of Verderers' Responsibilities set out on pages 1 and 2, the Verderers are responsible for the preparation of the financial statements which give a true and fair view.

My responsibility is to audit and express an opinion on the financial statements in accordance with International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 1.2 to the financial statements.

### *Scope of the audit of the financial statements*

A description of the scope of the audit of the financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### *Opinion*

In my opinion:

- The financial statements have been properly prepared in accordance with the accounting policies of the Court of Verderers
- The information given in the Verderers' report is consistent with the financial statements.
- The financial statements give a true and fair view of the state of affairs of the Verderers as at 31 March 2015 and of its income and expenditure for the year then ended.

Anne-Marie Gates FCCA ACA  
Princetown Willis Limited  
*Chartered Accountants and Statutory Auditors*  
The George Business Centre  
Christchurch Road  
New Milton



Date 22 June 2015

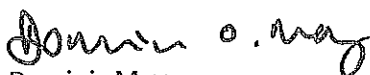
Princetown Willis Limited is a limited company registered in England and Wales (with registered number 9080678)

# The Verderers of the New Forest

## General Fund Balance Sheet As at 31 March 2015

	Note	2015 £	2014 £
<b>ASSETS EMPLOYED</b>			
<b>Fixed Assets</b>	3	3,848	47,355
<b>Current assets</b>			
Investments at cost	4	633	633
Debtors	5	29,439	44,320
Bank current accounts		593,595	381,839
Bank deposit account	6	-	150,398
Cash in hand		1	64
		623,668	577,254
<b>Current liabilities</b>			
Creditors: Amounts falling due within one year	7	84,678	106,355
Due to Gridding Fund		57,857	55,225
		142,535	161,580
<b>Net current assets</b>		481,133	415,674
<b>Net assets</b>		484,981	463,029
<b>Funds employed</b>			
Funds – General	8	331,625	312,045
Railway Fund	9	153,356	150,984
<b>Funds</b>		484,981	463,029

Approved on 17th June 2015 and signed on behalf of the Verderers by

  
 Dominic May  
 Official Verderer

## The Verderers of the New Forest

### Income and Expenditure Account For the year ended 31 March 2015

	Note	2015 £	2014 £
<b>Income</b>			
Marking fees		185,253	190,791
Forestry Commission Animal Welfare Grant		37,200	37,200
Forestry Commission compensation for loss of grazing (estimate)		9,283	9,579
Adjustment for overprovision in previous year		(296)	-
Forestry Commission compensation for Verderers' inclosures (estimate)		9,869	9,579
Adjustment for underprovision in previous year		290	200
Forestry Commission administrative grant		64,806	71,185
Investment income		1,018	1,068
Bank deposit account interest (including short term deposit)		2,404	1,701
Telefonica and Railtrack compensation		607	607
Search fees		5,715	6,880
Sale of impounded stock net of expenses		-	68
Other miscellaneous income		816	400
Brands		2,740	1,910
Donations		654	307
Verderers Grazing Scheme			
- Contribution for Agisters' costs		45,000	45,000
- Contribution to staff costs		10,325	11,800
- Scheme costs recharged		42,573	57,765
- Amortised contribution for Land Rovers, trailers and crush		21,837	21,836
- Stallion scheme contribution		-	3,378
- Contribution to other costs		-	3,504
Verderers' election expenses reimbursed		-	-
		440,094	474,758
<b>Expenditure</b>		418,142	377,193
		418,142	377,193
<b>Net surplus for the year</b>	<b>8&amp;9</b>	21,952	97,565

## The Verderers of the New Forest

### Expenditure Account For the year ended 31 March 2015

	Note	2015 £	2014 £
Agisters' salaries and National Insurance		116,706	114,990
Agisters' horse expenses		22,500	22,500
Agisters' mileage		13,431	14,932
Agisters' clothing		2,430	739
Agisters' pension scheme		10,545	9,203
Motor expenses		12,669	11,977
Depreciation motor vehicles		46,921	29,469
Finance lease interest (Photocopier)		-	332
Clerical salaries and National Insurance		57,844	54,437
Casual labour		335	370
Staff pension scheme		6,721	6,447
Training		150	2,688
Cleaning		875	999
Water supplied to troughs		1,291	1,199
Insurance		12,488	11,613
Telephone less repayments		4,952	3,657
Printing, stationery, postage and advertising		14,179	5,335
Computer expenses		4,233	4,886
Legal and professional charges		3,165	854
Audit		4,140	4,140
Bank charges		32	62
Sundry expenses		6,861	9,267
Verderers' honorarium		5,000	2,500
Verderers' expenses		467	394
Depreciation equipment		376	1,406
Ear tags for marking cattle		2,036	2,167
Repairs to pounds – General		246	360
Stock related expenses		1,788	509
Fallen stock		125	490
Welfare		862	640
Humane killers and ammunition		315	526
Verderers Grazing Scheme		42,573	57,765
Speed Camera partnership		21,405	-
Income tax deducted at source		481	340
		418,142	377,193



# The Verderers of the New Forest

Notes forming part of the financial statements  
For the year ended 31 March 2015

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## 1 Accounting policies

### *Basis of preparation*

The accounts are prepared under the historical cost convention. They comprise the general and gridding fund but do not include the accounts of the Verderers Grazing Scheme.

### *Forestry Commission*

Grants and compensation monies receivable from the Forestry Commission are accounted for in the period to which they relate.

### *Depreciation*

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Office equipment	-	over 4 years
Plant and equipment	-	over 8 years
Motor vehicles	-	over 5 years

### *Pension Costs*

Pension costs are realisable on a systematic basis so that the costs of providing retirement benefits to employees are evenly matched, as far as possible, to the service levels of the employees concerned.

### *Investments*

Investments are valued at the lower of cost and net realisable value. Investment income is shown net.

### *Marking fees*

As marking fees are charged on a calendar year basis, an accrual is made for the proportion of any fees paid in advance. Any amounts received after the year end, are fully accounted for in the period in which they are received.

### *Hire purchase and finance leases*

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the income and expenditure account.

Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the income and expenditure account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

# The Verderers of the New Forest

## Notes forming part of the financial statements For the year ended 31 March 2015 (continued)

### 1 Accounting policies (continued)

All other leases are treated as operating leases. Their annual rentals are charged to the income and expenditure account on a straight-line basis over the term of the lease.

#### *Grants*

Grants received are held on the balance sheet and are amortised over the same period as the assets to which the grants relate. Grants of a revenue nature are credited to the income and expenditure account in the same year as the related expenditure.

### 2 Verderers' honorarium

During the year, honorarium of £5,000 (2014 : £2,500) was paid to elected verderers. Each elected verderer is entitled to £1,000 (2014 : £500) honorarium per complete year served.

### 3 Fixed assets

	Freehold Land £	Office Equipment £	Plant & equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2014	322	13,874	4,959	147,347	166,502
Additions	-	1,055	2,735	-	3,790
<b>At 31 March 2015</b>	<u>322</u>	<u>14,929</u>	<u>7,694</u>	<u>147,347</u>	<u>170,292</u>
<b>Depreciation</b>					
At 1 April 2014	-	13,874	4,847	100,426	119,147
For year	-	263	113	46,921	47,297
<b>At 31 March 2015</b>	<u>-</u>	<u>14,137</u>	<u>4,960</u>	<u>147,347</u>	<u>166,444</u>
<b>Net book value at 31 March 2015</b>	<u>322</u>	<u>792</u>	<u>2,734</u>	<u>-</u>	<u>3,848</u>
Net book value at 31 March 2014	<u>322</u>	<u>-</u>	<u>112</u>	<u>46,921</u>	<u>47,355</u>

## The Verderers of the New Forest

Notes forming part of the financial statements  
For the year ended 31 March 2015 (continued)

### 4 Investments

	2015	2014
	£	£
The Fleming Mercantile Investment Trust Plc Ordinary shares of 25p each at cost	633	633

The market value of the shares at 31 March 2015 was £46,250 (2014: £40,399).

### 5 Debtors

	2015	2014
	£	£
Compensation monies due from the Forestry Commission	19,152	19,158
Other debtors	2,964	18,096
Prepayments	7,323	7,066
	<u>29,439</u>	<u>44,320</u>

### 6 Bank deposit accounts

	2015	2014
	£	£
Monies on 30 day deposit	-	150,398
	<u>-</u>	<u>150,398</u>

### 7 Creditors

	2015	2014
	£	£
Deferred income – marking fees in advance	78,468	78,308
Deferred income – grants received	-	21,837
Trade creditors	2,070	2,070
Accruals	4,140	4,140
	<u>84,678</u>	<u>106,355</u>

# The Verderers of the New Forest

Notes forming part of the financial statements  
For the year ended 31 March 2015 (continued)

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## 8 General Fund

	<b>General Fund</b>
	<b>£</b>
Balance at 1 April 2014	312,045
Surplus of income over expenditure for the year	19,580
<b>Balance at 31 March 2015</b>	<u>331,625</u>

## 9 Railway Fund

	<b>Railway Fund</b>
	<b>£</b>
Balance at 1 April 2014	150,984
Surplus of income over expenditure for the year	2,372
<b>Balance at 31 March 2015</b>	<u>153,356</u>

The Railway Fund arose from the sale of railway cottages in previous years, and the money is held in a separate bank account. The money cannot be used for day-to-day running expenses. The money must be used for the benefit of commoning.

## 10 Contingent Asset/Liability

In a prior year, the Verderers were awarded costs totalling £33,000 in a court case. These have not been accounted for in the year to 31 March 2014 or 31 March 2015, as at the date of approval of the accounts the amounts have not been received and there is no certainty in relation to this matter.

# The Verderers of the New Forest

Notes forming part of the financial statements  
For the year ended 31 March 2015 (continued)

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## 11 Related party transactions

The Higher Level Stewardship Scheme (of which the Verderers Grazing Scheme is a part) is a land management scheme funded by Natural England and jointly administered by the Verderers, the Forestry Commission and the New Forest National Park Authority. The following transactions were incurred with the Verderers Grazing Scheme:

During the year the Verderers charged £42,573 (2014: £57,765) of expenses to the Verderers Grazing Scheme, being expenses incurred on its behalf in 2015. A grant of £21,837 (2014: £21,836) was received from the Verderers Grazing Scheme for the purchase of vehicles and equipment. The grant is being recognised as income over the life of those assets. Grants of £45,000 and £nil (2014: £45,000 and £3,378) were also receivable during the year from the Verderers Grazing Scheme, in respect of contributions towards the Agisters' costs and the Stallion Scheme respectively.

In addition, £10,325 (2014: £11,800) was receivable in respect of administration staff costs.

Included in debtors are £2,669 (2014: £17,592) relating to amounts due from the scheme.

## 12 Provisions available for small entities

In common with many other organisations of this size and nature, the auditors prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

## The Verderers of the New Forest

### Gridding fund income and expenditure account For the year ended 31 March 2015

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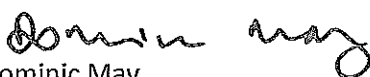
	Note	2015 £	2014 £
<b>Income</b>			
Dividends and interest:			
The Merchants' Trust plc		1,090	1,081
Astra Zeneca group plc		1,514	1,496
Murray Income Trust plc		28	28
		<hr/>	<hr/>
		2,632	2,605
		<hr/>	<hr/>

# The Verderers of the New Forest

## Gridding Fund Balance Sheet As at 31 March 2015

	2015 £	2014 £
<b>Fixed assets</b>		
Investments at cost:		
Market value £63,959 (2014: £57,201)		
Zeneca Group plc	990	990
- 850 25p Ordinary shares		
Murray Income Trust plc	29	29
- 90 25p Ordinary shares		
The Merchants' Trust plc	1,500	1,500
- 4,600 25p stock units		
Premium Savings Bonds	286	286
	2,805	2,805
<b>Current assets</b>		
Due from General Fund	57,857	55,225
	60,662	58,030
<b>Accumulated fund</b>		
Balance at 1 April 2014	58,030	55,425
Surplus of income over expenditure for the year	2,632	2,605
	60,662	58,030

Approved on 17<sup>th</sup> June 2015 and signed on behalf of the Verderers by

  
Dominic May  
Official Verderer