

Charity Number: 1157164

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO
ANNUAL REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 MARCH 2015

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Legal & administrative information

Charity number	-	1157164
Trustees	-	L Duvall (Chair) U Bowyer P Croall W Edgerley R Goodwin J Louth T Mitton G Parker (Nominated) R Richardson N Snook M Williams (Nominated) M Woods
Operational address	-	Charlton House Charlton Road London SE7 8RE
Accountants	-	Simpson Wreford & Co. Chartered Accountants Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

REPORT OF THE TRUSTEES

FOR THE PERIOD ENDED 31 MARCH 2015

The Trustees present their annual report, together with the audited financial statements for the period ended 31 March 2015. The Trustees have adopted the provisions of the Statement of Recommended Practice “Accounting and Reporting by Charities” issued in March 2005, in preparing the annual report and financial statements of the charity.

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	– appointed 9 December 2014	U Bowyer	– appointed 22 May 2014
P Croall	– appointed 28 February 2015	W Edgerley	– appointed 22 May 2014
R Goodwin	– appointed 28 February 2015	J Louth	– appointed 22 May 2014
T Mitton	– appointed 28 February 2015	G Parker	– appointed 22 May 2014
R Richardson	– appointed 28 February 2015	N Snook	– appointed 28 February 2015
M Williams	– appointed 22 May 2014	M Woods	– appointed 22 May 2014

Both G Parker and M Williams 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.

Governance

The Charity is registered with the Charities 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.

Nominated charity trustees

Royal Borough of Greenwich (“the appointing body”) may appoint two charity trustees. Any appointment must be made at a meeting held according to the ordinary practice of the appointing body 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:

- (a) the date of the vacancy; and

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- (b) the date on which the Charity Trustees or their secretary or clerk are informed of the appointment.

A Trustee appointed by the appointing body need not be a member of the appointing body. 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.

Retirement and removal of charity trustees:

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

- (1) 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);
- (2) 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 be vacated
- (3) dies;
- (4) 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;
- (5) 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.

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 Mulberry Tea Rooms within the building of Charlton House. The objective of this trading company is to provide refreshments to visitors of the building with all profits being donated to the Charity at the end of its financial year.

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:

- (1) 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;

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- (2) buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
- (3) 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;
- (4) 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;
- (5) 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:

The Trustees have identified the major risks to which the Charity may be exposed and have implemented systems and procedures to mitigate risks.

Objectives of the Charity

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.

The objects of the Charity are:

- 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.

Activities of the Charity

Since the Charity's formation on 22 May 2014, the first period of operation of Royal Borough of Greenwich Heritage Trust CIO has been to focus on establishing the organisation, particularly operational policies and procedures, whilst meeting our charitable objectives for the people of Royal Borough of Greenwich and beyond.

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Recruiting a Chair and full Board of Trustees and completing the induction and training process for the new Board has been key to organisational development.

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 period to 31 March 2015 are detailed below.

Learning and participation

The Charity has helped people find out about the heritage through informal learning. Using Charlton House, and the children's book 'Cassie the Horn Fair Cat', the Learning Officer developed activities with the Friends of Charlton House and Charlton Toy Library.

A number of learning events took place, other than schools events, both with Charity staff speaking at other venues in the community and across our sites. In October Kate Adie spoke at Greenwich Heritage Centre with 200 visitors in attendance.

The Charity has also utilised its volunteers. Mary Ross, Collections Manager, developed a new volunteer programme working on the cataloguing backlog to meet our Collections Care and Accreditation aims.

Charlton House Friends supported London Open House 2014 and welcomed over 400 visitors and provided tours of the house and estate.

Friends (Music) provide a free weekly classical concert at Charlton House.

Visitor services

The Charity has promoted the assets in our care by:

- (1) a successful World War I Touring exhibition, 'Family Stories of the Great War'. Developed with the support of Royal Borough of Greenwich, Heritage Lottery Fund & Community Covenant funding. The exhibition was installed at the Heritage Centre, encouraging visits here, before touring the borough. The exhibition was hosted by Royal Borough of Greenwich at the Town Hall, Woolwich to commemorate Remembrance Day before touring to Avery Hill Winter Gardens, and Correlli College;
- (2) The Tall Ships Regatta was a huge event for the Charity, with visitor numbers to the Heritage Centre in a single day exceeding our normal visitor figures for a month. The museum opened throughout the event including Sunday and Monday, welcoming 4,659 visitors over the four days;
- (3) in October, superfast broadband was installed at the Heritage Centre, as part of a London campaign to provide free broadband to every London museum;
- (4) increased social media presence on both Twitter and Facebook for Charlton House and Greenwich Heritage Centre; and
- (5) stakeholder engagement continues to be a priority. To date the Charity has met with a variety of interested parties.

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Collections care

The Charity met with the World Monuments Fund Britain (WMFB) in October at Charlton House. Charlton House was brought to their attention from the English Heritage Buildings at Risk Register, where the Summer House is listed. This relationship has developed and after the period end, WMFB have awarded the Trust £36,000 to further investigate the historic significance of the House.

The Charity is working closely with Royal Borough of Greenwich with regard to war memorials and the current programme of repair and maintenance being undertaken.

Use of volunteers

The activities of the organisation are supported by both the Friends of Charlton House and a number of volunteers. The Charity currently provides volunteering opportunities for 10 people on a regular basis, but also recruits volunteers to projects on a regular basis. Areas of work include collections, guiding and events.

The Charity has hosted successful placements from the University of Greenwich. One student placement has now led to a successful paid project post in 2014.

Achievements and performance

The table below identifies achievements in the Charity’s first period of operation.

Charitable Objective	Core Service	KPI	Achievement July 2014 – March 2015
Education and learning about the history of the borough for the general public	- Learning & Participation	- Number of site visits by RBG Schools per annum - Number of learning events per annum other than school events	- 2,489 total pupil visits of which 2,430 (97%) were Royal Borough of Greenwich schools - 59 events including: Outreach, Under 5s, Teachers INSET
Promotion of the assets for the benefit of the inhabitants of the Royal Borough of Greenwich	- Visitor Services - Advice and services	- Number of visits to website - Attainment of Visitor Attraction Quality Assurance Mark (VAQAS) - Number of public enquiries dealt with per annum: in person, via email/in writing	- 16,447 - Retained VAQAS at Greenwich Heritage Centre - 2,190 enquires dealt with
Care and conservation of the historic buildings and assets in the care of the Trust	- Collections Care	- Retain Museum Accreditation standard	- Review in 2016. Planning is underway to meet standard

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Financial review

The Statement of Financial Activities on page 11 shows an unrestricted surplus for the period of £197,634.

There are three designated funds which are unrestricted, the first being donations received at the concerts held. These funds are to cover expenses incurred by the concert performance. The second fund is that of a donation by Friends of Charlton House which was used to buy a Christmas tree. Finally a pension indemnity is due from Royal Borough of Greenwich to cover the pension deficit that arose during the period. Any funds unused in the period are held by the Charity for future expenditure as per their designation.

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.

Plans for future periods

The key aim for 2015-16 is to further develop the five year strategic framework for the Charity to best meet our core charitable objectives. Our key deliverables are summarised below.

Education	<ul style="list-style-type: none">- Maintain site visits by Schools retaining the current high percentage of RBG schools;- Maintain number of learning events (other than Schools);- Through development of ‘Travelling Trunks’ funded by Community Covenant explore new ways to display the histories of the Royal Borough via outreach to the community; and- Develop learning opportunities at Charlton House Estate.
Preservation	<ul style="list-style-type: none">- Work with Firepower! during their transition year to develop a new gallery;- Work with RBG and other partners to develop the Cultural Quarter, Royal Arsenal; and- Prepare for Museum Accreditation (2016).
Promotion	<ul style="list-style-type: none">- Retain Visitor Attraction Quality Assurance (VAQAS) for Greenwich Heritage Centre;- Achieve VAQAS for Charlton House;- Increase the number of public enquiries dealt with; and- Support of the Royal Borough of Greenwich Victoria Cross Commemorative Paving Scheme (25/09/15 2nd event).
Income generation	<ul style="list-style-type: none">- Improve the retail and reception offer at Greenwich Heritage Centre to generate increased visitor spend;- Increase corporate and community hire at all sites;- Review catering at Charlton House; and- Manage Tenancies and increase income from Stables let to Greenwich Carers.
Grant funding	<ul style="list-style-type: none">- Raise new funding including grants and private donations;- Develop a Round 1 Heritage Lottery Fund application for Charlton House; and- Develop a Heritage Lottery Fund Transition Fund Application for the Charity.
Governance	<ul style="list-style-type: none">- Strategic development of 5 year vision; and- Manage operational Health and Safety.

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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

Unrestricted funds are the only reserves held by the Charity and amount to £197,634 at the period end. These funds are not held for any specific purpose other than where designated, but to fund future charitable activities. It is the Charity's policy to have sufficient cash reserves to cover three months of operational costs, particularly employee salaries.

Approved by the board of trustees on 10 November 2015 and signed on its behalf by:

Len Duvall
Chair

INDEPENDANT EXAMINATION REPORT

TO THE TRUSTEES OF ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

We report on the accounts of the Trust for the year ended 31 March 2015, which are set out on pages 11 to 24.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is our responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

Our examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with our examination, no matter has come to our attention:

1. which gives us reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Acthave not been met; or
2. to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Carl Graham

Simpson Wreford & Co
Statutory Auditors and Chartered Accountants
Wellesley House
Duke of Wellington Avenue
Royal Arsenal
London
SE2 0PE

Date 10 November 2015

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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE PERIOD ENDED 31 MARCH 2015

	Notes	Unrestricted funds 2015 £	Total 2015 £
Incoming resources			
Incoming resources from generated funds			
Voluntary income	2	94,123	94,123
Incoming resources from charitable activities	3	<u>683,044</u>	<u>683,044</u>
Total incoming resources		<u>777,167</u>	<u>777,167</u>
 Resources expended			
Costs of generating funds		2,918	2,918
Charitable activities		516,930	516,930
Governance costs		18,685	18,685
Total resources expended	4	<u>538,533</u>	<u>538,533</u>
 Net incoming resources before other recognised gains and losses			
		238,634	238,634
 Other recognised gains and losses			
Actuarial loss on defined benefit pension scheme		(41,000)	(41,000)
Total funds carried forward at 31 March 2015	10	<u>197,634</u>	<u>197,634</u>

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BALANCE SHEET AT 31 MARCH 2015

	Notes	2015	
		£	£
Fixed assets			
Investments	6		1
Current assets			
Stocks		200	
Debtors	7	208,601	
Cash at bank and in hand		<u>179,846</u>	
		388,647	
Liabilities			
Creditors: Amounts falling due within one year	8	<u>(121,014)</u>	
Net current assets			<u>267,633</u>
Net assets excluding pension liability			267,634
Defined benefit pension liability	9		<u>(70,000)</u>
Total assets			<u><u>197,634</u></u>
Funds			
Unrestricted			<u>197,634</u>
Total funds	10		<u><u>197,634</u></u>

The financial statements on pages 11 to 24 were approved by the trustees on 10 November 2015 and signed on their behalf by:-

Len Duvall
Chair

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2015

1. Accounting policies

a. Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting for and reporting by Charities" (SORP 2005), and accounting standards 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.

c. Expenditure

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.

d. Assets and liabilities

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.

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

Liabilities are recognised in the accounts where there is an obligation to transfer economic benefit.

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NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2015

1. Accounting policies (continued)

e. Stocks

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.

f. Funding structure

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.

g. 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.

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NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2015

2. Voluntary income

	Unrestricted funds 2015 £
<i>Donations</i>	
Concert donations	4,069
Public donations	379
Friends of Charlton House	52
Donation from Greenwich Heritage Trading Ltd	19,623
Pension indemnity from Royal Borough of Greenwich	70,000
	<u>94,123</u>

3. Incoming resources from charitable activities

	Unrestricted funds 2015 £
Local authority service contracts	
Royal Borough of Greenwich	475,587
Other incoming resources	
Room hire	126,077
Rental charges	17,693
Service charges	28,484
Civil ceremonies and weddings	9,878
Royal Borough of Greenwich	20,018
Commission	1,776
Recoverable staff costs	1,250
Heritage Centre search fees and sales	1,130
Interest	528
Licence fees	333
Miscellaneous income	290
	<u>683,044</u>

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NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2015

4. Total resources expended

	Total	Cost of generating funds	Costs of charitable activities	Governance costs
	2015	2015	2015	2015
	£	£	£	£
Costs of generating funds				
Concert expenses	2,866	2,866	-	-
Christmas tree	52	52	-	-
	<u>2,918</u>	<u>2,918</u>	-	-
Charitable activities				
Agency staff	11,682	-	11,682	-
Staff salaries and social security costs	272,865	-	272,865	-
Pension service cost	63,000	-	63,000	-
Project - WW1	5,778	-	5,778	-
Security	1,477	-	1,477	-
Cleaning	33,833	-	33,833	-
Sanitary service	1,944	-	1,944	-
Insurance	31,410	-	31,410	-
Repairs and maintenance	51,819	-	51,819	-
Rates	(43,061)	-	(43,061)	-
Electricity	37,669	-	37,669	-
Gas	4,466	-	4,466	-
Water rates	1,303	-	1,303	-
Advertising	1,575	-	1,575	-
Refuge charges	2,764	-	2,764	-
Pest control	300	-	300	-
Telephone	2,689	-	2,689	-
Printing, postage and stationery	5,048	-	5,048	-
Books and publications	133	-	133	-
Photocopier rental	539	-	539	-
Equipment rental	195	-	195	-
Small equipment	3,255	-	3,255	-
Equipment repair	600	-	600	-
Exhibition costs	3,798	-	3,798	-
Flowers and decorations	630	-	630	-
Collections expense	411	-	411	-
Laundry and ironing	1,151	-	1,151	-
Music and entertainment	1,000	-	1,000	-
Clothing and uniforms	403	-	403	-
Computer software	365	-	365	-
Website	512	-	512	-
Subscriptions	614	-	614	-
Education	157	-	157	-
Professional fees	3,053	-	3,053	-
Consultancy fees	6,330	-	6,330	-
Design and artwork	1,098	-	1,098	-
Cash collections	642	-	642	-
Piano tuning	90	-	90	-
Accountancy fees	12,895	-	-	12,895
Travel and meetings	242	-	242	-
Subsistence	40	-	40	-
Staff consumables	160	-	160	-
Volunteer support	50	-	50	-
Bank service charges	638	-	-	638
Net pension interest charge	5,152	-	-	5,152
Miscellaneous expense	1,026	-	1,026	-
Bad debt	3,875	-	3,875	-
	<u>535,615</u>	-	<u>516,930</u>	<u>18,685</u>

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NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2015

5. Heritage 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.

During the year, 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 horse 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. After 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.

During the year, 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 PERIOD ENDED 31 MARCH 2015

5. Heritage assets (continued)

Heritage Centre

The Heritage Centre is a more modern building used as a focal point for housing and displaying historical artefacts that have been found in the local area. These artefacts range from an Egyptian Mummified cat to tools used in the Royal Arsenal.

It also a venue that can be used to research local history, including family history, from its extensive Microfilm collection. It is also used by local schools and operates a free educational service based on the National Curriculum.

During the year, the Royal Borough of Greenwich Heritage Trust CIO was granted a 3 year lease by The Royal Borough of Greenwich for no charge. The Trustees feel that given the conditions imposed in the lease, such as its specific use and inability to sub lease, that there is no market for the property and therefore no monetary valuation can be placed upon it.

The Heritage Centre 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.

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.

6. Investments

	2015
	£
Addition	1
Balance as at 31 March 2015.	<u>1</u>

The addition to investments in the period is that of the purchase of the entire share capital in Greenwich Heritage Trading Limited, company number 09021486. The purpose of which is to provide a return for the Charity in relation to trading activities.

The investment is held at cost in unrestricted funds.

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2015

7. Debtors

	2015
	£
Trade debtors	74,367
Defined benefit pension scheme indemnity	70,000
Prepayments and accrued income	45,486
Intercompany account	18,748
	<u>208,601</u>

8. Creditors

	2015
	£
Trade creditors	73,661
Accruals and deferred income	46,010
Other creditors	1,343
	<u>121,014</u>

9. Pension costs

Defined contribution

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

	2015
	£
Contributions payable by the Charity for the period	<u>-</u>

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2015

9. 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 plus any additional deficit that arises for the duration of the service level agreement, which runs until 31 March 2017.

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 2013 which has been updated to reflect conditions at 1 July 2014 and the balance sheet date. The major assumptions used by the actuary were:

	At 31/03/15	At 01/07/14
Rate of increase in salaries	3.70%	4.40%
Rate of increase in pensions in payment	2.20%	2.90%
Discount rate	3.30%	4.40%
Inflation rate	3.20%	3.70%

The return on the Fund is estimated to be 10%.

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2015

9. Pension costs (continued)

Value of scheme assets and liabilities

	At 31/03/15 £	At 01/07/14 £
Equities	143,000	107,000
Bonds	121,000	97,000
Property	66,000	43,000
Cash and alternative assets	10,000	21,000
Unitised insurance policies	152,000	129,000
UK & overseas unit trusts	154,000	140,000
	<hr/>	<hr/>
Market value of assets	646,000	537,000
Present value of scheme liabilities	<u>(1,016,000)</u>	<u>(837,000)</u>
Deficit in scheme	(370,000)	(300,000)
Amounts transferred - indemnified by transferor	300,000	300,000
	<hr/>	<hr/>
Net pension liability	<u><u>(70,000)</u></u>	<u><u>-</u></u>

Analysis of the amount charged to pension service cost

	2015 £
Current service cost	63,000
Past service cost	-
	<hr/>
Pension service cost	<u><u>63,000</u></u>

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO
NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2015

9. Pension costs (continued)

Analysis of the amount credited to net pension interest charge

	2015
	£
Expected return on pension scheme assets	24,000
Interest on pension scheme liabilities	<u>(29,152)</u>
Net return	<u><u>(5,152)</u></u>

Analysis of actuarial loss recognised in the Statement of Financial Activities

	2015
	£
Actual return less expected return on scheme assets	30,000
Changes in assumptions underlying the present value of the scheme liabilities	<u>(71,000)</u>
Actuarial loss recognised	<u><u>(41,000)</u></u>

Movement during the period

	2015
	£
Current service cost	(63,000)
Interest cost	(5,152)
Contributions by employer	39,152
Actuarial losses	<u>(41,000)</u>
Deficit in scheme at 31 March 2015	<u><u>(70,000)</u></u>

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2015

10. Funds

	Balance at 22 May 2014	Income	Expenditure	Gains and losses	Balance at 31 March 2015
Total Designated Funds	-	74,121	(31,918)	(41,000)	1,203
Core Unrestricted Funds	-	703,046	(506,615)	-	196,431
Total Unrestricted	<u>-</u>	<u>777,167</u>	<u>(538,533)</u>	<u>(41,000)</u>	<u>197,634</u>

Purpose of designated funds

Pension indemnity funds were used to cover the pension deficit that arose during the period.

Concert donations from the public which are used to cover concert expenses incurred.

Friends of Charlton House made donations which were used to cover the cost of a Christmas tree.

11. Trustee expenses

No remuneration or reimbursement of expenses was paid to any trustee during the period.

12. Staff costs

	2015
	£
Staff costs were as follows:	
Salaries and wages	213,090
Social security costs	59,775
Pension service costs	63,000
	<u>335,865</u>

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2015

12. Staff costs (continued)

There was no staff member employed with emoluments in the period above £60,000.

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

	2015
Charlton House staff	7
Heritage Centre staff	<u>9</u>
	<u>16</u>

Agency staff were paid within the period to assist with charitable activities where a skills gap was identified. The cost of agency staff amounted to £11,682.

13. Net income for the period

This is stated after charging:

	2015
	£
Accountancy fee	<u>12,895</u>

14. Ultimate controlling party

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

15. Related Party Transactions

Related parties of the Charity include Greenwich Heritage Trading Limited, company number 09021486, in which, the Charity owes 100% of the shareholdings.

At the end of the period a balance of £18,748 was due from Greenwich Heritage Trading Limited. No interest is due on the loan, which is repayable on demand.

During the period, Greenwich Heritage Trading Limited purchased services from the Charity amounting to £9,601. Greenwich Heritage Trading Limited also made a charitable donation to the Charity of £19,623, being the company's total profits for the period.

During the year, £101 was paid to Malcolm Woods for reimbursement of expenditure incurred on behalf of the Charity.