



Charity Number: 1157164

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

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ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

LEGAL & ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2021

Legal and administrative information

Charity number	-	1157164
Trustees	-	L Duvall (Chair) P Croall W Edgerley R Goodwin T Mitton G Parker (Nominated) N Snook
Operational address	-	Charlton House Charlton Road London SE7 8RE
Auditors	-	Simpson Wreford LLP Chartered Accountants Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

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FOR THE YEAR ENDED 31 MARCH 2021

Message from the Chair and Chief Executive presenting the 2020/21 Annual Report

During 2020/21 we began delivery of our ten-year strategy describing our ambitions to 2029. We cannot start this report without recognising the terrible impact of the COVID 19 pandemic nationally and internationally. We close 2020 and open 2021 having to seriously refocus our activities in a truly transformed landscape for the cultural sector, and all sectors. We could not have anticipated a year ago that we would find ourselves impacted by a full year of intermittent closure of Charlton House.

We are grateful to our supporters including the Royal borough of Greenwich, the National Lottery Heritage Fund, Historic England, Arts Council England and Historic England for their continuing help and support this year.

2020/21 has been a busy year. Our report charts significant change over the last twelve months because of the pandemic. Our ten-year strategy described our ambition to improve conservation of, access to, and learning about all the cultural heritage in our care and although this strategy must now be revisited considering the global pandemic, we are still on track to deliver our charitable fundraising objectives.

Our new Patrons programme was due to launch last year, and though this has been paused by the pandemic, we are still planning to launch the scheme and are grateful for the interest local people have shown in supporting our work.

Despite the challenges of lockdown, we had several notable successes during 2020/21. At Charlton House we continued the repair of the Summer House. The exciting history and significance of the Summer House, and indeed of Charlton House is revealed more with each phase of research.

We were sadly forced to halt delivery of year 2 of ‘Meet the Collections’ a programme supported by the National Lottery Heritage Fund, Garfield Weston and the Tanner Trust. Inspired by the collections and archive of Royal Greenwich providing access to our collections at venues across the borough we drew on its success to launch Greenwich: Tales through Time, an online exhibition inviting local people to contribute to the Royal Greenwich Archive and collections with their experiences of the pandemic. Initially intended as a project in the community this was quickly moved to a digital presence once it was clear we would continue to operate under Covid restrictions.

Now, more than ever, we are facing a re-evaluation of the histories we share and the stories that connect us to our local community. The pandemic has been a time of great loss and sacrifice, as well as a great time of reflection and amazing acts of generosity.



Len Duvall, OBE AM (Chair)



Tracy Stringfellow (CEO)

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report, together with the audited financial statements for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and the Charities Statement of Recommended Practice (effective 1 January 2019) and the Financial Reporting Standard FRS 102

Reference and administrative details

Royal Borough of Greenwich Heritage Trust CIO ("the Charity") is registered with the Charity Commission of England and Wales, under registration number 1157164. The principle operating address is Charlton House, Charlton Road, London, SE7 8RE.

The Trustees who served in the period were:

L Duvall	P Croall
W Edgerley	R Goodwin
T Mitton	N Snook
M Williams (Resigned 5 th May 2020)	G Parker
A Khaireh (Nominated May 2020, resigned Feb 2021)	

G Parker, M Williams and A Khaireh were nominated by Royal Borough of Greenwich to act as Trustees.

The Board of Trustees oversee the Charity which is managed day to day by the Chief Executive Officer, Tracy Stringfellow.

During 2020/21 Adel Khaireh stood down as Trustee. We thank him for his contribution.

Governance

The Charity is registered with The Charity Commission as a Charitable Incorporated Organisation (CIO). The Charity was registered on 22 May 2014 and commenced charitable activities on 1 July 2014.

The Charities Act 2011 creates the basic legal framework for the CIO and the governing document is the Charities Commission Association Model CIO Constitution.

Appointment and nomination of Charity Trustees

Appointed Charity Trustees

Apart from the first Charity Trustees, every appointed trustee must be appointed for a term no less than three years and passed by an ordinary resolution at a properly convened meeting of the Charity Trustees. In selecting individuals for appointment as Trustee, the Charity's existing Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the Charity.

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Nominated Charity Trustees

Royal Borough of Greenwich may nominate two Charity Trustees. Any nomination must be made at a meeting held according to the ordinary practice of Royal Borough of Greenwich and apart from the first nominated Trustees, must be for a term of no less than one year. The appointment will be effective from the later of:

- the date of the vacancy; and
- the date on which the Charity Trustees or their secretary or clerk are informed of the nomination.

A nominated Trustee need not be a member of Royal Borough of Greenwich. He or she has the same duty under clause 9(1) as the other Charity Trustees to act in the way he or she decides in good faith would be most likely to further the purposes of the Charity.

Induction and training of Charity Trustees

Upon a Trustee's appointment, the Trustee is invited to an induction briefing in order to give them a detailed overview of the Charity's aims and objectives. Training is available for all board members in order to assist them in performing their duties as Trustee. This training is available on request and authorised by the Board of Trustees where a skills gap is identified.

Trustees held an informal structure review in June 2018 when it was agreed it was necessary to review the structure to better meet the needs of the next phase of our development.

HR Services Partnership completed a Trustee skills audit which was followed by a National Council for Voluntary Organisations Board review following a development day with Trustees in October. The skill gaps identified in the governance structure and any further recommendations for change will be implemented in 2020/21.

Retirement and removal of Charity Trustees

A Charity Trustee ceases to hold office if he or she:

- retires by notifying the Charity in writing (but only if enough Charity Trustees will remain in office when the notice of resignation takes effect to form a quorum for meetings);
- is absent without the permission of the Charity Trustees from all their meetings held within a period of six months and the Trustees resolve that his or her office should be vacated;
- dies;
- in the written opinion, given to the Charity, of a registered medical practitioner treating that person, has become physically or mentally incapable of acting as a Charity Trustee and may remain so for more than three months; or
- is disqualified from acting as a Charity Trustee by virtue of section 178-180 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision)

The Chief Executive Officer (CEO)

The CEO of the Charity, Tracy Stringfellow, was appointed by the Board after serving in the post as Acting CEO during the transfer process. The post holder was appointed permanently following a decision of the Board.

The CEO reports to the Chair, L Duvall, who, with the Board, is responsible for removal of the CEO, if appropriate.

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FOR THE YEAR ENDED 31 MARCH 2021

Sub Committees

The Board meet every 2 months. Following a governance review in 2020 the committees of the Board are:

The Finance and Audit Committee

Oversees the financial reporting process to review our regular management accounts as well as our published financial information. It also reviews the Trust's external audit function, including recommending and assessing the performance of the external auditor.

- Tony Mitton, Chair
- William Edgerley
- Nicky Snook

The Capital Works Committee

Oversees the capital work at Charlton House & Gardens and across our portfolio. In 2020/20 it has led on the delivery of Phase II of the Summer House programme.

- Bill Edgerley (Chair)
- Philip Croall
- Malcolm Woods (independent advisor)

The Programming Committee

Oversees the public programming including all public activities and events delivered by, or delivered in partnership with Royal Greenwich Heritage Trust. The committee is also responsible for accessions to the museum and archive collections.

- Richard Goodwin (Chair)

The Leadership Team comprises senior staff who support the Chief Executive in fulfilling her responsibilities. The Executive Team formulates strategy for the Board of Trustees' consideration and approval, ensures its delivery and oversees the day-to-day operation of the Trust. The Leadership team consists of:

Estates & Conservation Manager – Carolyn Ayers.

Head of Finance – Krissie Chitty.

Visitor & Operations Manager – Edward Schofield.

Marketing & Communication Manager – Helen Moon. (Resigned December 2020)

Business Development Executive – Martin Vincent (Fixed Term contract)

Head of Public Programming – Janet Denne (Fixed Term contract – appt Sept 2020)

Related parties

The Charity has an investment in a company called Greenwich Heritage Trading Limited, of which it has total control. This subsidiary operates the commercial usage within the building of Charlton House. Activities include wedding income, car parking charges and other commercial room hire. The trading company will donate all profits to the Charity at the end of its financial year.

As a result of the impact on trading of the Coronavirus Pandemic the Tea Rooms was closed in March 2020. The Board have taken the decision not to reopen the Tea Rooms but to seek alternative provision in 2021 through a formal tender process.

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Decision making

The Charity has power to do anything which is calculated to further its objects or is conducive or incidental to doing so. In particular, the Charity's powers include power to:

- borrow money and to charge the whole or any part of its property as security for the repayment of the money borrowed. The Charity must comply, as appropriate, with sections 124 and 125 of the Charities Act 2011 if it wishes to mortgage land;
- buy, take on lease or in exchange, hire, or otherwise acquire any property and to maintain and equip it for use;
- sell, lease or otherwise dispose of all or any part of the property belonging to the Charity. In exercising this power, the Charity must comply as appropriate with sections 117 and 119-123 of the Charities Act 2011;
- employ and remunerate such staff as are necessary for carrying out the work of the Charity. The Charity may employ or remunerate a Charity Trustee only to the extent that it is permitted to do so by clause 6 (Benefits and payments to Charity Trustees and connected persons) of the Charity's constitution and provided it complies with the conditions of those clauses; and
- deposit or invest funds, employ a professional fund-manager, and arrange for the investments or other property of the Charity to be held in the name of a nominee, in the same manner and subject to the same conditions as the Trustees of a trust are permitted to do by the Trustee Act 2000.

Risk management

In the current year the Trustees have focused particularly on risk management and risk register and particularly in light of the pandemic the need to emergency plan. This work has resulted in a more robust risk management process with annual review and bi-monthly review of risk by committee. This has prioritised assessment of risk and has created a greater understanding within the executive team.

Objects of the Charity

- to advance the education of the general public in the history and heritage of Royal Borough of Greenwich and its surrounding area and of local history in general;
- the preservation of the historic buildings and surrounding land under its control and such other land or structures as are of historic or architectural merit as the Charity shall from time to time determine, for the public benefit; and
- to promote for the benefit of the inhabitants of Royal Borough of Greenwich and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Royal Borough of Greenwich Heritage Trust CIO aims to:

- help people find out about the history of Royal Borough of Greenwich using the collections, archives and built assets in our care;
- present permanent and temporary exhibitions of a high standard, that are professionally researched and produced, reflecting academic rigor and best contemporary practice;
- generate income to support the work of the Charity, and to re-invest in high quality visitor experience; and
- work with other cultural partners to share history and care for our heritage

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Activities of the Charity

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

The activities that have helped contribute to the achievement of the objectives of the Charity in the year to 31 March 2021 are detailed below.

Tales through Time project

Funding received from Arts Council England for ‘Festival of Archaeology’ and Historic England ‘Greenwich: Celebrating our Heritage’. Work started in October 2020 allowing some staff to return from Furlough leave. The new online exhibition went live on 8 February 2021.

Collection and Archive – The online exhibition contained 40 rarely displayed items from our collection and archive, that were professionally photographed and researched. The items were selected specifically to help stimulate dialogue around life during the pandemic in the diverse communities of Greenwich and focused on themes such as celebration, communication, food and health. Objects included:

- A copy of Mrs Beeton’s Book of Household Management reflecting the increased interest in cooking and baking during the pandemic
- A 1930s bakelite telephone from the offices of the Woolwich Arsenal inviting people to talk about how they communicated with friends and family during lockdown

There was an interactive game and illustration on the home page, to engage people.

Conservation - As part of the project, we were able to carry out important research and conservation work on the the Ichthyosaur fossil in the Royal borough of Greenwich museum collection.

Access – We upgraded the cataloguing system, so that we can store born-digital material.

Community Engagement – The Tales through Time exhibition launched online with stories from people in the local community who were interviewed as part of the project. Voices from the community included: a local osteopath, a working mother (who was home-schooling), a local greengrocer, a Charlton café owner, a musician and a schoolgirl (studying from home).

We developed lists of community groups and emailed them about this exhibition and started to develop contacts for when we can interact with them in person.

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Learning - 13 downloadable learning resources were written and designed, based on the themes of the exhibition and linking in with KS1 and KS2. These will form the basis of the future family activities in Charlton House and the formal Education Programme. The project Outcomes were:

- Funded staff: Collections, archive, learning, public engagement
- Re-started communications and social marketing to promote RGHT
- Developed learning resources, re-engaged with schools
- Increased social media presence
- Promoted the services we offer to encourage visits in-person when possible
- Reminded the community about the Trust
- Online exhibition promoting Trust to community, presenting Collections
- Engaged with local residents from different communities
- Upgraded cataloguing system to manage collections and archive data
- Developed digital strategy to store 'born digital' content
- Working with libraries to collect contributions
- Created lists of communities and restarted engagement
- From 9 February – 30 April, 2,346 people viewed the exhibition

We have continued to communicate with schools to work on an education programme when covid restrictions allow.

Access

Charlton House & Gardens – We continued access to Charlton House and Charlton Assembly Rooms for users within COVID restrictions including Greenwich libraries, St Johns training and a variety of community groups when government guidance allowed.

The Old Library at Charlton House was selected as a Covid-19 vaccination centre by the NHS in 2020. This successful partnership continues, and the income generated from the hire of the space has supported the overheads of the Grade I Listed estate and its upkeep including the return from furlough from most RGHT staff. Charlton House was used as a convalescence hospital for returning soldiers in the first world war and its use as a vaccination centre today is a welcome addition to the Charlton House narrative.

COVID compliance - Considerable time and effort went in to ensuring the buildings in our care were and continue to be Covid secure. Enhanced cleaning routines and robust RGHT risk assessment were required in order that staff, tenants, hirers, contractors and visitors remained and felt safe when on site. We have also been vigilant in ensuring all our contractors, tenants and hirers have relevant risk assessments and procedures in place to ensure they are following government guidelines.

Museum Collection & Archive

Access to the borough's archive is not currently possible as the research space and staff workspaces are within the same area. Due to the current levels of concern about the on-going situation with Covid-19 it is not safe to allow public access to such enclosed office spaces. RGHT are using the period of closure to carry out an essential inventory and cataloguing project of both the museum and the archive. A top-level inventory of the archive is underway.

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Conservation

Summer House

Following the grant funding we received at the start of 2020 from Historic England of £47,000 to progress further strip out and enabling works in the Summer House. This work was halted by the COVID-19 pandemic. The project is led by Architect Charlie MacKeith and research continues on site. Following the lead theft from the roof in summer 2019, this has now been replaced and alarmed, preventing another attempted theft later in the year. In addition, a tree survey was undertaken to assess the impact of the trees adjacent to the Summerhouse.

Charlton House

Historic England also funded an investigative report into the condition of the Charlton House roof. Throughout 2020 water ingress through the long gallery and into the Old Library became increasingly problematic, risking damage to the plaster ceilings and loss of the decorative finishes. This deterioration also impacts our ability to utilise the second floor rooms, which are of greatest historical significance. The findings of the report were shared in May and we are in the process of providing a final detailed cost plan which will allow us to tackle this significant problem to protect the historic fabric of the House. We appointed Structural Engineers to report on the condition of the Oak Stair at Charlton House. The result was that the stair, whilst showing some evidence of previous structural shift was stable. We have installed markers and our Estates team continue to monitor any future movement as part of the programmed maintenance plan.

Charlton Gardens

Our garden volunteers have continued to work throughout 2020 when lockdown would allow. In partnership with members of Charlton & Blackheath Amateur Horticultural Society, and Head Gardener Jason Carty the Pond Garden has been transformed, weeded, and replanted, with the installation of a beautiful new bird bath inspired by the original pond. Greenwich Neighbourhood Growth Fund generously supported the work of CABAHS in the Pond Garden. The benefits to the volunteers for health and wellbeing, and the increased enjoyment of the greenspaces within the Charity estate during the pandemic have been noticeable.

Charlton Assembly Rooms

Lead was stolen from the roof of the Grade II Assembly Rooms and damage sustained to the cupola and tiles. We are looking into alarm options and will replace the roof with the money received from the insurance claim.

Memorials

In partnership with RBG we continue to commemorate all those from the borough who are remembered on the memorials for which we act as custodian. We continue to carry out our annual condition surveys on the memorials: Ha Ha Road; Maze Hill; Greenwich Peninsula; Eltham and the Victoria Cross commemorative paving stones in Woolwich; Charlton; Greenwich and Greenwich Park.

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London Living Wage

We are proud to remain a London Living Wage employer.

Volunteers

The trust has worked with 63 volunteers on projects in 2020/21. Roles have included supporting the following:

- Garden renovation project.
- Conservation research
- Music Concert activity

We are developing opportunities for volunteering across the trust, revising our strategy and exploring future opportunities for apprenticeships and other non vocational less traditional routes into the cultural heritage and charity sector to ensure we are providing opportunities for young people and more people from diverse backgrounds to be a part of our plans

Tenants

Where possible the charity has looked to help and support our current tenants through the pandemic through rent reductions and deferrals. As we begin to open up Charlton House we are working with tenants and regular hirers to open where restrictions allow and where is financially sustainable for the charity.

Service Level Agreement Funding

Royal Borough of Greenwich (“the Council”, “RBG”) transferred the Charity’s assets and employees from the Council to the Charity, with effect from 1 July 2014.

The Council fund some of the activities of the charity under a Service Level Agreement (SLA). The current Service Level Agreement covers the period of 1 April 2020 to 31 March 2023. The total price for the service to March 2023 was £1,394,046 plus VAT, in which £501,203 was the first annual instalment for 2020/21.

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Grant funding received

The Charity accounted for £272,536 of donations and grant funding and other financial support in 2020/21. Of this, £117,549 was restricted.

The £117,549 restricted funds received during the year were made up of:

- £23,680 being part of the grant from Historic England for Summerhouse project (total grant being £47,360)
- £8,537 being part of the grant from Historic England for Charlton House roof conservation report (total grant being £11,382£10,000 for the local government grant for the 'Review of Monuments, Statues, Artefacts and the Public Realm' project
- £34,831 for the grant from Arts Council England for the Festival of Archaeology project that lead into our Tales through Time exhibition
- £39,800 for the grant from Historic England for the Greenwich Celebrating Heritage project that lead into our Tales through Time exhibition (total grant being £49,751)
- £700 Concert donations.

The £155,016 Unrestricted grants & donations were made up of:

- £143,828 government grants for the Job Retention Scheme for employees on furlough leave
- £10,000 government grants
- £592 public donations

Financial review

The Statement of Financial Activities on page 18 shows an unrestricted surplus of £390,122 at the year end. There are six designated funds totalling £145,000 which are unrestricted as per note 14 to the accounts on page 34.

The principle funding sources which are included within unrestricted funds are that of a Service Level Agreement with Royal Borough of Greenwich and room hire. These funds have been utilised in support of the main objectives of the Charity by generally maintaining the building and grounds, employing staff to continue operations and covering any incidental costs related to the buildings.

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Achievements and performance

The table below identifies achievements in the 2020/21 accounting period clearly the Covid-19 pandemic has had a significant impact on our ability to engage with audiences The sustained visit numbers to Charlton House are a direct result of the use of the house as a Covid -19 vaccination centre.

Measure of Success	2019/20 Actual	2020/21 Actual
Education and learning about the history of the borough for the general public		
Percentage of RBG schools reached	0% ¹	0% ²
Number of learning events for families	8	0
Number of activities delivered	53	0
Promotion of the assets for the benefit of the inhabitants of the Royal Borough of Greenwich		
Number of visits to web site	113,391	61,871
Attainment of Visitor Attraction Quality Assurance Mark (VAQAS)	Retain VAQAS at Charlton House	Retain VAQAS at Charlton House
Event user numbers to Charlton House	42,002	22,873
Visitor numbers to museum & archive	115	0
Number of users of Outreach Programme	453	0
Number of public enquiries dealt with per annum: in person, via email/in writing	2,212	461
Care and conservation of the historic buildings and assets in the care of the Trust		
Retain Museum Accreditation standard	Deliver Collections Development Strategy within current Business Plan	Deliver Collections Development Strategy within current Business Plan

¹ 2019/20 was due to the Heritage Centre Museum being closed and the Education Officer post vacant.

² The pandemic was the major factor after delayed recruitment we appointed a new Learning Officer in November 2020 and have been engaging with schools how to reach them when restrictions allow.

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Plans for future periods - The key aims for 2021/22 are

Strategy	<ul style="list-style-type: none"> - Review the strategy and deliver on the 3 year Business Plan following on from Coronavirus pandemic
Conservation, repair & Maintenance	<ul style="list-style-type: none"> - Complete the Charlton Summer House enabling works programme. - Planning will restart on our project work, the conservation and repair of Charlton House capital project, initially focusing on the roof
Fundraising	<ul style="list-style-type: none"> - Utilising our appointed fundraising consultant we are focusing Essential repair works to the roof - launching our Patrons scheme locally to provide new opportunities for donations and support
Education	<ul style="list-style-type: none"> - Deliver a new Schools program, designed with local teachers to meet their needs during the current period of restrictions. - Our Meet the Collection outreach programme, generously supported by the National Lottery Heritage Fund, will restart in 2021 once restrictions are relaxed - Restart the holiday programme for families – Charlton House Explorers
Collections	<ul style="list-style-type: none"> - Focus on cataloguing the museum and archive collection to fully meet the standards of Arts Council England Museum Accreditation and National Archives Accreditation.
Programming	<ul style="list-style-type: none"> - Restart the Music Concert series and programme events for Halloween and Christmas - Beginning planning for 2022/23
Income generation	<ul style="list-style-type: none"> - Review the activities within the charity and trading subsidiary - Review the operational hours of Charlton House to allow cost savings to be made but balance with the needs of the users of the building
Wellbeing	<ul style="list-style-type: none"> - Make wellbeing in the workplace an important part of RGHT culture and focus on supporting our staff through remote working - Continue with annual staff surveys for all to contribute - Implement individual Wellness Action Plans

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FOR THE YEAR ENDED 31 MARCH 2021

Statement of responsibilities of the Trustees

The Trustees should prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of the surplus or deficit of the Charity for that period. The Trustees are responsible for preparing the Trustees Report and the financial statements in accordance with the Charities Act 2011.

In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charity. They are responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Reserves policy

Reserves are needed to bridge the gap between spending and receiving of resources. The Trustees annually review the reserves policy and agree free unrestricted reserves are needed:

- to provide a level of working capital that protects the continuity of our work
- to provide a level of funding for unexpected opportunities
- to provide cover for risks such as unforeseen expenditure or unanticipated loss of income.

The trustees would consider that the ideal level of reserves as at March 2021 would be £245,000. It is the Charity's policy to have sufficient cash reserves to cover three months of operational costs, particularly employee salaries.

Unrestricted funds held by the Charity amount to £390,122 at the year end. These funds are held for future charitable activities and taking into account the prudent reserve needed specified above it has been agreed to designate £145,000 to a variety of funds including £100,000 for essential roof repairs works. Restricted funds held by the Charity amount to £62,202.

Approved by the Board of Trustees on 20th July 2021 and signed on its behalf by:

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

Opinion

We have audited the financial statements of Royal Borough of Greenwich Heritage Trust CIO (the 'Charity') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cash Flow Statement and the related 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 Charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity 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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

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

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

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' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' 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 Charity 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees 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 they 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of membership organisations and support sector;

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, data protection and FCA regulation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained
- alert to instances of non-compliance throughout the audit.

Audit response to risks identified

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation and;
- enquiring of management as to actual and potential litigation and claims.
- reviewing correspondence with the FCA

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

This report is made solely to the Charity'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 Charity'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 anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Michael Broder BSc FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wreford LLP, Statutory Auditor**

Wellesley House
Duke of Wellington Avenue
Royal Arsenal
London SE18 6SS

Dated:

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and legacies	3	154,987	117,549	272,536	87,637
Charitable activities	4	697,767	-	697,767	831,663
Other trading activities	5	23,788	-	23,788	130,454
Other	6	514,000	-	514,000	(83,000)
Total income		<u>1,390,542</u>	<u>117,549</u>	<u>1,508,091</u>	<u>966,754</u>
Expenditure on:					
Raising funds – cost of trading activities		(34,547)	-	(34,547)	(79,167)
Charitable activities		(804,974)	(98,721)	(903,695)	(1,063,183)
Governance cost		(30,466)	-	(30,466)	(26,265)
Total expenditure	7	<u>(869,987)</u>	<u>(98,721)</u>	<u>(968,708)</u>	<u>(1,168,615)</u>
Net (deficit)/surplus before transfers		520,555	18,828	539,383	(201,861)
Transfers					
Gross transfers between funds		-	-	-	-
Net (deficit)/surplus before other recognised gains and losses		520,555	18,828	539,383	(201,861)
Other recognised gains and losses					
Re-measurement (losses)/gains on defined benefit pension schemes	13	(432,000)	-	(432,000)	170,000
Net movement in funds		88,555	18,828	107,383	(31,861)
Reconciliation of funds:					
Total funds brought forward		301,567	43,374	344,941	376,802
Total funds carried forward	14	<u>390,122</u>	<u>62,202</u>	<u>452,324</u>	<u>344,941</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Office equipment	8	3,304	8,393	3,304	7,004
Investments	9	-	-	1	1
		<u>3,304</u>	<u>8,393</u>	<u>3,305</u>	<u>7,005</u>
Current assets					
Stocks		421	1,433	200	200
Debtors	10	1,482,788	555,531	1,492,508	561,582
Cash at bank and in hand		627,254	414,954	624,492	377,589
		<u>2,110,463</u>	<u>971,918</u>	<u>2,117,200</u>	<u>939,371</u>
Liabilities					
Creditors: Amounts falling due within one year	11	(817,443)	(305,370)	(811,421)	(309,904)
				<u>1,305,779</u>	<u>629,467</u>
Net current assets		<u>1,293,020</u>	<u>666,548</u>		
Net assets excluding pension liability					
Defined benefit pension liability	13	<u>(844,000)</u>	<u>(330,000)</u>	<u>(844,000)</u>	<u>(330,000)</u>
Total assets		<u><u>452,324</u></u>	<u><u>344,941</u></u>	<u><u>465,084</u></u>	<u><u>306,472</u></u>
Funds represented by:					
Restricted funds		62,202	43,374	62,202	43,374
Unrestricted funds		390,122	301,567	402,882	263,098
Total funds	14	<u><u>452,324</u></u>	<u><u>344,941</u></u>	<u><u>465,084</u></u>	<u><u>306,472</u></u>

The financial statements on pages 18 to 38 were approved by the Trustees on 20th July 2021 and signed on their behalf by:-

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ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash surplus /(deficit) from operating activities	21	212,300	20,829	246,902	(5,543)
Cash flows from investing activities					
Purchase of tangible fixed assets		-	(9,909)	-	(9,909)
Increase/(decrease) in cash and cash equivalents in the year		212,300	10,920	246,902	(15,452)
Cash and cash equivalents at the beginning of the year		414,954	404,034	377,590	393,042
Total cash and cash equivalents at the end of the year		<u>627,254</u>	<u>414,954</u>	<u>624,492</u>	<u>377,590</u>

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

a. Basis of accounting

The accounts have been prepared under the historical costs convention and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

b. Income

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included as the value of their contribution cannot be reasonably quantified in financial terms. Donations are recognised in the financial statements upon receipt.

Incoming resources from the Service Level Agreement are included in the Statement of Financial Activities on an accruals basis.

Incoming resources from other charitable activities are included in the Statement of Financial Activities on an accruals basis.

Income is deferred to the next period where the invoice has been raised in advance and is included in the relevant period.

Unrestricted grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable. Designated grants are recognised only to the extent of current year expenditure.

Donated services and facilities are recognised as an incoming resource where the provider of the service has incurred a financial cost. The contribution of volunteers' time is not included in the financial statements in accordance with the Charities SORP (FRS 102).

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

c. Expenditure and irrecoverable VAT

Resources expended are recognised on an accruals basis as the liability is incurred. Support costs are allocated to each activity based on employee time spent. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading as well as the costs for operating the concerts and for the purchase of the Christmas tree.
- Expenditure on charitable activities includes the costs of running and maintaining the facilities in accordance with the Service Level Agreement and their support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

d. Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's activities. These costs have been allocated to expenditure on charitable activities, unless where stated separately in note 7.

e. Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the management committee for particular purposes as indicated at the time that the funds are received.

f. Heritage and fixed assets

Heritage assets used by the Charity are related to leases over historical properties which were donated. Heritage assets have not been capitalised as the Trustees consider the costs involved in valuing the leases to be out of proportion to the value of the results of such an exercise to users of the accounts. Accordingly, the costs of conservation have been written off to the Statement of Financial Activities as they were incurred.

Other assets used by the Charity were not purchased by the Charity and have been determined to have no cost value and no depreciation charge is included in the accounts. Individual fixed assets costing £1,000 or more are capitalised at cost and depreciated over their estimated useful economic life as follows:

Office equipment 3 years straight line

Assets purchased will incur a full year's depreciation in the year of purchase and none in the year of disposal.

Investments are included in the accounts at cost with interest receivable being credited to investment income in the statement of financial activities.

g. Stock

Stock is held at the lower of cost or net realisable value. Cost is determined on a first in first out basis. Net realisable value is the price at which the stock can be released in the normal course of business, less further costs to completion of sale. Provisions are made for slow moving, obsolete or damaged stock where the net realisable value is less than cost.

Donated items of stock are recognised at fair value which is the amount the Charity would have been willing to pay for the items on the open market.

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

h. Debtors

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

i. Cash at bank and in hand

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

j. Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

k. Pension schemes

For defined benefit schemes, the pension costs are assessed using the projected unit method, the cost of providing pensions is charged to the Statement of Financial Activities so as to spread the regular costs over the service lives of the employees. The pension obligation is measured at the present value of the estimated future cash flows using interest rates on government securities that have terms to maturity approximating the terms of the related liability.

When the benefits of a scheme are improved, past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested, following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised as an expense immediately.

The Charity also operates a defined contribution pension scheme. The assets of this scheme are also held separately from those of the Charity in an independently administered fund. Contributions are charged to the Statement of Financial Activities as they become payable.

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

2. Financial performance of the Charity

The consolidated statement of financial activity includes the results of the Charity's wholly owned subsidiary which operates the café at Charlton House. The summary financial performance of the Charity alone is:

	2021	2020
	£	£
Income	1,484,303	836,300
Gift aid from subsidiary company	<u>38,469</u>	<u>-</u>
	1,522,772	836,300
Expenditure on charitable activities	(932,161)	(1,079,447)
Re-measurement (losses)/gains on defined benefit pension schemes	<u>(432,000)</u>	<u>170,000</u>
Net surplus/(deficit)	158,611	(73,147)
Funds brought forward	<u>306,472</u>	<u>379,619</u>
Total funds carried forward	<u><u>465,083</u></u>	<u><u>306,472</u></u>
Represented by:		
Restricted income funds	62,202	43,374
Unrestricted income funds	<u>402,881</u>	<u>263,098</u>
	<u><u>465,083</u></u>	<u><u>306,472</u></u>

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

3. Donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Concert donations	-	700	700	8,980
Public donations	10,592	-	10,592	9,750
Grants receivable for core activities	143,828	116,849	260,677	68,270
RGHT Friend Membership	567	-	567	637
	<u>154,987</u>	<u>117,549</u>	<u>272,536</u>	<u>87,637</u>

4. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Local authority service contracts				
Royal Borough of Greenwich	501,203	-	501,203	501,203
Room hire	59,197	-	59,197	155,614
Rental charges	75,701	-	75,701	112,543
Service charges	22,967	-	22,967	33,700
Civil ceremonies and weddings	(83)	-	(83)	4,146
Recoverable staff costs	1,097	-	1,097	323
Other recoverable costs	24,380	-	24,380	17,421
Research fees	342	-	342	852
Bank and other interest	1,931	-	1,931	3,264
Miscellaneous income	11,032	-	11,032	2,597
	<u>697,767</u>	<u>-</u>	<u>697,767</u>	<u>831,663</u>

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

5. Commercial trading operations

The wholly owned subsidiary Greenwich Heritage Trading Limited is incorporated in the United Kingdom (company number 09021486) and pays all of its profits to the Charity as a distribution under the gift aid scheme. Greenwich Heritage Trading Limited mainly provides catering, wedding and function services for events at Charlton House.

The café trade at Charlton House by the subsidiary has been suspended since March 2020 due to Covid-19 restrictions and Trustees made the decision in October 2020 to cease this activity and to investigate outsourcing the café function for the future.

The summary financial performance of the subsidiary alone is:

	2021	2020
	£	£
Turnover	6,460	130,454
Grants received	17,328	-
Costs of sales and administrations costs	<u>(36,547)</u>	<u>(89,167)</u>
Net (loss)/profit	(12,759)	41,287
Gift aid donation to the Charity	<u>(38,469)</u>	-
Movement in reserves	<u><u>(51,228)</u></u>	<u><u>41,287</u></u>
The assets and liabilities of the subsidiary were:		
Fixed assets	-	1,390
Current assets	3,196	46,808
Current liabilities	<u>(15,954)</u>	<u>(9,728)</u>
Total net assets	<u><u>(12,758)</u></u>	<u><u>38,470</u></u>
Aggregate share capital and reserves	<u><u>(12,758)</u></u>	<u><u>38,470</u></u>

6. Other income

	Unrestricted	Restricted		
	funds	funds	Total	Total
	2021	2021	2021	2020
	£	£	£	£
(Decrease)/ increase in pension indemnity	<u>514,000</u>	-	<u>514,000</u>	<u>(83,000)</u>

Royal Borough of Greenwich provided an indemnity equivalent to the pension deficit at the end of the year.

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

7. Total resources expended

	Cost of generating funds 2021 £	Costs of charitable activities 2021 £	Governance costs 2021 £	Total 2021 £	Total 2020 £
Raising funds					
Commercial trading operations	34,547	-	-	34,547	79,167
Charitable activities					
Agency staff	-	19,343	-	19,343	10,469
Staff salaries and social security costs	-	468,557	-	468,557	490,849
Redundancy cost	-	677	-	677	-
Defined contribution pension cost	-	30,538	-	30,538	10,307
Pension service cost	-	70,000	-	70,000	105,000
Staff training	-	1,295	-	1,295	7,407
HR and recruitment costs	-	9,923	-	9,923	12,471
Project - Resilient Heritage	-	-	-	-	3,562
Cleaning, refuse and pest control	-	18,936	-	18,936	59,843
Insurance and security	-	28,482	-	28,482	28,333
Premises repairs and maintenance	-	87,959	-	87,959	102,824
Rates, light and heat	-	56,742	-	56,742	88,849
Advertising, events and exhibition costs	-	32,385	-	32,385	26,511
Concert expenses	-	-	-	-	3,652
Telephone and broadband	-	6,618	-	6,618	7,776
Printing, postage and stationery	-	1,770	-	1,770	4,464
Books, publications and artwork	-	45	-	45	199
Equipment rental	-	792	-	792	1,130
Small equipment and repairs	-	4,725	-	4,725	7,742
IT costs	-	9,982	-	9,982	9,365
Subscriptions	-	8,111	-	8,111	9,733
Learning materials	-	-	-	-	2,213
Legal and professional fees	-	10,514	-	10,514	7,938
Consultancy fees	-	32,475	-	32,475	31,392
Cash collections	-	37	-	37	1,208
Audit and accountancy fees	-	-	7,695	7,695	7,865
Travel and subsistence	-	90	-	90	2,322
Bank service charges	-	-	271	271	400
Net interest on the defined pension liability	-	-	15,000	15,000	17,000
Miscellaneous expense	-	-	1,000	1,000	2,485
Partial VAT exemption charge	-	-	-	-	22,439
Depreciation	-	3,700	-	3,700	3,700
Bad debt provision	-	-	6,500	6,500	-
	-	903,696	30,466	934,162	1,089,448

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

8. Heritage and tangible assets

Charlton House

Built around 1610 during the reign of James I, Charlton House is regarded as the finest and best preserved Jacobean Mansion in London. The estate has extensive grounds which are open to the public as well as parts of the mansion. Some areas of the mansion and associated buildings are rented out mainly to local interest groups.

The Royal Borough of Greenwich Heritage Trust CIO was granted a 125-year lease by The Royal Borough of Greenwich for no charge. Due to the costly nature of obtaining a valuation for the property and the irreplaceable nature of the asset, the Trustees have decided that obtaining a valuation of the donated lease would not be in the best interests of the charity or the users of the accounts.

The mansion does contain a number of historical artefacts and pictures which are on display for the public. The ultimate ownership of these assets remains with the Royal Borough of Greenwich and have been lent to the Heritage Trust for display purposes only. As such, no valuation has been placed on these within the accounts.

The Stable Block

Located within the grounds of Charlton House this is, as its name suggests, where the horses were kept when Charlton House was used as a residence. It has now been leased to The Greenwich Carers Centre to establish an improved base of operations in which to undertake their charitable work.

Assembly Rooms

This red brick building dates from 1881 and is part of the Charlton House estate. Having fallen into disrepair there was strong local opposition to its demolition and it is now a focal point for the community, hosting many clubs and organisations.

Tudor Barn

Build around 1525 this building is set in thirteen acres of beautiful award winning gardens and is connected historically to nearby Eltham Palace. The Tudor Barn is currently leased out and used as a Bar and Restaurant allowing the local residents access to this historical building while ensuring that the building is well preserved for future generations.

The Royal Borough of Greenwich Heritage Trust CIO was granted a 30-year lease by The Royal Borough of Greenwich for no charge. Due to the costly nature of obtaining a valuation for the property and the irreplaceable nature of the asset, the Trustees have chosen not to undertake a valuation of the donated lease.

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

8. Heritage and tangible assets (continued)

Other assets

The Heritage Trust is also custodian of a number of memorials in the borough. Given their nature and ownership the Trustees do not believe that it would be appropriate to capitalise these as assets of the Heritage Trust.

Tangible Fixed Assets – Fixtures, fittings and equipment

	Group £	Charity £
Cost		
At 1 April 2020	46,884	40,766
Disposals	(2,735)	(2,735)
At 31 March 2021	<u>44,149</u>	<u>38,031</u>
Depreciation		
At 1 April 2020	38,491	33,762
Charge for the year	(2,735)	(2,735)
On disposal	5,089	3,700
At 31 March 2021	<u>40,845</u>	<u>34,727</u>
Net book value		
At 31 March 2021	<u>3,304</u>	<u>3,304</u>
At 31 March 2020	<u>8,393</u>	<u>7,004</u>

9. Investments

The Charity holds 1 share of £1 in its wholly owned trading subsidiary company, Greenwich Heritage Trading Limited which is incorporated in the United Kingdom (company number 09021486). This is the only share allotted, called up and fully paid. The activities and results of this company are summarised in note 5.

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

10. Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	611,399	195,453	611,186	201,504
Other debtors	-	843	-	843
Amount due from subsidiary	-	-	9,933	-
Prepayments and accrued income	27,389	29,235	27,389	29,235
Pension indemnity	844,000	330,000	844,000	330,000
	<u>1,482,788</u>	<u>555,531</u>	<u>1,492,508</u>	<u>561,582</u>

11. Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	74,721	59,329	74,721	73,402
Accruals and deferred income	631,869	194,976	630,769	192,579
Other creditors	110,583	51,065	105,931	43,923
	<u>817,443</u>	<u>305,370</u>	<u>811,421</u>	<u>309,904</u>

12. Deferred income – charity (also comprising that of the group)

Royal Borough of Greenwich Service Level Agreement income of £464,682 (2020 £44,224), Meet the Collection £82,500 (2020 £82,500), community fee £2,000 (2020 £1,900), summerhouse project £6,076 (2020 £0), Tales through Time £9,950 (2020 £0), rental income £10,639 (2020 £22,249), Crash Room exhibition project £9,301 (2020 £9,301), delayed bookings £779 (2020 £1,745) and other income of £0 (2020 £100) have been deferred as these relate to the 2021/22 year and they will be recognised as income in that period.

13. Pension costs

Defined contribution

Total pension contributions are detailed below and there were no payments outstanding.

	2021	2020
	£	£
Contributions payable by the Charity for the period	<u>30,538</u>	<u>10,307</u>

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

13. Pension costs (continued)

Defined benefit

The Charity operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Charity. The scheme forms part of the Royal Borough of Greenwich Pension Fund, however separate valuations are undertaken to segregate the liabilities and assets relating to the Royal Borough of Greenwich Heritage Trust CIO (the Charity).

As from 1 July 2014, a number of employees were transferred from the Royal Borough of Greenwich to the Charity.

Following the transfer of employees from the Royal Borough of Greenwich to the Charity on 1 July 2014, the Charity became liable for the net pension liability due to the Royal Borough of Greenwich Pension Fund at this date.

The Royal Borough of Greenwich has agreed to indemnify the Charity against the initial pension liability of £300,000 on transfer plus any additional deficit that arises for the duration of the service level agreement, which runs until 31 March 2023. This additional deficit is covered by other income received.

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was at 31 March 2021 which has been updated to reflect conditions at the balance sheet date. The major assumptions used by the actuary were:

	At 31/03/21	At 31/03/20
Rate of increase in salaries	3.80%	2.80%
Rate of increase in pensions in payment	2.80%	1.80%
Discount rate	2.05%	2.35%
Inflation rate	2.80%	1.80%

The return on the Fund is estimated to be 24.13%.

Mortality assumptions:

The assumed life expectations on retirement at age 65 are:

Retiring today	Males	20.5	20.8
	Females	23.3	23.5
Retiring in 20 years	Males	21.9	22.3
	Females	24.9	25.1

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

13. Pension costs (continued)

**Analysis of amounts recognised in the
Statement of Financial Activities**

	2021	2020
	£	£
Service cost	70,000	105,000
Net interest on defined benefit liability	15,000	17,000
Miscellaneous expenses	<u>1,000</u>	<u>1,000</u>
	<u><u>86,000</u></u>	<u><u>123,000</u></u>

Value of scheme assets and liabilities

	2021	2020
	£	£
Equities	91,000	71,000
Bonds	164,000	148,000
Property	87,000	87,000
Cash and alternative assets	12,000	13,000
Unitised insurance policies	382,000	290,000
UK & overseas unit trusts	<u>243,000</u>	<u>170,000</u>
Market value of assets	979,000	779,000
Present value of scheme liabilities	<u>(2,123,000)</u>	<u>(1,409,000)</u>
Deficit in scheme	(1,144,000)	(630,000)
Amount indemnified on formation	<u>300,000</u>	<u>300,000</u>
Net pension liability	<u><u>(844,000)</u></u>	<u><u>(330,000)</u></u>

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

13. Pension costs (continued)

Analysis of actuarial loss recognised in the Statement of Financial Activities

	2021	2020
	£	£
Return on Fund assets in excess of interest	171,000	(84,000)
Other actuarial (losses) on assets	-	(117,000)
Changes in financial assumptions	(638,000)	268,000
Change in demographic assumptions	21,000	62,000
Experience gain on defined benefit obligation	<u>14,000</u>	<u>41,000</u>
Actuarial (loss)/gain recognised	<u>(432,000)</u>	<u>170,000</u>

Movements in present value of defined benefit obligations:

	2021	2020
	£	£
Liabilities as at 1 April 2020	1,409,000	1,627,000
Current service cost	70,000	86,000
Benefits paid	(7,000)	(7,000)
Contributions from scheme members	15,000	16,000
Change in financial assumptions	638,000	(268,000)
Change in demographic assumptions	(21,000)	(62,000)
Experience gain on defined benefit obligation	(14,000)	(41,000)
Past service costs, including curtailments	-	19,000
Interest cost	<u>33,000</u>	<u>39,000</u>
At 31 March 2021	<u>2,123,000</u>	<u>1,409,000</u>

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

13. Pension costs (continued)

Movements in the fair value of plan assets:

	2021	2020
	£	£
Fair value of assets at 1 April 2020	779,000	914,000
Interest on assets	18,000	22,000
Return on assets less interest	171,000	(84,000)
Other actuarial (losses)	-	(117,000)
Administration expenses	(1,000)	(1,000)
Benefits paid	(7,000)	(7,000)
Contributions by the employer	4,000	36,000
Contributions by scheme members	15,000	16,000
	<hr/>	<hr/>
At 31 March 2021	<u>979,000</u>	<u>779,000</u>

14. Analysis of charitable funds

	Balance at					Balance at
	1 April	Incoming	Outgoing	Gains and	Fund	31 March
	2020	resources	resources	losses	transfers	2021
	£	£	£	£	£	£
Restricted Funds						
Eltham War Memorial	8,256	-	-	-	-	8,256
Concert performances	3,476	700	-	-	-	4,176
Woolwich Trail - RAWHS	4,687	-	-	-	-	4,687
Meet the collection	26,955	-	-	-	-	26,955
Charlton Roof survey	-	8,537	(5,015)	-	-	3,522
Celebrating Our Heritage	-	39,801	(36,467)	-	-	3,334
Festival of Archaeology	-	34,831	(29,831)	-	-	5,000
Monuments, Statues, Artefacts and the Public Realm	-	10,000	(10,000)	-	-	-
Charlton Summer House	-	23,680	(17,408)	-	-	6,272
Total Restricted Funds	<hr/> 43,374	<hr/> 117,549	<hr/> (98,721)	<hr/> -	<hr/> -	<hr/> 62,202
Unrestricted Funds						
Designated funds	-	514,161	(82,161)	(432,000)	145,000	145,000
Core Unrestricted Funds	301,567	876,381	(787,826)	-	(145,000)	245,122
Total Unrestricted Funds	<hr/> 301,567	<hr/> 1,390,542	<hr/> (869,987)	<hr/> (432,000)	<hr/> -	<hr/> 390,122
Total Funds	<hr/> 344,941	<hr/> 1,508,091	<hr/> 968,708	<hr/> (432,000)	<hr/> -	<hr/> 452,324

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

14. Analysis of charitable funds (continued)

Purpose of the designated funds

	2021	2020
	£	£
Pension	-	-
Roof works	100,000	-
Old Library Ceiling	15,000	-
Grounds trees felling (from risk survey)	10,000	-
Staff offices move to Stables	5,000	-
Brand Refresh & Website	10,000	-
Museum Collection & Archive Equipment	5,000	-
	<u>607,103</u>	<u>-</u>

Designated funds contain the defined benefit pension scheme, although no closing balance is required due to the indemnity in place.

Analysis of net assets between funds

	Core			
	Unrestricted	Designated	Restricted	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Tangible fixed assets	3,303	-	-	3,303
Cash at bank and in hand	420,052	145,000	62,202	627,254
Other net current assets/(liabilities)	(178,233)	844,000	-	665,767
Defined benefit pension liability	-	(844,000)	-	(844,000)
Total	<u>245,122</u>	<u>145,000</u>	<u>62,202</u>	<u>452,324</u>

15. Trustee expenses

During the year, £0 (2020 £97) was paid to a Trustee, who lives outside of the Borough, for travel expenditure incurred.

16. Staff costs

	2021	2020
	£	£
Staff costs were as follows:		
Salaries and wages	450,355	437,323
Social security costs	36,427	43,526
Redundancy costs	677	-
Defined contribution pension cost	48,415	10,307
Pension service costs	70,000	105,000
Staff training	1,229	10,125
	<u>607,103</u>	<u>606,281</u>

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

16. Staff costs (continued)

There were no staff employed with emoluments in the year above £60,000.

The above analysis includes staff costs that were allocated to specific restricted projects as part of their ongoing duties.

The average number of staff employed during the year, based on a full time equivalent, was as follows:-

	2021	2020
Trust management	7	7
Greenwich Heritage Trading staff	1	2
Charlton House staff	3	4
Heritage Centre staff	1	2
HLF Funded project staff	1	1
	<u>13</u>	<u>16</u>

Agency staff were paid within the year to assist with charitable activities where a skills gap was identified. The cost of agency staff amounted to £19,343 (2020 £10,470).

17. Net income for the period

This is stated after charging:

	2021	2020
	£	£
Accountancy fee	4,370	4,540
Auditors remuneration - audit fee	4,375	4,375
	<u>8,745</u>	<u>8,915</u>
Depreciation	<u>5,089</u>	<u>5,089</u>

18. Ultimate controlling party

The Charity is under the control of the Board of Trustees.

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

19. Related party transactions

Other than disclosed in note 15, there were no further related party transactions with Trustees.

At the beginning of the year 2021, Greenwich Heritage Trading Limited made a charitable donation of £38,469 (2020 £0) to the Charity based on 2020 performance.

During the year £0 (2020 £1,096) gross room hire fees have been charged to The Charlton Society. One of the directors of The Charlton Society is Roden Richardson, a former Trustee of the Charity.

20. Other professional services provided by Auditors

In common with many other entities of our size and nature, we use our auditors to assist with the preparation of financial statements and ongoing accountancy advice.

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

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Net movement in funds	107,383	(31,861)	158,611	(73,148)
Decrease/(increase) in stock	1,012	6,315	-	-
Decrease/(increase) in debtors	(927,257)	549,129	(930,926)	562,321
(Decrease)/increase in creditors	512,073	(424,844)	501,517	(415,416)
Add back depreciation charge	5,089	5,090	3,700	3,700
Increase in defined benefit pension liability	514,000	(83,000)	514,000	(83,000)
Net cash surplus/(deficit) in operating activities	212,300	20,829	246,902	(5,543)

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

22. Financial commitments

At the reporting end date, the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Within one year	-	2,866	-	320
After one year	-	-	-	-
	<u>-</u>	<u>2,866</u>	<u>-</u>	<u>320</u>