

Annual Report

& Financial Statements

2023/2024

Company Information

Milton Keynes Parks Trust Limited

| | |
|------------------------------------|---|
| Company Registration Number | 02519659 |
| Charity Registration Number | 1007183 |
| Registered Office | Campbell Park Pavilion, 1300 Silbury Boulevard, Milton Keynes, Buckinghamshire, MK9 4AD |
| Bankers | <p>Barclays Bank Plc Ashton House, 497 Silbury Boulevard, Milton Keynes, Buckinghamshire, MK9 2LD</p> <p>Handelsbanken Plc 2nd Floor, Moorgate House, 201 Silbury Boulevard, Milton Keynes, Buckinghamshire, MK9 1LZ</p> |
| Auditor | Moore Kingston Smith LLP 4 Victoria Square, St Albans Hertfordshire, AL1 3TF |
| Solicitors | <p>Geoffrey Leaver Solicitors LLP Bouverie Square, 251 Upper Third Street, Milton Keynes, Buckinghamshire, MK9 1DR</p> <p>Freeths LLP Routeco Office, Park Davy Avenue, Knowlhill, Milton Keynes, Buckinghamshire, MK5 8HJ</p> |
| Subsidiary Companies | <p>MKPT Properties Limited Campbell Park Pavilion, 1300 Silbury Boulevard, Milton Keynes, Buckinghamshire, MK9 4AD Company Registration: No. 04161258</p> <p>MKPT Events Limited Campbell Park Pavilion, 1300 Silbury Boulevard, Milton Keynes, Buckinghamshire, MK9 4AD Company Registration: No. 09411695</p> <p>Whitecap Leisure Limited Campbell Park Pavilion, 1300 Silbury Boulevard, Milton Keynes, Buckinghamshire, MK9 4AD Company Registration: No. 03979736</p> |
| Registered Office | Campbell Park Pavilion, 1300 Silbury Boulevard, Milton Keynes, Buckinghamshire, MK9 4AD |

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About Us

Established as a charity in 1992 The Parks Trust expertly cares for over 6,000 acres of green space in Milton Keynes including river valleys, ancient woodlands, lakes, parks and landscaped areas along the city's grid roads.

In addition to managing and developing local landscapes, the charity's employees and volunteers also work hard to support local wildlife and biodiversity, provide valuable facilities for park users, deliver extensive education programmes and connect communities with events and activities.

In most towns and cities, parkland is owned by the local authority, but Milton Keynes' founders were pioneers and decided to do things differently. Their vision was to create a new town where the parkland and landscapes would be protected forever by a charity that was separate from local government. Doing so would ensure that, as the new

town grew, its green spaces would never be compromised or required to fight for funding.

The Parks Trust was given an endowment of commercial property when it was set up thirty years ago and returns on these investments generate the primary source of income required to fund its wide-ranging work.

As Milton Keynes grows, so does The Parks Trust. Each year, the charity takes on new green spaces and endowments from developers and ensures that all new areas of the city benefit from the same quality of inspiring, connected landscape.



Welcome

Welcome from Victoria Miles MBE, Chief Executive

Working at The Parks Trust enables us to look back on a year through the seasons and all that the elements throw at us. Like everyone else the excessive wet weather dampened spirits, but the rain also brought the most beautiful Spring blossom and masses of rich green landscapes which has lifted and brightened those same damp spirits. As I write, the parks are in full bloom as Spring is now well underway and our cattle will soon be grazing as the sodden fields dry out after months of extremely wet weather.

The seasons are all part of the bigger picture and are only one challenge of managing a diverse landscape, but I'm always encouraged by my brilliant team who step up with new ideas, are full of passion and energy and bring those ideas to life. Highlights include the volunteers, organisations and school pupils who helped us plant over 5000 trees at Middleton Wood Meadow. This is part of a joint 5-year project with Broughton Parish Council and MK Community Trees to enhance the area for visitors and local wildlife. We have added new natural structures to our Tree Tots area, encouraging further play and exploration for little ones at Howe Park Wood. I loved the Autumn leaf challenge that encouraged families to get outside, hunt down a variety of leaves representing the season's remarkable transformation, and the acorn collection project has seen lots of saplings being dropped off at the Pavilion so we can prepare them for planting in the Spring.

Our army of volunteers have achieved the highest recognition working with The Parks Trust in receiving the Investing in Volunteers Award, the UK quality standard for good practice in volunteer management.

Events continued throughout the year, with the ever-popular Big Doggie Do, Armistice Day commemorations at the Milton Keynes Rose, Carols at The Tree Cathedral and the incredible record-breaking MK Can event.

Willen on Ice exceeded all expectations, with record visitor numbers and families enjoying a new leisure offer for the people of Milton Keynes and visitors who came from far and wide. We look forward to further Willen on Ice adventures in Winter 2024.

And finally, we celebrated our Green Flag Award for the 7th consecutive year, the industry standard accolade which recognises the outstanding contribution of everyone involved at the Trust who collectively share the passion and ambition to ensure our green estate is expertly managed, whilst actively increasing biodiversity.

The weather will always be unpredictable and so will the economic climate, which has been difficult and challenging for the Trust during the last 12 months. But we will strive to manage the green estate even better and continue to encourage everyone to get out and about to walk, run, cycle, attend events and get involved in the activities that we provide across the parks which contributes to the overall health and wellbeing of those who live, work, and play in Milton Keynes.

Best wishes,

Victoria Miles MBE
Chief Executive



Welcome from Nick Lloyd, Chair

As Chair of The Parks Trust, my job (and the job of the trustees as a group) is to review the performance of the Trust as a whole and to ensure it is delivering (and will be able to continue to deliver) the best parks, woodlands and lakes to the people of Milton Keynes, forever. We are here to monitor, support and challenge the amazing team at the Trust that does this for us all day in day out. The open spaces of Milton Keynes are very different to almost all other town and city open spaces in the UK – in many ways but, in particular, because the vast majority of that open space is operated and managed by a charity (The Parks Trust) and not by the local council or (in the case of newer developments within the city) by residents' associations. This means that the parks we all enjoy come at no cost to Milton Keynes or its residents. We still work incredibly closely with MK Council and MK Development Partnership, and they are a continuous and brilliant support to us and all of Milton Keynes as we go about our mission.

Milton Keynes continues to grow and the scope of what we can and would like to provide also grows. We are constantly ambitious. As we are a charity and we fund our operations and the management of the parks from the income of investments we make to create the money that pays for it all, we have to be ever mindful of striking the right balance between all the projects we would like to undertake, maintaining the core high quality of the parks, dealing with the growth of the city (and ensuring the new parts have the same access to superb outdoor space) on the one hand and, on the other hand, safeguarding the financial position of the Trust so that it can continue to provide the parks at no cost to you or the tax payer generally. The last few years have seen much economic uncertainty and there is most likely more to come for a little while. So, we will be looking hard at what our likely income will be over the coming years, how that can be best deployed and what that means for the Trust's longer-term goals and strategy. All, of course, in the continued light of providing the best parks, woodlands and lakes to the people of Milton Keynes.

If I could be bold enough to make a request of you, I would ask this, tell people who don't use the parks to go and take a look. If you do use them, go, and find one or two parts that you don't know (they are all amazing and there is so much diversity across them). Talk to the rangers and volunteers you see out and about (become a volunteer even), share your feedback with us. We can't do everything everyone wants. But I can assure you that the feedback we receive is heard at all levels of our organisation.

Finally, I'd just like to thank the Trust's employees and volunteers. None of this is vaguely possible without you.

Best wishes,

Nick Lloyd
Chair



Our People

Our Volunteers

Over the past 12 months our 245 volunteers have generously donated over 11,352 hours of their time. Undertaking a wide range of tasks from supporting our operational work, events, outdoor learning activities and ranger teams.

This hard work hasn't gone unnoticed as this year we are delighted to announce that we have been awarded the prestigious Investing in Volunteers accreditation, signifying our commitment to volunteer management standards. Investing in Volunteers (IIV) serves as a benchmark for volunteer management excellence in the UK.

It represents a high standard of practice and signifies an organisation's dedication to providing valuable volunteer opportunities that benefit the local community and the environment.

Improving access in our parks

We're embarking on a new workstream to make all our activities and operations more accessible to everyone.

Our teams have been auditing the city's parks and seeking guidance from local organisations that specialise in advising on access improvements. We've already made improvements at Willen Lake which included introducing a Changing Places toilet, and recently turned our focus to Furzton Lake.

We're pleased to share that we have already implemented improvements at Furzton Lake, making the lakeside environment more accessible. Through a collaborative effort with the Centre for Integrated Living MK and valuable input from individuals with lived experience of disability, we've embarked on a mission to enhance the lakeside experience for all.

After hearing from visitors that the picnic bench near Lynmouth Crescent wasn't suitable for their needs, we have now replaced it with a configuration that includes space for wheelchair users. We have also widened the park entrance, removed some vegetation to allow wheelchair users and buggies more space on pathways.

In acknowledgment of our volunteers each year we also hosted a celebration awards evening which allows us to recognise individuals and in 2023 the winners were:

- ★ **Volunteers of the year:** Steve & Caroline Beechey
- ★ **Events Volunteer of the Year:** Tony Sell
- ★ **Outdoor Learning Volunteer of the Year:** Colin Bowker
- ★ **Newcomer (Ranger) of the Year:** Sharon Lawson
- ★ **Biodiversity Champion:** James Chew
- ★ **Newcomer of the Year:** Jon Sidwell
- ★ **Long-service Award:** Athina Beckett & Jonathan Brown

Viewing platforms around the lake now have a timber edge, which acts as a safety barrier and wheel stop, to give visitors peace of mind while enjoying scenic views. We've carefully designed the edging to align with accessibility guidelines and to make the platforms more accessible to all.

We have levelled the access to the footbridge near Shirwell Crescent to ensure a smooth transition onto the decking, and we have extended handrails at either side to guide visitors onto the structure.

The Parks Trust is fully committed to making our parks more inclusive and accessible. These initial improvements at Furzton Lake are just the beginning of our efforts to make the city's parks more inclusive for all.






New Green Spaces

Milton Keynes is an exciting and well-connected place to live and work and because of this, developers are always looking to build new homes and commercial spaces.

The Parks Trust collaborates with these developers to ensure that these new neighbourhoods benefit from beautiful, interconnected landscapes just like other parts of the city. Our goal is to enhance the quality of life for new residents while also preserving the local environment and promoting biodiversity.

Once these developments are completed, the associated parklands, ponds, and play areas are often entrusted to The Parks Trust. Along with these assets, we receive endowments that we carefully invest to ensure ongoing care and maintenance, all at no expense to the local community.

In the Financial Year 2023-24, we proudly took on the responsibility of stewarding these new parks and landscapes in Milton Keynes:

-  **Shearing Park at Whitehouse**
-  **A small area of the North Bucks way in Oxley Park**
-  **A large section of the North Bucks way in Whitehouse**



- | | |
|--------------------------------------|--------------------------------------|
| 1. Ashland Lakes | 24. Middleton Wood Meadow |
| 2. Blackhorse Wood | 25. Millfield |
| 3. Brooklands Meadows Park | 26. Mount Farm Trials Park |
| 4. Broughton Brook Park | 27. Loughton Valley Park |
| 5. Pineham BMX Track | 28. Ouse Valley Park |
| 6. Caldecotte Brook | 29. Ouzel Valley Park |
| 7. Caldecotte Lake | 30. Oxley Park |
| 8. Campbell Park | 31. Poplar Plantation |
| 9. Canal Broadwalk | 32. Stanton Low Park |
| 10. Eagle Farm Wetlands | 33. Shenley Wood |
| 11. Elfield Nature Park | 34. Stonebridge Lakes Nature Reserve |
| 12. Floodplain Forest Nature Reserve | 35. Stonepit Field |
| 13. Furzton Lake | 36. Stony Stratford Nature Reserve |
| 14. Glebe Farm Wetlands | 37. Tattenhoe Valley |
| 15. Great Linford Manor Park | 38. Teardrop Lakes |
| 16. Hazeley Wood | 39. The Toot |
| 17. Howe Park Wood | 40. Tombs Meadow |
| 18. Kents Hill Park | 41. The Tree Cathedral |
| 19. Tattenhoe Park | 42. Walton Lake |
| 20. Lady Margery's Gorse | 43. Waterhall Park |
| 21. Linford Lakes Nature Reserve | 44. Whitehouse Park |
| 22. Linford Wood | 45. Willen Lake North |
| 23. Lodge Lake & Loughton | 46. Willen Lake South |



IF: Milton Keynes International Festival

We were pleased to support IF: Milton Keynes International Festival as their Green Spaces Partner in 2023. The Parks Trust has supported IF since its inception in 2010.

The festival takes place every two years and plays a key role in the cultural development of Milton Keynes. It presents a world-class, multi-arts programme which includes live music, theatre, comedy, cabaret, outdoor events and family activities.

The festival is produced by The Stables with funding from various partners. A large number of the activities available over the 10-day period took place within our parks with the hub of the festival, Festival Central, being located in Campbell Park, we also saw other events at Milton Keynes Rose and Great Linford Manor Park. We contributed the use of our parkland to the festival, as well as providing support and backing for the programme of superb acts that festival goers and park users enjoyed throughout the festival from the 21st to the 30th of July.

Our Highlights

It was another jam-packed year for The Parks Trust, with our teams and volunteers going above and beyond to deliver outstanding work throughout the seasons, living by and consistently driving our values of being committed, inspirational and collaborative to ensure we are achieving our mission to provide beautiful parks, woods, and landscapes, to be loved by the people of Milton Keynes forever.

There are so many good things to celebrate and recognise which are highlighted over the following pages.





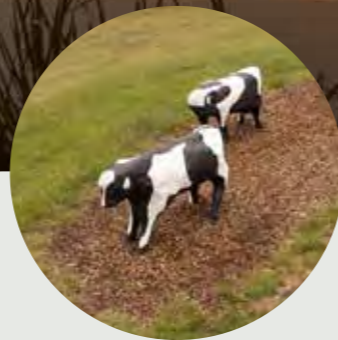
Celebrated World Wetland's Day for the first time in 2023.



Supported MK Food Bank's incredible MK CAN event to secure the Guinness World Record for longest line of food cans – more than 102,000!



Triceratops the 8.7m long dinosaur sculpture located in Peartree Bridge was given a new skin.



The city's most famous residents, the Concrete Cows, had a transformative and moo-vellous make-over.



Our network of parkland secured a Green Flag Award for the seventh consecutive year.



Great Linford Manor Park was recognised with Green Heritage Site Accreditation for the second time and received two British Association of Landscape Industries (BALI) Awards for 'Community and Schools Development' and 'Nature Conservation & Biodiversity Enhancement'.



Our volunteering programme achieved Investing in Volunteers accreditation.



Campbell Wharf Marina won The Yacht Harbour Association Inland Marina of the Year.



The Parks Trust adopted the coordination of MK Health Walks.



We welcomed new community events to Campbell Park this year with Zimbabwean and Hong Kong communities making use of the space.



The Filipino community returned with their much-loved 'Barrio Fiesta' which showcased fantastic Filipino culture, food and dance.



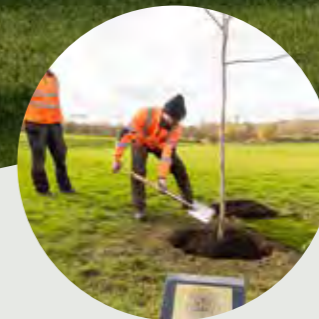
2,235 bales of hay were produced from our parkland.



Two hectares of land transferred into our care.



28,000 trees and shrubs were planted across our 6,000 acres.



Tree planted for coronation of His Majesty King Charles III



Willen Lake launched its first Winter event, with Willen On Ice boasting a 400 sq/m real ice rink accompanied by an Apres Ski Bar, festive food and drink stalls, and small selection of fair rides for children. Successfully welcoming more than 35,000 visitors, in a usually quiet period, of which 29,400 purchased ice-skating tickets. The event was loved by visitors, with calls to see it return with a bigger ice rink - for which planning is underway.



The Evolution of Campbell Park

Over the next few years, we will be working with a variety of stakeholders to look at the development of Campbell Park.

Today, Campbell Park stands as a central green oasis within Milton Keynes, offering residents and visitors a place to relax, enjoy nature, and participate in community events. Its history reflects the deliberate planning and design principles that went into the creation of Milton Keynes as a modern and sustainable urban environment. We don't want to lose this, but we do need to respond to and anticipate challenges and opportunities of the future.

Our focus will be on the long-term master planning and vision with big aspirations for the future of the park, to ensure we create a comprehensive strategy for the evolution and management of Campbell Park over the next three decades. We want the park to be a safe, sustainable, fun and inclusive connected urban green space that will play a vital role in the health of our city.

This masterplan will be used to inform our stakeholders, the park users and nearby residents, who we will work closely with to gather their ideas, thoughts and suggestions so we can create a clear and concise brief.

Strategic Objectives

- 1 Provide beautiful parks and green spaces**
Ensure the management of greenspace under our care is kept to a high standard.
- 2 Support action on climate change**
Understanding, monitoring and lowering our environmental impact.
- 3 Invest in our communities**
Work with local communities to engage and educate them in our work and their use of green spaces.
- 4 Invest in our people**
Be included in the top 100 best charities to work for in the UK.
- 5 Build awareness**
Promote greater awareness and understanding of The Parks Trust and our charity model.
- 6 Grow our financial and property portfolios**
Follow a long-term financial strategy and diversify our portfolio to reduce risk.
- 7 Ensure high performance and efficiency**
Ensure we are a high performing organisation with effective governance, leadership and accountability.

Our Financial Performance

Financial position and reserves at the end of 2023/24

At the close of the 2023/24 financial year, the Trust's financial position demonstrated a small rise in net assets, reaching £149.7 million, up by £4.1 million from the previous year's £145.6 million. This increase was predominantly driven by an upward revaluation of our listed investments from within our Expendable Endowment Fund, attributable to favourable investment market conditions throughout the latter half of 2023 and extending into 2024.

Our net assets are allocated across three reserve funds as follows:

Restricted Fund: Standing at £0.2 million (2023: £0.6 million), earmarked for the Campbell Park Community Facilities project and the Riverine Forest project.

General Fund: Currently at £5.2 million (2023: £6.7 million) with the reduction arising from this year's deficit. Notably, all income derived from assets within our Expendable Endowment Fund is included into this fund, available for advancing the charitable objectives of the Trust. Moreover, within the General Fund, we've designated funds for specific initiatives such as the Environmental Gain Fund and the Stanton Low Fund. The Environmental Gain Fund has been established to enable us to put aside reserves for the specific purpose of improving

Financial review of 2023/24

In reviewing the financial performance of 2023/24, it's notable that we've reached yet another milestone in our commitment to charitable activities, with expenditures amounting to £15.2 million (2023: £14.9 million). This surpasses the previous year's expenditure, largely driven by investments in our primary charitable objectives, namely, the management and maintenance of our parks, lakes, and landscapes. The management and maintenance of our parks, lakes and landscapes is at the heart of what we deliver as a charity.

Our investment income has notably reached a new peak of £11.1 million (2023: £10.4 million), attributed to a diverse portfolio comprising a commercial property portfolio and financial investments. The Trust's principal income from the investment assets it holds was made up of:

- Commercial property portfolio of £9.3m (2023: £8.9m);
- Financial investments of £1.7m (2023: £1.5m).

This year, the endowments allocated for new land transfers amounted to £1.4 million, representing a decrease from the £2.5 million recorded in the previous year. We are pleased to have completed the transfer of a local play area in Whitehouse Park,

biodiversity and creating new habitat within Milton Keynes and its environs. The Stanton Low Fund was established following receipt of gravel royalties obtained from the Ouse Valley Park and are designated for use in enhancing the site at Linford Lakes Nature Reserve.

Expendable Endowment Fund: Currently valued at £144.3 million (2023: £138.3 million), this fund saw growth primarily due to a net revaluation increase in investment assets. This fund includes assets donated by the Milton Keynes Development Corporation when the Trust was established in 1992. In most years since then the Trust has taken responsibility for managing additional greenspace and received additional endowments, initially from the Commission for New Towns, then English Partnerships, and more recently various developers and Milton Keynes Council (from the 'Tariff' and Section 106 monies). This year endowment receipts of £1.4 million (2023: £2.5 million) were received and contributed to the increase in the overall fund. The fund may be converted into income.

in addition to securing ownership of three smaller land parcels situated across different areas within the city.

This financial year saw a marginal decline in income from charitable activities, totalling £1.3 million (2023: £1.5 million). This decrease can be attributed to the conclusion of grant income associated with the final stages of the restoration project at Great Linford Manor. As the project nears completion, grant funding from the National Lottery Heritage Fund has naturally decreased. Our primary income from charitable activities comprised:

- Farming income of £0.7m (2023: £0.7m);
- Sale of goods and services of £0.5m (2023: £0.4m);
- Grant income of £0.1m (2023: £0.3m);

Despite encountering adverse weather conditions with a particularly wet summer, the Trust's trading subsidiary, Whitecap, managed to maintain revenue at £1.7 million, aligning with the previous year's performance. Additionally, other income remained steady at £0.2 million, consistent with the figures from the prior year.

Over the course of the year, our total resources expended rose from £14.9 million to £15.2 million. Notably, within this figure, our expenditure on the management and maintenance of parks increased from £8.1 million to £8.6 million. This uptick reflects a record-high investment in our parks and greenspace, along with the management of new land parcels under our stewardship.

Despite this increase, we maintained spending on investment management costs at £4.4 million. This includes direct expenditure on maintaining our investment property portfolio, covering debt service costs and derivative revaluations.

The Trust maintains a well-diversified portfolio of investments, encompassing both our internally managed commercial property holdings and externally managed non-property investments. In the current financial year, we observed a slight uptick in the value of our investment funds, totalling £178.1 million compared to £176.7 million in 2023. Regarding investment market conditions, it's noteworthy that we've navigated through a dynamic landscape characterised by both opportunities and challenges. Despite fluctuations, prudent management and strategic diversification have contributed to the overall resilience and growth of our investment portfolio.

In the past financial year, our financial investments demonstrated a fair value increase of £3.4 million, a marked improvement from the previous year's decrease of £3.1 million. This revaluation is captured as an unrealised gain in our Statement of Financial Activities. Furthermore, an independent desktop valuation conducted by Colliers International Valuation UK LLP assessed the majority of our investment properties.

Key Financial Metrics

| | 2023/24 | 2022/23 |
|---|-------------|-------------|
| Total incoming resources | 15.8m | 16.3m |
| Total resources expended | 15.2m | 14.9m |
| Net movements in funds | 4.1m | -4.8m |
| Expendable endowment fund | 144.3m | 138.3m |
| Commercial property portfolio net yield | 5.6% | 4.7% |
| Managed funds blended net yield | 3.9% | 3.1% |
| Total return | 7.8% | 0.1% |
| Total return (5 year average) | 7.7% | 7.5% |

The valuation methodology adopted was based on open market value, considering existing tenancies. As a result, our land and properties are appraised at £131.0 million, showing a slight decrease from £132.0 million in the prior year. A marginal decrease of £0.2 million in valuation is recognised as an unrealised loss in our Statement of Financial Activities, reflecting the current market conditions.

The Trust currently holds bank loans amounting to £35.3 million, a reduction from £37.7 million in the previous year. These loans are secured against select property investments within our portfolio.

Throughout the financial year, we strategically decreased the drawn amounts on our floating rate revolving credit facility (RCF) from £2.7 million to £1.3 million, and the term loans from £35 million to £34 million. This reduction was facilitated by utilising proceeds from the sale of investment properties and endowment receipts.

Our RCF facility remains available until November 2024, with a maximum value of £10 million. This facility serves multiple purposes, acting as both a resource for working capital needs and a valuable tool for managing cash flow, facilitating potential acquisitions of new investment assets. Negotiations have commenced with Handelsbanken PLC regarding its renewal, which is expected to complete in the summer of 2024 ahead of the November expiry.

Our Investments

We hold our endowment reserve as investments so that we can fund our day-to-day charitable work and also that we can grow the amount of money, in real terms, that we have to fund our work in the future.

This year our commercial property portfolio faced another demanding period amidst challenging economic conditions. Income yields increased to 7.2%, compared to 6.3% in the prior year. Additionally, the capital return was flat, following a negative return of 4.4% in 2023. Several factors contributed to the subdued performance of our property portfolio. These include broader economic uncertainties, evolving market dynamics, and shifts in occupational behaviour, all of which impacted rental yields and property valuations.

Despite these challenges, we remained proactive in our approach, disposing of one investment property, generating £1 million in cash receipts, and realising a gain of £0.2 million on disposals. Notably, we did not acquire new investment properties during the year. On those properties that remain in the portfolio, there was a small downward revaluation in capital values and an unrealised loss of £0.2m was recorded.

Our portfolio spans diverse sectors including retail, office, hotel and leisure, industrial, and residential properties, with a significant portion totalling 70.5% concentrated within Milton Keynes (2023: £70.1%). This, combined with active management strategies, underscores our commitment to mitigating risks and maximising returns. Leveraging the expertise of our in-house team, we believe we are well-positioned to navigate market fluctuations and safeguard the income generated from our property assets.

The Trust also continues to hold funds with Sarasin and Partners LLP (Sarasin), Legal & General Investment Management (LGIM), Apollo Global Management (Apollo) and J.P. Morgan. Our managed funds portfolio is invested in a range of securities including equities, credit and alternative financial investments. Overall, this year our total managed investments rose in value to £47.1 million (2023: £44.7 million). The financial investments returned net gains (realised and unrealised) of £4.1m. There was a net withdrawal from the portfolio of £1m.

We have a written investment policy which is reviewed annually by the board. Our investment policy requires our managers to meet these ethical investment requirements:

- The Parks Trust will avoid directly investing in companies that have a significant negative impact on climate change;
- The Parks Trust will invest mainly in funds where the underlying managers employed have a credible Responsible Investment Policy;
- The Parks Trust will invest a proportion of its funds into ethical funds particularly those that aim to promote solutions to climate change providing it is not to the Trust's financial detriment to do so;
- The Trustees reserve the right to withhold from making investments which, in their opinion, may damage the Trust's reputation; and
- The Parks Trust does not expect its investment advisors to make investments that are out of step with the Trust's guiding values or that would be contrary to the achievements of the Trust's objectives.

Subsidiary - Whitecap Leisure Limited

During the Summer of 2023, adverse weather conditions presented notable obstacles for the outdoor leisure operations of our trading subsidiary, Whitecap Leisure Limited. Although revenue remained steady compared to the previous year, it fell considerably short of budgetary projections, leading to an undesirable deficit. Recognising the need for proactive measures, a management restructure was initiated, aimed at fortifying Whitecap Leisure's resilience against future weather-related challenges. This strategic restructuring positions the subsidiary on a more robust footing to effectively navigate and mitigate such obstacles in the future.

Towards financial sustainability

Our charitable objectives extend indefinitely to the stewardship of parks, lakes, woods, and landscapes. Operating under a self-financing model, we rely solely on our investments and commercial endeavours to fund our operations. Thus, it's imperative that we adhere to a strategic plan to ensure the Trust's long-term financial viability.

Although our Expendable Endowment Fund saw growth this year, we exercise prudence and remain vigilant until we are assured of the property portfolio's full recovery. While the underperformance of the property portfolio presents a setback, we remain steadfast in our resolve to enhance our financial sustainability, aligning with the perpetual needs of the charity.

Looking forward

As we look ahead to the fiscal year 2024/25, our commitment remains steadfast in maintaining and enhancing over 6,000 acres of greenspace in Milton Keynes. We will need to be agile to effectively address the growing demands and pressures facing our existing land, alongside the responsibilities accompanying the acquisition of new greenspace.

Despite the strength of our endowment position, it is imperative that we continue to thoroughly review our costs base. This strategic assessment is essential to mitigate the challenges posed by substantial increases in inflation and interest rates, safeguarding our ability to fulfil our charitable purpose over the long term.

Structure, Governance and Management

Company Structure

Milton Keynes Parks Trust operates on a day-to-day basis as The Parks Trust. It is a company limited by guarantee, governed by its articles of association and administered by a Board of Trustees. The Board sets and monitors the strategic direction of the

company and ensures that our strategy is aligned with our values and mission. The Board is responsible for ensuring The Parks Trust is properly managed, complying with all relevant law, and has the highest standards of governance.

Trustees

All the Trustees are directors of Milton Keynes Parks Trust Limited. The Trustees who served during the year and up to the date of this report are:

Yoseph Araya
(appointed 11 May 2023)

George Bowyer
(retired 30 April 2023)

Robin Bradburn
Nominated by Milton Keynes Council

Chris Bridgman
Vice Chair of the Trust and Chair of Operations Committee

Ian Burgess

Tim Dolder

Martina Gorla
(appointed 29 November 2023)

Robert Green
Chair of Audit and Risk Committee

Rupa Green
(appointed 29 November 2023)

Charlotte Hall
(appointed 4 August 2023)

Ian Jackson

Joseph Kingston
(appointed 29 November 2023)

Nick Lloyd
Chair of the Trust

James Macmillan
(retired 29 November 2023)

Zoe Raven
(retired 29 November 2023)

Ian Russell
(retired 29 November 2023)

Danielle Sheppard

Richard Smith
Chair of Finance and Property Committee

Lauren Townsend
Nominated by Milton Keynes Council and Chair of Governance and HR Committee

Carla Velterop-Martin
(appointed 29 November 2023)

Graham Webster
(appointed 29 November 2023)

Ellen Wilson

Since the last report four Trustees have retired and seven new Trustees have been appointed, taking note of where skills gaps would be occurring on the Board. Newly appointed Trustees go through an induction process which includes explanation of the regulatory framework within which The Parks Trust operates, the legal and fiduciary duties of charity Trustees and company directors, as well as risk management and mitigation. All Trustees are provided with training opportunities, Charity Commission briefings and other information about good charity governance.

The board of The Parks Trust has four sub-committees and received regular reports from each of them.

- The Finance and Property Committee is responsible and accountable to the Board for the financial performance, treasury and debt management, investment strategy, including the strategy for The Parks Trust's commercial property portfolio. It is also responsible for the consideration of proposals for investment acquisitions and disposals and the terms of adoption of future greenspace.
- The Operational Strategy Committee takes an overview of the way we manage our land and ensures it is well-managed, promoted, animated and interpreted. It also considers proposals for The Parks Trust to take on additional green spaces.
- The Audit and Risk Committee oversees financial regulations, financial systems, internal controls, policies and procedures and ensures that they are sound. It meets the auditors annually and, monitors the management and mitigation of risk.
- The Governance and HR Committee ensures the Trust has good governance and HR management, overseeing the independent governance review carried out every three years and the annual staff survey.

The Trust also has two advisory groups made up of Trustees and external specialists with a wealth of experience in the subject. One group advises on ecology and the other on investments

The Trustees have had due regard to public benefit guidance published by the Charity Commission. We consider all the work undertaken by The Parks Trust is for the benefit of the public. For example:

- Nearly all of the 6,000 acres of green space The Parks Trust owns in Milton Keynes is available for the public to use freely, every day of the year.
- The benefits of parks to society, the economy, health and well-being and to the local and global environment are well known and widely accepted.

- The outdoor learning and the events programmes organised by The Parks Trust help people further understand and appreciate the green environment within the new city.
- Our volunteers programme enables local people to become actively engaged in their environment.

The management of The Parks Trust's investments is undertaken solely for the purpose of providing income and long-term financial security so that The Parks Trust can carry out its charitable objects in perpetuity.

The Parks Trust Senior Leadership Team

The Senior Leadership Team is responsible for the day-to-day running of the Charity. It proposes to the Board where the Charity should invest its time, money and expertise. It reviews strategic changes to the Charity's activities prior to consideration by Board or Committees. Through the Finance Director it proposes an annual operating budget to the Finance and Property Committee and to Board for approval and monitors financial performance accordingly. It recommends any changes to the budget and activity in light of performance and changes in the external environment. Those who served on the Senior Leadership Team during the year and up to the date of this report are as follows:

Hannah Bodley
Deputy Chief Executive

Phil Bowsher
Head of Environment

James Cairncross
Head of Landscape Architecture

Frank Gill
Head of Operations and Forestry

Jeremy Godfrey
Finance Director

Jennifer Harris
Head of People

Victoria Miles
Chief Executive

Rob Riekie
Landscape and Operations Director

Tim Roxburgh
Head of Property

Rob Wood
Executive Director, Willen Lake

Key Personnel - Remuneration

The Chief Executive's remuneration is determined by the Board on the recommendation of a small sub-committee, made up of the Chair and Vice-Chair of the Board. They also carry out the annual performance review of the Chief Executive. Our salaries are reviewed in the first quarter of each calendar year and any changes take effect from April. Bi-annually a salary benchmarking exercise is carried out on all salaries and benefits at the Trust and to ensure all are now within the 'assessed market range'. Our next review is scheduled for January 2025.

Subsidiary undertakings

The charity has three wholly owned subsidiary undertakings:

- Whitecap Leisure Limited – a subsidiary managing the leisure operation at Willen Lake.
- MKPT Properties Limited – which has been used from time to time to undertake property development projects but is currently dormant.
- MKPT Events Limited – which was the vehicle used to manage the Rugby World Cup 2015 Festival and Fanzone but is currently dormant.

The Parks Trust has formal funding agreements with these subsidiaries and appoints some of the directors to each board. Directors are listed in the subsidiary accounts.

Structure, Governance and Management

CONTINUED

Principal risks and uncertainties

The Parks Trust adheres to a comprehensive risk policy outlining our risk tolerance and guiding our risk management procedures. Our Senior Leadership Team conducts quarterly reviews of our business plan and operational risk register, facilitating oversight of workflow, capacity, and progress across all operations.

In compliance with statutory obligations, Trustees routinely evaluate and address all risks confronting the Trust, devising strategies for their management. The Audit and Risk Committee are tasked with monitoring the efficacy of our risk management practices. The Trustees are satisfied that appropriate protection, systems and checks remain in place in order to mitigate exposure to significant risks.

While we have managed the challenges of recent years, we anticipate additional obstacles during the transition into the 'post-pandemic' era, marked by substantial external uncertainties. We acknowledge the prevalence of various macroeconomic risks, notably those related to fluctuations in economic conditions and shifts in domestic and global political landscapes.

Of particular concern is the impact of rising living costs on staff recruitment and retention, as well as the underperformance of our property portfolio. This along with the impacts of inflation are necessitating cost-saving measures to safeguard the Trust's long-term future.

To ensure liquidity, we maintain adequate cash reserves, with cash flow projections subject to monthly scrutiny by the Finance Director and Chief Executive, and quarterly oversight by the Finance and Property Committee. Risks associated with borrowings are mitigated through interest rate swaps and regular monitoring, including stress testing against loan financial covenants. Additionally, our investment portfolio retains a sufficient portion of highly liquid assets to mitigate risk exposure.

There are several high scoring risks in the risk register. These are risks that would have the most detrimental impact on The Parks Trust. We face risk and uncertainty in different areas including:

- We face a challenge due to a scarcity of skilled contractors available for our landscape management operations. To address this, we maintain strong partnerships with our current contractors, fostering positive relationships and understanding their business pressures. We prioritise the nurturing of our existing contractor pool but we are also looking to expand our network of capable contractors and recruit new talent whenever feasible is imperative. Moreover, we are committed to enhancing and growing our Direct Works team, including apprentices, and aim to either maintain or gradually increase the proportion of work carried out by this team.

- Retaining and recruiting high calibre staff, volunteers and trustees. We mitigate this by keeping a good reputation and making sure The Parks Trust is a good and rewarding place to work by following good HR policies and succession planning. Our organisational mission and core purpose are key factors in attracting and keeping talent. We carry out compensation benchmarking and aim to have a competitive employment proposition, especially given cost of living pressures on salaries in the wider economy. We are also implementing an EDI strategy. The Governance and HR Committee led by the Chair continues to give this important area more focus and scrutiny.
- The impact of the inflationary impact on our cost base, our investment asset values and our income. We continually review our income and make adjustments to forecasts as appropriate. We mitigate the risk that the income from our investments may fall short of our targets by having a long-term financial strategy that is regularly reviewed, as well as annual and three-year budget plans. We have an investment policy that requires us to maintain a diversified portfolio and regularly review the performance of investments against the financial strategy using external consultants where appropriate.
- The risk of an operational disruption event due to malicious cyber-attack. We mitigate this risk by working with a managed service provider who manage the security controls that we have in place ensuring, amongst other, things that we have adequate antivirus and web protection. We also ensure that all staff are aware of phishing techniques and that the finance staff are aware of the procedures to follow when making payments/changing bank details. We have introduced two factor authentication as part of our sign in process for all staff to add another layer of protection.

Investments

The investments of The Parks Trust are set out in note 13 of the financial statements. The endowment funds are primarily held in the form of commercial property and financial investments. To protect The Parks Trust's long-term interests, plans for investment diversification are assessed regularly. An independent desk top valuation of the investment properties was carried out in March 2024 by Colliers International Valuation LLP. The land and properties were valued at £130.9m (2023: £131.9m). The basis of the valuation adopted was open market value subject to existing tenancies.

Statement of Trustees' Responsibilities

The Parks Trust's non-property investment portfolio is managed by Sarasin & Partners LLP, Legal & General Investment Management, Apollo Global Management and JP Morgan Asset Management who are authorised persons within the meaning of the Financial Services and Markets Act 2000. The mix of asset classes within the portfolio has been structured to target a return in the long-term, which is forecast to deliver a performance above expected inflation rates.

The Trustees (who are also directors of Milton Keynes Parks Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that period.

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

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Statement of Recommended Practice for charities, SORP (FRS 102) (second edition October 2019).
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charitable company and group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time, the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In the case of each Trustee in office at the date of the Trustee's Report is approved, that:

As far as each of the Trustees is aware, there is no relevant audit information of which the charitable company's auditor is unaware.

They have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

In approving the Trustees' Report, the Trustees are also approving the Strategic Report in their capacity as Trustees of the Charitable company, from pages 6-24.

Auditor

A resolution for the reappointment of Moore Kingston Smith LLP as auditor of the Charity will be proposed at the forthcoming Annual General Meeting.

The financial statements on pages XX were approved by the Board of Directors on XX and signed on its behalf by Nick Lloyd.



Nick Lloyd
Chair of the Board
Company Number: 02519659
The accompanying notes form part of these financial statements.

Independent Auditor's Report

Independent Auditor's Report to the members of Milton Keynes Parks Trust Limited.

Opinion

We have audited the financial statements of Milton Keynes Parks Trust Limited for the year ended 31 March 2024 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us;
- or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns;
- or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 25, the Trustees' (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees' 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 Trustees' are responsible for assessing the group and parent charitable company'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 Trustees' either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

Independent Auditor's Report

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Silvia Vitiello (Senior Statutory Auditor)

Moore Kingston Smith LLP

for and on behalf of Moore Kingston Smith LLP,
Statutory Auditor 17 July 2024

4 Victoria Square
St Albans
Hertfordshire
AL1 3TF



Financial Statements

Consolidated statement of financial activities

For the year ended 31 March 2024
(incorporating income and expenditure account)

| Note | Unrestricted funds | Restricted funds | Expendable endowment funds | 2024 Total funds | 2023 Total funds |
|---|--------------------|------------------|----------------------------|------------------|------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Incoming resources | | | | | |
| Income and endowments from: | | | | | |
| Endowments | - | - | 1,389 | 1,389 | 2,473 |
| Charitable activities | 2 | 1,316 | - | 1,316 | 1,464 |
| Other trading activities | | 1,749 | - | 1,749 | 1,748 |
| Investments | 3 | 11,071 | - | 11,071 | 10,409 |
| Other income | 4 | 233 | - | 233 | 246 |
| Total incoming resources | | 14,369 | - | 15,758 | 16,340 |
| Resources expended | | | | | |
| Expenditure on: | | | | | |
| Raising funds | 5 | (4,224) | - | (4,224) | (4,417) |
| Raising funds from trading activities | 6 | (1,980) | - | (1,980) | (2,029) |
| Charitable activities | 7 | (8,947) | (11) | (8,958) | (8,498) |
| Total resources expended | | (15,151) | (11) | (15,162) | (14,944) |
| Net income before investment gains and losses | | (782) | (11) | 596 | 1,396 |
| Realised gains/(losses) - Direct Property Investments | | - | - | 248 | 1,757 |
| Realised gains/(losses) - Financial investments | | - | - | 691 | 562 |
| Net realised gains/(losses) on investments | | - | - | 939 | 2,319 |
| Unrealised gains/(losses) on revaluation - Direct Property Investments | 13 | - | - | (242) | (7,912) |
| Unrealised gains/(losses) on revaluation - Financial Investments | 13 | - | - | 3,429 | (3,057) |
| Unrealised gains/(losses) on revaluation - Derivative Financial Instruments | | (601) | - | (601) | 2,476 |
| Net unrealised gains/(losses) on investments | | (601) | - | 2,586 | (8,493) |
| Net income/ (expenditure) before transfers | | (1,383) | (11) | 4,121 | (4,778) |
| Transfers between funds | | (44) | (439) | 483 | - |
| Net movement in funds for the year | 22-24 | (1,427) | (450) | 5,998 | (4,778) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 6,672 | 631 | 138,266 | 145,569 |
| Total funds carried forward | | 5,245 | 181 | 144,264 | 145,569 |

All gains and losses recognised in the current and prior year are included in the Consolidated Statement of Financial Activities. There is no material difference between the net outgoing resources above and the historical cost equivalent. All incoming resources and resources expended derive from continuing activities. The accompanying notes form part of these financial statements.

Consolidated balance sheet

As of 31 March 2024

| Note | 2024 | 2023 | |
|---|-------|----------|----------|
| | £'000 | £'000 | |
| Fixed assets | | | |
| Tangible assets | 12 | 5,000 | 4,798 |
| Investments | 13 | 178,050 | 176,665 |
| Total fixed assets | | 183,050 | 181,463 |
| Current assets | | | |
| Inventories | 14 | 619 | 636 |
| Debtors | 15 | 3,785 | 4,119 |
| Cash and cash equivalents | | 3,104 | 2,900 |
| Total current assets | | 7,508 | 7,655 |
| Creditors: amounts falling due within one year | 16 | (6,868) | (8,549) |
| Net current assets/(liabilities) | | 640 | (894) |
| Total assets less current liabilities | | 183,690 | 180,569 |
| Creditors: amounts falling due after one year | 17 | (34,000) | (35,000) |
| Net net assets | | 149,690 | 145,569 |
| Represented by: | | | |
| Restricted funds | 22 | 181 | 631 |
| Unrestricted funds | 23 | 5,245 | 6,672 |
| Expendable endowment funds | 24 | 144,264 | 138,266 |
| Total funds | 25 | 149,690 | 145,569 |

These financial statements were approved by the Trustees and authorised for issue on 27 June 2024 and are signed on their behalf by:



Nick Lloyd

Chair of the Board

Company Number: 02519659

The accompanying notes form part of these financial statements.

Financial Statements

CONTINUED

Charity balance sheet

As of 31 March 2024

| | Note | 2024 £'000 | 2023 £'000 |
|---|------|-----------------|-----------------|
| Fixed assets | | | |
| Tangible assets | 12 | 4,547 | 4,490 |
| Investments | 13 | 178,050 | 176,664 |
| Total fixed assets | | 182,597 | 181,154 |
| Current assets | | | |
| Inventories | 14 | 616 | 636 |
| Debtors | 15 | 3,872 | 4,146 |
| Cash at bank and in hand | | 3,094 | 2,844 |
| Total current assets | | 7,582 | 7,626 |
| Creditors: amounts falling due within one year | 16 | (6,560) | (8,370) |
| Net current assets/(liabilities) | | 1,022 | (744) |
| Total assets less current liabilities | | 183,619 | 180,410 |
| Creditors: amounts falling due after one year | 17 | (34,000) | (35,000) |
| Net Assets | | 149,619 | 145,410 |
| Represented by: | | | |
| Restricted funds | 22 | 181 | 631 |
| Unrestricted funds | 23 | 5,038 | 6,377 |
| Expendable endowment fund | 24 | 144,400 | 138,402 |
| Total funds | 25 | 149,619 | 145,410 |

These financial statements were approved by the Trustees and authorised for issue on 27 June 2024 and are signed on their behalf by:



Nick Lloyd

Chair of the Board

Company Number: 02519659

The accompanying notes form part of these financial statements.

Consolidated statement of cash flows

| | Note | 2024 £'000 | 2023 £'000 |
|--|-------|----------------|----------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 19 | 561 | 1,820 |
| Cash flows from investing activities | | | |
| Interest and income from financial investments | 3 | 1,755 | 1,528 |
| Proceeds from the sale of tangible fixed assets | | 24 | 29 |
| Purchase of tangible fixed assets | 12 | (635) | (904) |
| Proceeds from the sale of investment properties | | 1,000 | 7,382 |
| Purchase of investment properties | 13 | (13) | (3,793) |
| Proceeds from the sale of other investments | | 2,638 | 1,436 |
| Purchase of other investments | 13 | (900) | (851) |
| Net cash provided by investing activities | | 3,869 | 4,827 |
| Cash flows from financing activities | | | |
| Interest payments | 8 | (1,776) | (1,500) |
| Loan finance costs | 8 | - | (5) |
| (Decrease)/increase | 16,17 | (2,450) | (5,050) |
| Net cash used in financing activities | | (4,226) | (6,555) |
| Net increase in cash and cash equivalents | | 204 | 92 |
| Net change in cash and cash equivalents | | 204 | 92 |
| Cash and cash equivalents at 1 April | | 2,900 | 2,808 |
| Cash and cash equivalents at 31 March | | 3,104 | 2,900 |

| | At 1 April 2023 | Cash flow movement | At 31 March 2024 |
|---------------------------------------|--------------------|-----------------------|---------------------|
| Analysis of change in net debt | | | |
| Total cash and cash equivalents | 2,900 | 204 | 3,104 |
| Debt due within one year | (2,700) | 1,450 | (1,250) |
| Debt due after one year | (35,000) | 1,000 | (34,000) |
| Total | (34,800) | 2,654 | (32,146) |

Principal Accounting Policies

Basis of preparation

The consolidated financial statements of Milton Keynes Parks Trust Limited have been prepared in compliance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102") and the Companies Act 2006 and the Statement of Recommended Practice for charities, SORP (FRS 102) (second edition - October 2019). The charitable company is a public benefit entity.

The Group and Charity financial statements have been prepared on a going concern basis (see below), under the historical cost convention, as modified by the revaluation of investments. The principal accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Basis of consolidation

The consolidated financial statements incorporate those of Milton Keynes Parks Trust Limited ("the Charity") and its subsidiary undertakings as detailed in note 9. The consolidated entity is referred to as 'the Group'.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of the use of the exemptions to the Company's members.

No separate Statement of Financial Activities (SoFA) or Cash Flow Statement has been prepared for the Charity as permitted by Section 408 of the Companies Act 2006 and FRS 102 Section 1.12 (b) respectively.

Fixed assets investments

Investment properties are recognised at fair value, which is generally their open market value, as defined in the Appraisal and Valuation Manual prepared by the Royal Institution of Chartered Surveyors. Costs capitalised in respect of properties under development include acquisition costs of land and buildings, costs incurred in bringing the property to its present location and condition in accordance with FRS 102. Investment properties in the course of development are also held at fair value. Properties, for which unconditional exchange of contracts occurs during the period, are accounted for as acquisitions or disposals within that period. Conditional exchanges are accounted for as acquisitions or disposals only when all substantive conditions have been met. The surplus or deficit arising from the annual revaluation is credited or debited to the SoFA within the Expendable Endowment Fund.

Listed investments have been included in the financial statements at closing market bid price. Unlisted investments are held at cost less any provision for impairment as an approximation to fair value where this cannot be reliably measured. The surplus or deficit arising from the annual revaluation is also credited or debited to the SoFA within the Expendable Endowment Fund. As are any realised gains or losses on investments sold in the year.

Investments in subsidiary undertakings are valued at cost less any impairment.

Tangible and intangible fixed assets

Tangible and intangible fixed assets are capitalised at cost. The Group capitalises items costing more than £2,000. Depreciation and amortisation are provided to write off the cost of assets less the estimated residual value of fixed assets by equal instalments over their estimated useful lives, as follows:

| Fixed asset | % per annum |
|---------------------------|-------------|
| Freehold building | 2 |
| Improvements to buildings | 2 to 20 |
| Fixtures and fittings | 10 to 20 |
| Plant and equipment | 10 to 33 |
| Office equipment | 20 to 33 |
| Motor vehicles | 10 to 20 |

No depreciation is provided in respect of freehold and long leasehold investment properties or in respect of assets in the course of construction. Fixed assets are reviewed for any impairment at the reporting date. Any impairment loss is recognised in the SoFA.

Financial instruments

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Changes in the fair value of derivatives are recognised in income and expenditure. The relating asset or liability is included within debtors or creditors. The Group does not apply hedge accounting in respect of the interest rate swap.

Inventories

Inventories are valued at the lower of cost and net realisable value. In the case of livestock, cost is based on all direct expenditure (where known) or on the deemed cost basis as provided for in guidance issued by HMRC (BIM55440 - Farming: stock valuation: General Principles Helpsheet 232). Net realisable value is the price at which the stock can be realised in the normal course of business.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash held in current accounts with UK banks and highly liquid interest-bearing securities with maturities of three months or less.

Income

Income is recognised in the SoFA when the Group has entitlement to the income, the amount can be reliably measured, and it is probable that the income will be received.

Rental income

Rent and service charges are recognised on an accruals basis. The assets for which rent is received are included in investment properties in fixed assets. The rent is included as investment income as the properties are let on a commercial basis. Lease rental income is recognised over the lease term on a straight-line basis. Rents received in advance are accounted as prepaid rent (deferred income) within creditors.

Lease incentives

Benefits to lessees in the form of rent free periods are recognised on a straight line basis over the lease term, in accordance with FRS 102. The total of any lease incentives in place at the period end are included within the carrying value of investment properties rather than held as a separate debtor. Any remaining lease incentive balances in respect of properties disposed of are included in the calculation of surplus or deficit arising on disposal.

Investment income

Investment income and interest is accounted for on a receivable basis.

Incoming resources from charitable activities

Income from charitable activities is accounted for on a receivable basis and includes income from farming, licenses, education, events and other activities carried out in accordance with the charitable company's objectives. Grant income is recognised when the Group is entitled to receipt. Grants receivable on terms that require the Charity to carry out research or other work are recognised in income as the performance obligations are satisfied.

Expenditure

Expenditure is accounted for on an accruals basis. Support costs include the administrative functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Indirect costs are allocated based on an estimate of the time spent by each member of staff (see note 5). Irrecoverable VAT is included as an expense item of its own.

Expenditure on charitable activities

Charitable activities include the maintenance of the parks and parkways and the incidental costs of other activities. Governance costs are those costs incurred with the administration of the charitable company and compliance with constitutional and statutory requirements. Expenditure that can be recognised as wholly attributable to governance costs, for example the audit fee and Trustee expenses are directly allocated. All other costs, including staffing costs, are apportioned on the basis of an estimate of the time spent by each member of staff on governance related issues.

Principal Accounting Policies

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Expenditure on generating funds

Generating funds includes costs of managing investments for both income generation and capital maintenance.

Refurbishment of properties

Any expenditure on the refurbishment of the existing investment property portfolio which, in the opinion of the Trustees, is made to maintain present standards is expensed in the year. Any expenditure on additional land or property is capitalised and included as an addition to fixed asset investments.

Leases

Rentals payable under operating leases are charged to the SoFA on a straight line basis over the lease term.

Bank borrowing

Interest bearing bank loans are recorded at proceeds received, net of direct issue costs. Finance charges, including direct issue costs, are recognised on an accruals basis. Issue costs are amortised over the period to loan maturity.

Pensions

Retirement benefits for employees, where provided, are funded by contributions from the employer. Payments are made to an insurance company which manages the Group's personal pension plan and the contributions are charged in the SoFA in the year in which they become due. The scheme is a defined contribution pension scheme.

Taxation

The Charity is exempt from Income Tax and Corporation Tax on income and gains to the extent that they are applied to its charitable objects. The Charity's trading subsidiary does not generally pay UK Corporation Tax because their policy is to pay profits to the Charity as Gift Aid where they have sufficient reserves to do so.

Green estate

The green estate is held for charitable purposes and occupied under 999 year leases starting from 31 March 1992. In most cases the freehold is held by Milton Keynes Council and there is a presumption against disposal or development for commercial purposes.

Fund accounting

Unrestricted Funds are funds available for use at the discretion of the Trustees in furtherance of the objectives of the charitable company and which have not been designated for other purposes. Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The Expendable Endowment Fund represent assets that are utilised to generate income for the furtherance of the charitable company's objectives.

Critical accounting estimates and judgements

Judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure are continually evaluated. The estimates and associated assumptions are based on historical evidence and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements which have the most significant risk of causing a material adjustment to the carrying amount of assets and liabilities are the valuations of investment properties for which the Group obtains assurance from its professional valuers Colliers International Valuation UK LLP, carried out an independent Desktop valuation of the investment properties in March 2024. The desktop valuation is carried out in accordance with the criteria set out by the Royal Institution of Chartered Surveyors. Some of our investment properties have been assessed internally.

Going concern

The Group consolidated financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons. The charity was originally given a significant endowment which has been invested to generate income to fund the charity's operations into perpetuity. At 31 March 2024 the Group had cash balances of £3.1m and liquid investments of £29.1m, as well as a significant investment property portfolio. Liquid investments therefore currently constitute more than two years income based on current activity levels. The board have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that the Group will have sufficient funds to meet its liabilities as they fall due for that period.



Notes to the Financial Statements

1 - Legal status

Milton Keynes Parks Trust Limited is a company limited by guarantee without share capital. The liability of each member is limited to contributing £1 to the assets of The Parks Trust in the event of it being wound up whilst a member, or within one year after ceasing to be a member. At 31 March 2024 the number of members was 18 (2023: 15).

2 - Income from charitable activities

| | 2024 | 2023 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Farming | 699 | 718 |
| Sale of goods and services | 539 | 424 |
| Grants | 78 | 322 |
| Total income from charitable activities | 1,316 | 1,464 |

3 - Investment income

| | 2024 | 2023 |
|--------------------------------|---------------|---------------|
| | £'000 | £'000 |
| Rental income | 9,316 | 8,881 |
| Investment income | 1,730 | 1,513 |
| Bank interest | 25 | 15 |
| Total investment income | 11,071 | 10,409 |

4 - Other income

| | 2024 | 2023 |
|--|------------|------------|
| | £'000 | £'000 |
| Other income | 233 | 246 |
| Total income from other sources | 233 | 246 |

In the prior year we surrendered one parcel of our parkland leasehold land to Milton Keynes City Council (the freeholder) to enable economic development to take place that will benefit the city - an access strip of land in Wolverton Mill, to assist an shared ownership housing development which is being brought forward by Orbit Homes. In total this disposal gave the Trust a receipt of £175,000. There were various other receipts for remedial works and licence fees which total £58,000. In the prior year we surrendered one parcel of our parkland leasehold land to Milton Keynes City Council (the freeholder) to enable economic development to take place that will benefit the city - 4,403 square meters at Cripps Lodge in Netherfield, to assist an affordable housing development which is being brought forward by the Council. In total this disposal gave the Trust a receipt of £246,000, which will help to bolster the Trust's overall financial security and enable us to invest in enhancements to our parkland network.

5 - Expenditure on raising funds

| | Direct costs | Support costs - staff | Support costs - general | 2024 Total | 2023 Total |
|--|--------------|-----------------------|-------------------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Property management costs | 2,066 | 194 | 108 | 2,368 | 2,816 |
| Debt costs | 1,770 | - | - | 1,770 | 1,508 |
| Investment management and advisory costs | 86 | - | - | 86 | 93 |
| Total resources expended | 3,922 | 194 | 108 | 4,224 | 4,417 |

6 - Expenditure on raising funds from trading activities

| | Direct costs | Support costs - staff | Support costs - general | £'000 | £'000 |
|-----------------------------------|--------------|-----------------------|-------------------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Raising funds: Trading activities | 1,572 | 327 | 81 | 1,980 | 2,029 |
| Total resources expended | 1,572 | 327 | 81 | 1,980 | 2,029 |

7 - Expenditure on charitable activities

| | Direct costs | Support costs - staff | Support costs - general | 2024 Total | 2023 Total |
|---|--------------|-----------------------|-------------------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Charitable activities - park management | 5,479 | 2,756 | 323 | 8,558 | 8,055 |
| Charitable activities - education and leisure | 143 | 230 | 27 | 400 | 443 |
| Total resources expended | 5,622 | 2,986 | 350 | 8,958 | 8,498 |

Direct costs are attributed to the appropriate category. All other costs including indirect staff costs are allocated on the estimate of time spent:

| | Raising funds | Raising funds - trading subsidiary | Charitable activities |
|---|---------------|------------------------------------|-----------------------|
| Chief Executive | 10% | 10% | 80% |
| Finance Director | 60% | 20% | 20% |
| Property Director | 80% | 15% | 5% |
| Head of marketing and events and community engagement | 0% | 20% | 80% |
| Finance team | 10% | 45% | 45% |
| Operational and community team | 0% | 5% | 95% |

8 - Net movement in funds

| | 2024 | 2023 |
|--|-------|---------|
| | £'000 | £'000 |
| Net movement in funds is stated after charging/(crediting): | | |
| Auditor's fees | | |
| - Statutory audit - charity | 27 | 28 |
| - Statutory audit - subsidiary companies | 14 | 17 |
| Depreciation and impairment of own tangible fixed assets | 433 | 763 |
| Profit on disposal of tangible fixed assets | (24) | (23) |
| Interest payable on bank loans | 1,776 | 1,500 |
| Loan management fees | - | 5 |
| Revaluation of derivatives | 601 | (2,476) |

Notes to the Financial Statements

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9 - Subsidiary undertakings

The Milton Keynes Parks Trust Limited has three wholly owned subsidiary undertakings registered in England and Wales, all of which are consolidated and have year ends of 31 March. The registered addresses for all the subsidiary undertakings is 1300 Silbury Boulevard, Milton Keynes, Buckinghamshire, MK9 4AD. The wholly owned subsidiaries are as follows:

| Company name | Registered number | Activity |
|--------------------------|-------------------|--|
| Whitecap Leisure Limited | 03979736 | Trading subsidiary and operates watersports and adventure activities at Willen Lake, Milton Keynes |
| MKPT Properties Limited | 04161258 | Dormant, has not traded since 31 March 2018 |
| MKPT Events Limited | 09411695 | Dormant, has not traded since 31 March 2018 |

The share capital of each subsidiary is as follows - Whitecap Leisure Limited (100,000 ordinary shares of £1), MKPT Properties Limited (100 ordinary shares of £1) MKPT Events Limited (1 ordinary share of £1). The taxable profits of subsidiary undertakings are paid to the Charity (parent) each year as Gift Aid where distributable reserves allow.

10 - Excess of expenditure over income

In accordance with section 408 of the Companies Act 2006, the Charity has not included its own income and expenditure accounts in these financial statements. The income for the charity (note 22 and 23) for the year was £12,802,000 (2023: £12,245,000) and expenditure of £14,108,000 (2023: £10,845,000) resulting in the excess of expenditure over income for the year of £1,306,000 (2023: excess of income over expenditure of £1,400,000) which is dealt with in the financial statements of the Charity.

11 - Staff costs

The aggregate payroll costs were as follows:

| | Group 2024 | Group 2023 | Charity 2024 | Charity 2023 |
|---|---------------|---------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Wages and salaries | 3,687 | 3,586 | 3,145 | 2,863 |
| Social security costs | 420 | 302 | 287 | 264 |
| Defined contribution pension scheme contributions | 278 | 258 | 253 | 233 |
| Total staff costs | 4,385 | 4,146 | 3,685 | 3,360 |

The monthly average number of persons employed including part-time employees and employees on fixed-term contracts on a full-time equivalent basis is analysed as follows:

| | | | | |
|-------------------------------------|------------|------------|-----------|-----------|
| Administration staff | 14 | 14 | 14 | 14 |
| Operations and communications staff | 55 | 55 | 43 | 43 |
| Parks management and rangers | 36 | 36 | 36 | 32 |
| Seasonal leisure staff | 52 | 52 | - | - |
| Total number of employees | 157 | 157 | 93 | 89 |

11 - Staff costs continued

The number of employees whose emoluments and taxable benefits exceeded £60,000 during the year fell within the following bands:

| | 2024 | 2023 |
|---------------------|------|------|
| £60,001 - £70,000 | - | - |
| £70,001 - £80,000 | 1 | 2 |
| £80,001 - £90,000 | 1 | - |
| £90,001 - £100,000 | 1 | 2 |
| £100,001 - £110,000 | 1 | 1 |
| £110,001 - £120,000 | - | - |
| £120,001 - £130,000 | 2 | 1 |

Contributions of £52,000 (2023: £51,000) were made in relation to 6 members of staff (2023: 6) earning in excess of £60,000 who participated in the defined contribution pension scheme.

The Chief Executive received the highest amount of remuneration in the year and the prior year and the pension contribution paid for this employee was £11,662 (2023: £11,336).

None of the Trustees held a contract of employment with the Charity during the year (2023: none). Under the Memorandum of Association, the Trustees are not entitled to receive any remuneration from the Charity. There were no reimbursements to Trustees for expenses incurred on behalf of the Charity in this year or the prior year.

Notes to the Financial Statements

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| 12 - Tangible fixed assets | Freehold land & buildings | Fixtures & fittings | Plant & equipment | Office equipment | Motor vehicles | Assets Under Construction | Total |
|----------------------------|---------------------------|---------------------|-------------------|------------------|----------------|---------------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Group | | | | | | | |
| Cost or valuation | | | | | | | |
| At 1 April 2023 | 4,796 | 124 | 561 | 445 | 918 | 369 | 7,213 |
| Additions | 269 | 32 | 152 | 109 | 63 | 10 | 635 |
| Disposals | - | - | (2) | - | (12) | - | (14) |
| At 31 March 2024 | 5,065 | 156 | 711 | 554 | 969 | 379 | 7,834 |
| Depreciation | | | | | | | |
| At 1 April 2023 | 1,322 | 103 | 137 | 369 | 484 | - | 2,415 |
| Charge | 134 | 10 | 145 | 42 | 102 | - | 433 |
| Disposals | - | - | (2) | - | (12) | - | (14) |
| At 31 March 2024 | 1,456 | 113 | 280 | 411 | 574 | - | 2,834 |
| Net book values | | | | | | | |
| At 31 March 2024 | 3,609 | 43 | 431 | 143 | 395 | 379 | 5,000 |
| At 31 March 2023 | 3,474 | 21 | 424 | 76 | 434 | 369 | 4,798 |

| Charity | | | | | | | |
|--------------------------|--------------|-----------|------------|------------|------------|------------|--------------|
| Cost or valuation | | | | | | | |
| At 1 April 2023 | 4,667 | 86 | 687 | 403 | 899 | 369 | 7,111 |
| Additions | 67 | 9 | 115 | 97 | 63 | 10 | 361 |
| Disposals | - | - | (2) | - | (12) | - | (14) |
| At 31 March 2024 | 4,734 | 95 | 800 | 500 | 950 | 379 | 7,458 |
| Depreciation | | | | | | | |
| At 1 April 2023 | 1,221 | 82 | 500 | 345 | 473 | - | 2,621 |
| Charge | 94 | 1 | 72 | 37 | 100 | - | 304 |
| Disposals | - | - | (2) | - | (12) | - | (14) |
| At 31 March 2024 | 1,315 | 83 | 570 | 382 | 561 | - | 2,911 |
| Net book values | | | | | | | |
| At 31 March 2024 | 3,419 | 12 | 230 | 118 | 389 | 379 | 4,547 |
| At 31 March 2023 | 3,446 | 4 | 187 | 58 | 426 | 369 | 4,490 |

The freehold land and buildings comprises Trust occupied property.

The land, building and fittings at Campbell Park were given to The Parks Trust to provide office accommodation. The Parks Trust made a contribution of £139,399 for this facility. The assets were independently valued by Douglas Duff, Chartered Surveyors, as at 31 March 1996 at £850,000, assuming existing use values in accordance with RICS practice. This valuation was treated as cost. All fixed assets above are held for the direct charitable purposes of The Parks Trust.

13 - Investments

| | Group 2024 | Group 2023 | Charity 2024 | Charity 2023 |
|---|----------------|----------------|----------------|----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Investment properties | | | | |
| Opening value at 1 April 2023 | 131,955 | 143,753 | 131,954 | 143,751 |
| Purchases and capital expenditure at cost | 13 | 3,793 | 13 | 3,793 |
| Carrying value of properties disposed | (752) | (5,625) | (752) | (5,625) |
| Gain on revaluation | 4,088 | 425 | 4,088 | 425 |
| Loss on revaluation | (4,330) | (8,337) | (4,330) | (8,337) |
| Assets transferred | - | (2,480) | - | (2,480) |
| Movement in unamortised tenant lease incentives | (16) | 426 | (15) | 427 |
| Closing value at 31 March 2024 | 130,958 | 131,955 | 130,958 | 131,954 |

| Other investments | | | | |
|---------------------------------------|----------------|----------------|----------------|----------------|
| Managed funds | | | | |
| Opening values at 1 April 2023 | 44,710 | 47,790 | 44,710 | 47,790 |
| Additions | 900 | 851 | 900 | 851 |
| Disposals | (1,947) | (874) | (1,947) | (874) |
| Gain/(loss) on revaluation | 3,429 | (3,057) | 3,429 | (3,057) |
| Closing value at 31 March 2024 | 47,092 | 44,710 | 47,092 | 44,710 |
| Group investments | 178,050 | 176,665 | 178,050 | 176,664 |

| Charitable company - equity investments in group undertakings | | | | |
|---|----------------|----------------|----------------|----------------|
| Opening cost at 1 April and 31 March | | | 3,391 | 3,391 |
| Impairment at 1 April 2023 | | | (3,391) | (2,339) |
| Impairment at 31 March 2024 | | | (3,391) | (3,391) |
| Total investments | 178,050 | 176,665 | 178,050 | 152,520 |

An independent desk top valuation of the investment properties was carried out in March 2024 by Colliers International Valuation UK LLP ("Colliers"). The value of the land and properties was £130,958,000 (2023: £131,955,000). The basis of the valuation adopted was open market value subject to existing tenancies.

The original cost of investment properties and other investments held at 31 March, was as follows:

| | | | | |
|------------------------------|----------------|----------------|----------------|----------------|
| Property | 105,335 | 106,216 | 105,335 | 106,216 |
| Unit trust and managed funds | 40,416 | 41,855 | 40,416 | 41,855 |
| Total investments | 145,751 | 148,071 | 145,751 | 148,071 |

Notes to the Financial Statements

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13 - Investments continued

Management have assessed the carrying value of the investments and believe it to be appropriate. A material investment in the property portfolio is deemed to be of material value if the investment is 5% or greater of the portfolio value of £178,050,000 (2023: £176,665,000) and those properties that are deemed material are as follows:

| | Group 2024 | Group 2023 | Charity 2024 | Charity 2023 |
|--|---------------|---------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Commercial property - Burners Lane - Kiln Farm, Milton Keynes | 15,820 | 13,100 | 15,820 | 13,100 |
| Commercial property - Premier Inn Hotel - Willen Lake, Milton Keynes | 14,000 | 14,600 | 14,000 | 14,600 |
| Total investments | 29,820 | 27,700 | 29,820 | 27,700 |

14 - Inventories

| | Group 2024 | Group 2023 | Charity 2024 | Charity 2023 |
|--------------------------|---------------|---------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Cattle | 520 | 563 | 520 | 563 |
| Sheep | 96 | 72 | 96 | 72 |
| Retail stock | 3 | 1 | - | - |
| Total inventories | 619 | 636 | 616 | 635 |

The value of stock recognised in expenditure during the year was £422,000 (2023: £414,000). No provision for impairment has been recognised against stock.

15 - Debtors

| | Group 2024 | Group 2023 | Charity 2024 | Charity 2023 |
|------------------------------------|---------------|---------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Trade debtors | 610 | 244 | 487 | 217 |
| Amounts owed by group undertakings | - | - | 460 | 284 |
| Prepayments and accrued income | 450 | 544 | 246 | 391 |
| Other debtors | 72 | 77 | 26 | - |
| Fair value of derivatives | 2,653 | 3,254 | 2,653 | 3,254 |
| Total debtors | 3,785 | 4,119 | 3,872 | 4,146 |

Charity: Amounts due from subsidiary undertakings are unsecured, repayable on demand and accrue interest at 4% above the Bank of England base rate of interest per annum.

16 - Creditors: amounts falling due within one year

| | Group 2024 | Group 2023 | Charity 2024 | Charity 2023 |
|---|---------------|---------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Bank loans - revolving credit facility | 1,250 | 2,700 | 1,250 | 2,700 |
| Trade creditors | 528 | 960 | 393 | 941 |
| Accruals | 803 | 728 | 703 | 633 |
| Deferred income (see note 18) | 2,315 | 2,157 | 2,226 | 2,087 |
| Taxation and social security | 396 | 368 | 434 | 404 |
| Other creditors | 1,576 | 1,636 | 1,554 | 1,605 |
| Total creditors: amounts falling due within one year | 6,868 | 8,549 | 6,560 | 8,370 |

The revolving credit facility with Handelsbanken plc supports the working capital requirements of the Charity and is repayable every quarter. The revolving facility has a commitment of £10,000,000 and a termination date of November 2024. Interest is payable at the relevant SONIA rate plus 1.325%.

17 - Creditors: amounts falling due after one year

| | Group 2024 | Group 2023 | Charity 2024 | Charity 2023 |
|--|---------------|---------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Bank loans - term loans | 34,000 | 35,000 | 34,000 | 35,000 |
| Total creditors: amounts falling due after one year | 34,000 | 35,000 | 34,000 | 35,000 |

The term loans, which are all with Handelsbanken plc, consist of three facilities as follows:

A fully drawn loan facility in the amount of £10,000,000 (2023: £10,000,000) which pays interest at the relevant SONIA rate plus 1.75% and is repayable in December 2026.

A drawn loan facility in the amount of £9,000,000 (2023: £10,000,000) which pays interest at the relevant SONIA rate plus 2.05% and is repayable in December 2026.

A fully drawn loan facility in the amount of £15,000,000 (2023: £15,000,000) which pays interest at the relevant SONIA rate plus 2.25% and is repayable in November 2031.

The bank loans included in creditors amounts falling due in less than one year and creditors amounts falling due after one year are secured over a selection of the investment properties valued at £91,720,000 (2023: £90,390,000).

Notes to the Financial Statements

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18 - Deferred income

| | Group 2024 | Group 2023 | Charity 2024 | Charity 2023 |
|--|---------------|---------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| At 1 April 2023 | 2,157 | 2,073 | 2,087 | 1,996 |
| Amounts released to incoming resources | (363) | (1,547) | (363) | (1,894) |
| Amounts deferred in the year | 521 | 1,631 | 502 | 1,985 |
| At 31 March 2024 | 2,315 | 2,157 | 2,226 | 2,087 |

The deferred income of £2,315,000 (2023: £2,157,000) primarily relates to property rental income received in advance for the April to June 2024 quarter and endowments received in advance of transfer of land ownership.

19 - Reconciliation of net cash flow from operating activities

| | 2024 | 2023 |
|--|------------|--------------|
| | £'000 | £'000 |
| Net incoming resources before movements in revaluations and investment asset disposals | 596 | 1,396 |
| Decrease/(increase) in fair value of derivatives | (601) | 2,476 |
| Profit on disposal of fixed assets (see note 8) | (24) | (23) |
| Depreciation and impairments (see note 12) | 433 | 763 |
| Investment income and interest received (see note 3) | (1,755) | (1,528) |
| Interest paid (see note 8) | 1,776 | 1,500 |
| Loan arrangement fees (see note 8) | - | 5 |
| Decrease/ (increase) in value of lease incentives (see note 13) | 16 | (426) |
| Decrease/(increase) in inventories (see note 14) | 17 | (41) |
| Decrease/(increase) in trade and other receivables | 334 | (1,966) |
| Decrease in trade and other payables | (231) | (336) |
| Net cash inflow from operating activities | 561 | 1,820 |

20 - Operating leases

The Group and Charity had the following future minimum lease payments under non-cancellable operating leases relating to vehicles for each of the following periods:

| | 2024 | 2023 |
|-------------------------------|-----------|-----------|
| | £'000 | £'000 |
| In less than one year | 13 | 32 |
| Between one and five years | 2 | 14 |
| Total lease commitment | 15 | 46 |

The operating lease commitments above make no allowance for VAT that the Group may not be able to recover.

20 - Operating leases continued

The Group and Charity had the following future minimum lease receipts under non-cancellable operating leases for each of the following periods:

| | 2024 | 2023 |
|-------------------------------|---------------|---------------|
| | £'000 | £'000 |
| In less than one year | 8,688 | 6,489 |
| Between one and five years | 26,896 | 19,547 |
| Greater than five years | 50,432 | 45,093 |
| Total lease commitment | 86,016 | 71,129 |

21 - Related party transactions

The Trust has considered the disclosure requirements of SORP 2020 and of FRS 102 section 33 – Related Party Disclosures and believes that the following related party transactions, all of which were made on an arm's length basis, require disclosure.

During the year there were transactions of £9,710 (2023: £10,950) with Safety Centre (Hazard Alley) Limited of which the Trust's Chief Executive is a Trustee. This included a donation of £8,000 (2023: £8,000) and the provision of safety services of £1,710 (2023: £2,950). At the year end, a balance of £9,600 was outstanding (2023: £9,600).

The Charitable Company has taken advantage of the FRS 102 exemption that allows certain intra group transactions not to be disclosed.

There was no single controlling party of the Charitable Company during the current and previous year.

22 - Analysis of movements in Restricted Funds

| | Balance brought forward | Incoming resources | Outgoing resources | Transfer to Endowment Reserve | Balance carried forward |
|----------------------------|-------------------------------|-----------------------|-----------------------|-------------------------------------|----------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Group and Charity | | | | | |
| Floodplain Riverine forest | 582 | - | 1 | (439) | 144 |
| Campbell Park Community | 49 | - | (12) | - | 37 |
| Total | 631 | - | (11) | (439) | 181 |

The Riverine Forest

The Riverine Forest project is to restore and manage the floodplain of the River Ouse at Manor Farm, Old Wolverton to Floodplain Forest and associated habitats utilising gravel royalties secured from site.

The Campbell Park Community Facilities

The Campbell Park Community Facilities project will provide community facilities within Campbell Park, Milton Keynes.

Notes to the Financial Statements

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23 - Analysis of movements in Unrestricted Funds

| Group | Balance brought forward £'000 | Incoming resources £'000 | Outgoing resources £'000 | Transfers to endowment reserve £'000 | Balance carried forward £'000 |
|---|----------------------------------|-----------------------------|-----------------------------|---|----------------------------------|
| General Funds | 5,976 | 14,369 | (15,752) | (44) | 4,549 |
| Designated Fund - Stanton Low (Haversham Road Gravel) | 59 | - | - | - | 59 |
| Designated Fund - Environmental Gain Fund | 637 | - | - | - | 637 |
| Group total | 6,672 | 14,369 | (15,752) | (44) | 5,245 |

Included within the Group's General Funds are losses from trading subsidiaries of £88,000 (2023: undistributed profits of £11,000).

| Charity | £'000 | £'000 | £'000 | £'000 | £'000 |
|---|--------------|---------------|-----------------|-------------|--------------|
| General Funds | 5,681 | 12,802 | (14,097) | (44) | 4,342 |
| Designated Fund - Stanton Low (Haversham Road Gravel) | 59 | - | - | - | 59 |
| Designated Fund - Environmental Gain Fund | 637 | - | - | - | 637 |
| Charity total | 6,377 | 12,802 | (14,097) | (44) | 5,038 |

These funds, which are unrestricted, have been earmarked by the Trustees to cover future anticipated expenditure on the following:

General fund

The general fund comprises the remaining surplus for the year after transfers to the designated funds and is unrestricted. All income arising on the assets held in the Expendable Endowment Fund is credited directly to this fund. The general fund can be used for any of the Trust's charitable activities at the discretion of the Trustees.

Designated fund - Stanton Low Fund (Haversham Road Gravel)

The Parks Trust has an agreement with Milton Keynes Council to underlet leasehold parkland in the Ouse Valley Park for mineral extraction whereby all rent and royalty income from the gravel lease are designated for acquisition by The Parks Trust of the Linford Lakes Nature Reserve and as endowment for other open space assets to be transferred from Milton Keynes Council to The Parks Trust under 999-year parkland leases.

Designated fund - Environmental Gain Fund

The Environmental Gain Fund, which is unrestricted, will be funded by allocating a proportion of the proceeds from any disposals of the Trust's green estate land. The Trustees shall determine the allocation value. The fund will be used, at the discretion of the Trustees, for investment in other land, assets or projects which enable the Trust to deliver environmental gain.

24 - Analysis of movements in expendable endowment funds

| | Group Total £'000 | Charity Total £'000 |
|---|----------------------|------------------------|
| At 1 April 2023 | 138,266 | 138,402 |
| Losses | 4,126 | 4,126 |
| New endowments received | 1,389 | 1,389 |
| Endowments transferred from general reserves | 44 | 44 |
| Endowments transferred from restricted reserves | 439 | 439 |
| At 31 March 2024 | 144,264 | 144,400 |

This fund includes assets donated to the Trust by the Milton Keynes Development Corporation when the Trust was established in 1992. In most years since then the Trust has received additional endowments from the Commission for New Towns, English Partnerships and more recently various developers and Milton Keynes Council. The fund may be converted into income.

25 - Analysis of net assets between funds

| Group | Restricted Funds £'000 | Unrestricted Funds £'000 | Endowment Funds £'000 | Total Funds 2024 £'000 | Total Funds 2023 £'000 |
|--|---------------------------|-----------------------------|--------------------------|---------------------------|---------------------------|
| Tangible fixed assets | - | 2,520 | 2,480 | 5,000 | 4,798 |
| Property and other investments | - | - | 178,050 | 178,050 | 176,665 |
| Current assets | 181 | 7,163 | 273 | 7,617 | 7,655 |
| Creditors: amounts falling due within one year | - | (4,438) | (2,539) | (6,977) | (8,549) |
| Creditors: amounts falling due after one year | - | - | (34,000) | (34,000) | (35,000) |
| Total | 181 | 5,245 | 144,264 | 149,690 | 145,569 |
| Charity | | | | | |
| Tangible fixed assets | - | 2,067 | 2,480 | 4,547 | 4,490 |
| Property and other investments | - | - | 178,050 | 178,050 | 176,664 |
| Current assets | 181 | 7,129 | 272 | 7,582 | 7,626 |
| Creditors: amounts falling due within one year | - | (4,158) | (2,402) | (6,560) | (8,370) |
| Creditors: amounts falling due after one year | - | - | (34,000) | (34,000) | (35,000) |
| Total | 181 | 5,038 | 144,400 | 149,619 | 145,410 |

26 - Capital commitments

At the balance sheet date, the Group did not have any capital commitments (2023: no capital commitments).

Notes to the Financial Statements

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27 - Financial instruments

The Group and Charity have the following financial instruments:

| | Group 2024 | Group 2023 | Charity 2024 | Charity 2023 |
|---|---------------|---------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | |
| Financial assets that are debt instruments measured at amortised cost | 3,894 | 4,336 | 3,872 | 4,363 |
| Financial assets/(liabilities) at fair value through income and expenditure | 2,653 | 3,254 | 2,653 | 3,254 |
| Financial liabilities measured at amortised cost | (40,977) | (43,766) | (40,560) | (43,587) |

The Group and Charity have entered four (2023: four) loan agreements;

- a three year revolving credit facility agreement of £10,000,000 which had £1,250,000 drawn at 31 March 2024;
- a five year agreement of £10,000,000 which had £9,000,000 outstanding at 31 March 2024;
- a ten year agreement of £10,000,000 which was fully drawn at 31 March 2024; and
- a ten year agreement of £15,000,000 which was fully drawn at 31 March 2024.

| Principal | Drawn | Interest rate | Maturity |
|-------------|-------------|---------------|----------|
| £10,000,000 | £1,250,000 | 1.325% | Nov'24 |
| £9,000,000 | £9,000,000 | 1.750% | Dec'26 |
| £10,000,000 | £10,000,000 | 2.050% | Dec'26 |
| £15,000,000 | £15,000,000 | 2.250% | Nov'31 |

To protect itself against the risk of rising interest rates on its loan facilities the Group has entered into two derivative instruments. These two contracts hedge the Group's exposure to interest rate movements on the loan facility. The interest rate swap contracts have been taken out with Svenska Handelsbanken AB (pbl). The two contracts are as follows:

An interest rate swap with that has a notional amount of £10,000,000 which swaps out SONIA for a fixed rate of interest at 1.74% until 4 October 2026; and

An interest rate swap with that has a notional amount of £12,000,000 which swaps out SONIA for a fixed rate of interest at 1.08% until 18 November 2031.

The fair value of the interest rate swaps at 31 March 2024 is £2,653,000 in favour of the Group (2023: £3,254,000). Cash flows on both the loan and the interest rate swaps are paid quarterly until 2026. During the year a hedging loss of £601,000 (2023: gain of £2,476,000) was recognised in other gains and losses for changes in the fair value of the interest rate swap.

28 - Contingent liabilities

The Group did not have any contingent liabilities at 31 March 2024.

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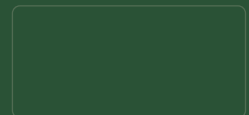


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