



Charity Number: 1157164

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

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**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

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**FOR THE YEAR ENDED 31 MARCH 2017**

**Legal & administrative information**

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

# ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

## ANNUAL REPORT AND FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2017

The Trustees present their annual report, together with the audited financial statements for the year ended 31 March 2017. The Trustees have adopted the provisions of the Statement of Recommended Practice: Accounting and Reporting by Charities in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

#### 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 (re-appointed July 2016)	R Goodwin
J Louth	T Mitton
G Parker	R Richardson
N Snook	D Scott-McDonald
M Woods	

Both G Parker and D Scott-McDonald 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.

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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
- (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.

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#### **Sub Committees:**

The Board now meet every 2 months. Trustees have been appointed to Sub Committees as follows:

- Finance & Audit – Bill Edgerley, Tony Mitton (Chair)
- Charlton House & Grounds – Philip Croall, Jonathan Louth, Roden Richardson, Malcolm Woods (Chair)
- Museum & Archive – Len Duvall, William Edgerley, Richard Goodwin (Chair), Cllr Denise Scott-McDonald, Nicky Snook

The management team support the Chief Executive and the board to develop and deliver the aims and objectives of the Trust. The management team is Edward Schofield, Property Manager, who has managed Charlton House since 2009 and previously worked at the Victoria and Albert Museum and Somerset House. Isabel Benavides is Heritage & Interpretation Manager. Formerly of the Museum of London and the Horniman Museum. In 2016/17 the Trust appointed Krissie Chitty as Strategic Accountant and Carolyn Ayers as Facilities Officer.

Trust staff develop programmes across all sites so, for example, the exhibition programme is developed to tour to other trust venues to extend value for money of exhibition content; the learning programme offers events at Charlton House as well as the Heritage Centre to reach a wider audience of Borough residents.

#### **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;
- (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;

# ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

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FOR THE YEAR ENDED 31 MARCH 2017

### **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 objectives 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**

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 2017 are detailed below.

### **Learning and participation**

Informal Learning – 104 (86 in 2016-17) learning events, other than formal school sessions, took place including:

- A small Exhibition to celebrate the Irish Community in Woolwich in partnership with the Irish Community Centre.
- Major events across Royal Greenwich included the Great Get Together in June 2016 (total number across events was 1,699 participants; of which 237 was Great Get Together).
- Horn Fair at Charlton House was held at the traditional date of St Luke's day, Sunday 16<sup>th</sup> October 2016. The event explored the history of Charlton House with costumed actors, traditional music, stonemasons from the Building Crafts College, stone carvers and wood carvers from City & Guilds, local food stalls, displays of historic plasterwork, and activities for children, displays from the collections of Royal Greenwich. The event was very well attended with approximately 700 visitors.

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#### Learning and participation (cont)

- Remembrance Day event, 'Your Devoted Frank', at Charlton House shared readings of original First World War love letters with an audience of 120 guests.
- Armed Forces Community Covenant awarded £20,000 to the History Trail project February 2017.

#### Visitor services

The Charity has promoted the assets in our care by continued stakeholder engagement (quarterly meeting). This year the Trust has met with the groups below to promote the work of the charity and to share best practice within the heritage sector:

Charlton Parkside Community Hub	Charlton Society
Charlton Triangle Homes	Eltham Society
Friends of Charlton House	Friends of Well Hall Pleasance
Global Fusion Music and Arts	Greenwich Industrial History Society
Greenwich Society	Heritage Lottery Fund
Heritage of London Trust	Historic Houses Association
Princes Regeneration Trust	Ravensbourne
Royal Artillery Museums Ltd	St George's Garrison Church, Woolwich
University of Greenwich	Visit Greenwich
World Heritage Site Partnership	World Monuments Fund Britain

#### Collections care

- The Trust researched the third of four First World War Victoria Cross recipients from the Royal Borough of Greenwich. The third commemorative paving stone was laid in April 2017.
- Asbestos Stabilisation programme started and work carried out by 'Kadec Asbestos Management' to make safe WWII gas masks and identify asbestos risk across the museum collection.
- Preparation for relocation of the offsite store from part of Plumstead Library (which was completed in June 2017).

#### Use of volunteers

The activities of the organisation are supported by both the Friends of Charlton House and a number of volunteers. The Charity worked with 34 volunteers on projects in 2016/17. Roles included:

- Exhibition research.
- Installation of exhibitions.
- Learning programme and event support.
- Collections care in the museum store.



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### FOR THE YEAR ENDED 31 MARCH 2017

#### **Use of volunteers (cont)**

Charlton House Friends supported London Open House and Horn Fair welcoming over 700 visitors and providing tours of the house and estate. Greenwich Heritage Centre supported London Open House welcoming 64 participants.

Charlton House also provide a free weekly classical concert in the Old Library. Performances are given by young musicians; many from Trinity Laban. The audience make a voluntary contribution to attend and donations are used to support the work of the trust and to develop the music programme.

A new group, Friends of Royal Greenwich Heritage Trust, was established and continues to develop.

#### **Service Level Agreement Funding**

Royal Borough of Greenwich of Town Hall (the council) under the Service Level Agreement (SLA) transferred the Charity's assets and employees from the Council to the Trust with effect from 1 July 2014. The SLA covers the period of 1 July 2014 to 31 March 2017.

The total price for the service to March 2017 is £1,613,783 plus VAT, in which £589,650 was the annual instalment for 2016-17.

The new 3 year SLA covering 1 April 2017 to 31 March 2020 has been signed. The total price for the service is £1,579,880.

#### **Grant funding received**

The Charity accounted for £176,493 grant funding and other financial support (actual cash received £134,136) in 2016-17.

These funds were made up of:

- £13,398 received from the World Monuments Fund to enable a Conditions Survey at Charlton House.
- £127,007 for 'Making Woolwich' exhibition - £67,007 Heritage Lottery Fund (£32,957 deferred from 2015-16 and £6,810 was received in April 2017) and £60,000 match funding from Friends of Firepower and Royal Artillery Museums Ltd. The Trust worked closely with Brigadier Ken Timbers (retired) of Friends of Firepower to develop stories and histories of the Royal Artillery and their many connections to Woolwich and the Royal Arsenal.
- £27,088 for 'Here come the Girls' from Heritage Lottery Fund (£25,950 of it was received and deferred from 2015-16). The project covered the period of Oct 2016-Sept 2017 and explored the contribution of Greenwich women during World War One primarily on the Royal Arsenal, Charlton House as a convalescence home, and the Progress Estate as a model housing estate built in 1915.
- £9,000 received from RBG Ward Councillors grant for the restoration & improvement of Eltham War Memorial, work to take place in 2017-18.

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#### **Community engagement**

- 4 placements: 1 17 year old in July; 1 college student studying Event Management in February; 3 University of Greenwich students studying primary teaching
- Trust staff have spoken at events at Blackheath Women's Institute (July 2016, Pauline on genealogy) the Trefoil Guild, Women's Institute and Probus about the Travelling Trunks Project and Great War projects
- In partnership with Civic Voice the Trust hosted two war memorial workshops focussing on condition surveys and recording details on line (22 community participants)
- HLF funded Here Come the Girls tour (April – Sept 2016) across the borough reaching 1,246 adults and 830 children in libraries, community centres and other venues including Severndroog Castle and Old Royal Naval College.

#### **Publicity and promotion**

In 2016/17 the Trust continued to work with design studio Fit Creative. The combined venue leaflet was distributed across South London by Take One Media. The new web site was launched in May 2016.

#### **Tenancy**

The Trust estate is occupied by tenants under various agreements; including leases, a License to Occupy and a Tenancy at Will.

Greenwich Carers Centre (GCC) continue their tenancy in the Stable Block, Charlton House.

Directorate of Adults and Older People (DAOP) continue their Licence to Occupy Charlton Assembly Rooms with continued community use of the Assembly Rooms at evenings and weekends outside DAOPS normal operating hours.

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**FOR THE YEAR ENDED 31 MARCH 2017**

**Achievements and performance**

The table below identifies achievements in the 2016/17 accounting period.

<b>Charitable Objective</b>	<b>Core Service</b>	<b>KPI</b>	<b>Achievement April 2016 – March 2017</b>
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	- 2,116  - 104 events including Charlton House events
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	- 72,280 total on new website  - Retained VAQAS at Greenwich Heritage Centre - Achieved VAQAS for Charlton House  - 2,590 enquires dealt with
Care and conservation of the historic buildings and assets in the care of the Trust	- Collections Care	- Retain Museum Accreditation standard	- Submission made to October deadline. Awaiting feedback from Arts Council

**Financial review**

The Statement of Financial Activities on page 14 shows an unrestricted surplus of **£371,567** at the year end.

There are two designated funds which are unrestricted as per note 14 to the accounts on page 31. The only fund with a balance at the year end was the match funding amount of £55,580 towards the ‘Resilient future for Greenwich Heritage’ HLF funded project.

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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**FOR THE YEAR ENDED 31 MARCH 2017**

**Plans for future periods**

The key aim for 2017-18 is to further develop the ten-year strategic framework for the Charity to best meet our core charitable objectives with support of Resilient Heritage Funding from the Heritage Lottery Fund. Our key deliverables are summarised below.

<b>Education</b>	<ul style="list-style-type: none"><li>- Review Schools program across the sites including new models for delivery;</li><li>- Maintain number of learning events (other than Schools) with community partners; and</li><li>- Through Heritage Lottery Fund funded projects and partnerships on the Cultural District to explore new ways to display the histories of the Royal Borough of Greenwich.</li></ul>
<b>Preservation</b>	<ul style="list-style-type: none"><li>- Work with RBG and other partners to develop the Cultural District, Royal Arsenal; and</li><li>- Complete the Charlton House, Summer House enabling works programme.</li></ul>
<b>Promotion</b>	<ul style="list-style-type: none"><li>- Retain Visitor Attraction Quality Assurance (VAQAS) for Greenwich Heritage Centre and Charlton House; and</li><li>- Continue to grow the number of public enquiries dealt with.</li></ul>
<b>Income generation</b>	<ul style="list-style-type: none"><li>- Increase corporate and community hire at all sites;</li><li>- Improve retail and reception offer at the Museum &amp; Archive to generate increased visitor spend; and</li><li>- Manage Tenancies and facilities effectively.</li></ul>
<b>Grant funding</b>	<ul style="list-style-type: none"><li>- Raise £161,000 from new funding including grants and private donations;</li><li>- Develop the Friends of Royal Greenwich Heritage Trust and the income associated with membership; and</li><li>- Continue to work with World Monuments Fund Britain to fund work for Charlton House Summer House.</li></ul>
<b>Governance</b>	<ul style="list-style-type: none"><li>- Work with consultant to develop 10-year Business Plan for Trust under the Resilient Heritage programme.</li></ul>

# ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

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### FOR THE YEAR ENDED 31 MARCH 2017

#### **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 that can be freely used by the Charity and amount to £371,567 at the year end. These funds are not held for any specific purpose other than where designated, but to fund future charitable activities. The Charity also held restricted funds of £12,435 at the year end. 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 11 July 2017 and signed on its behalf by:

Len Duvall  
Chair

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

We have audited the financial statements of Royal Borough of Greenwich Heritage Trust CIO for the year ended 31 March 2017, which comprise the Statement of Financial Activities, Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the trustees and auditors**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

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

**Opinion**

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017, 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Michael Broder (Senior Statutory Auditor)**  
**for and on behalf of Simpson Wreford LLP, Statutory Auditors**  
Wellesley House  
Duke of Wellington Avenue  
Royal Arsenal  
London  
SE18 6SS

Dated: 11 July 2017

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	Unrestricted funds 2017 £	Restricted Funds 2017 £	Total 2017 £	Total 2016 £
<b>Income and endowments from:</b>					
Donations and legacies	3	14,659	172,162	186,821	106,580
Charitable activities	4	990,901	-	990,901	947,080
Other trading activities	5	74,762	-	74,762	85,529
Other	6	345,000	-	345,000	(68,000)
<b>Total income</b>		<u>1,425,322</u>	<u>172,162</u>	<u>1,597,484</u>	<u>1,071,189</u>
<b>Expenditure on:</b>					
Raising funds - cost of trading activities		(65,432)	-	(65,432)	(70,974)
Charitable activities		(1,005,870)	(167,578)	(1,173,448)	(989,451)
<b>Total expenditure</b>	7	<u>(1,071,302)</u>	<u>(167,578)</u>	<u>(1,238,880)</u>	<u>1,060,425</u>
<b>Net income before transfers</b>		354,020	4,584	358,604	10,764
<b>Transfers</b>					
Gross transfers between funds		(7,851)	7,851	-	-
<b>Net income before other recognised gains and losses</b>		346,169	12,435	358,604	10,764
<b>Other recognised gains and losses</b>					
Actuarial (losses)/gains on defined benefit pension schemes		(304,000)	-	(304,000)	121,000
<b>Net movement in funds</b>		42,169	12,435	54,604	131,764
<b>Reconciliation of funds:</b>					
Total funds brought forward		329,398	-	329,398	197,634
<b>Total funds carried forward</b>	14	<u>371,567</u>	<u>12,435</u>	<u>384,002</u>	<u>329,398</u>

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

All income and expenditure derive from continuing activities.



**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**CONSOLIDATED BALANCE SHEET AT 31 MARCH 2017**

	Notes	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
<b>Fixed assets</b>					
Office equipment	8	13,215	15,724	11,915	15,724
Investments	9	-	-	1	1
<b>Current assets</b>					
Stocks		700	700	200	200
Debtors	10	1,176,983	819,375	1,181,038	828,368
Cash at bank and in hand		374,251	429,636	357,181	389,128
		<u>1,551,934</u>	<u>1,249,711</u>	<u>1,538,419</u>	<u>1,217,696</u>
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	11	(834,147)	(934,037)	(819,333)	(902,023)
		<u>717,787</u>	<u>315,674</u>	<u>719,086</u>	<u>315,673</u>
<b>Net current assets</b>		<u>717,787</u>	<u>315,674</u>	<u>719,086</u>	<u>315,673</u>
<b>Net assets excluding pension liability</b>		731,002	331,398	731,002	331,398
Defined benefit pension liability	13	(347,000)	(2,000)	(347,000)	(2,000)
<b>Total assets</b>		<u><u>384,002</u></u>	<u><u>329,398</u></u>	<u><u>384,002</u></u>	<u><u>329,398</u></u>
<b>Funds represented by:</b>					
Unrestricted funds		371,567	329,398	371,567	329,398
Restricted funds		12,435	-	12,435	-
<b>Total funds</b>	14	<u><u>384,002</u></u>	<u><u>329,398</u></u>	<u><u>384,002</u></u>	<u><u>329,398</u></u>

The financial statements on pages 14 to 33 were approved by the trustees on 11 July 2017 and signed on their behalf by:-

Len Duvall  
Chair

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDING 31 MARCH 2017**

	Note	<b>Group 2017 £</b>	<b>Group 2016 £</b>	<b>Charity 2017 £</b>	<b>Charity 2016 £</b>
<b>Cash (deficit)/surplus from operating activities</b>	22	(47,355)	255,281	(25,867)	232,868
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets		<u>(8,030)</u>	<u>(23,586)</u>	<u>(6,080)</u>	<u>(23,586)</u>
<b>Cash deficit in investing activities</b>		(8,030)	(23,586)	(6,080)	(23,586)
(Decrease)/increase in cash and cash equivalents in the year		(55,385)	231,695	(31,947)	209,282
Cash and cash equivalents at the beginning of the year		<u>429,636</u>	<u>197,941</u>	<u>389,128</u>	<u>179,846</u>
<b>Total cash and cash equivalents at the end of the year</b>		<u><u>374,251</u></u>	<u><u>429,636</u></u>	<u><u>357,181</u></u>	<u><u>389,128</u></u>

## ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

#### 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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK generally Accepted Practice as it applies from 1 January 2015.

##### b. Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Greenwich Heritage Trading Limited on a line by line basis.

##### c. 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).

## ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

#### 1. Accounting policies (continued)

##### d. 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.

##### e. 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.

##### f. 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.

##### g. 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 £500 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.

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

## ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

#### 1. Accounting policies (continued)

##### **h. 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.

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.

##### **i. Debtors**

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

##### **j. Cash at bank and in hand**

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

##### **k. 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.

##### **l. 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 2017**

**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:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Income	1,522,722	985,660
Gift aid from subsidiary company	<u>9,330</u>	<u>14,555</u>
	1,532,052	1,000,215
Expenditure on charitable activities	(1,173,448)	(989,451)
Re-measurement (losses)/gains on defined benefit pension schemes	<u>(304,000)</u>	<u>121,000</u>
<b>Net income</b>	54,604	131,764
Funds brought forward	<u>329,398</u>	<u>197,634</u>
<b>Total funds carried forward</b>	<u><u>384,002</u></u>	<u><u>329,398</u></u>
<b>Represented by:</b>		
Restricted income funds	12,435	-
Unrestricted income funds	<u>371,567</u>	<u>329,398</u>
	<u><u>384,002</u></u>	<u><u>329,398</u></u>

**3. Donations and legacies**

	<b>Unrestricted</b>	<b>Restricted</b>		
	<b>funds</b>	<b>funds</b>	<b>Total</b>	<b>Total</b>
	<b>2017</b>	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Concert donations	-	9,067	9,067	5,845
Public donations	998	-	998	229
Grants receivable for core activities	13,398	163,095	176,493	100,375
Friends of Charlton House	165	-	165	-
RGHT Friend Membership	98	-	98	131
	<u>14,659</u>	<u>172,162</u>	<u>186,821</u>	<u>106,580</u>

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

**4. Income from charitable activities**

	<b>Unrestricted funds 2017 £</b>	<b>Restricted funds 2017 £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
<b>Local authority service contracts</b>				
Royal Borough of Greenwich	589,650	-	589,650	589,650
Room hire	139,653	-	139,653	162,557
Rental charges	145,045	-	145,045	102,771
Service charges	32,894	-	32,894	32,804
Royal Borough of Greenwich	21,980	-	21,980	21,980
Civil ceremonies and weddings	20,924	-	20,924	16,597
Wedding catering commission	8,451	-	8,451	6,472
Recoverable staff costs	11,303	-	11,303	7,747
Other recoverable costs	13,162	-	13,162	-
Heritage Centre search fees and sales	2,172	-	2,172	1,956
Bank and other interest	1,057	-	1,057	302
Miscellaneous income	4,610	-	4,610	4,244
	<u>990,901</u>	<u>-</u>	<u>990,901</u>	<u>947,080</u>

**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 under the gift aid scheme. Greenwich Heritage Trading Limited operates the café carried on at Charlton House. The summary financial performance of the subsidiary alone is:

	<b>2017 £</b>	<b>2016 £</b>
Turnover	74,762	85,529
Costs of sales and administrations costs	<u>(65,432)</u>	<u>(70,974)</u>
Net profit	9,330	14,555
Amount gift aided to the charity	<u>(9,330)</u>	<u>(14,555)</u>
Retained in subsidiary	<u>0</u>	<u>0</u>

The assets and liabilities of the subsidiary were:

Fixed assets	1,300	-
Current assets	22,845	46,598
Current liabilities	<u>(24,144)</u>	<u>(46,597)</u>
Total net assets	<u>1</u>	<u>1</u>
Aggregate share capital and reserves	<u>1</u>	<u>1</u>

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

**6. Other income**

	<b>Unrestricted funds 2017 £</b>	<b>Restricted funds 2017 £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Increase/(decrease) in pension indemnity	345,000	-	345,000	(68,000)

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 2017**

**7. Total resources expended**

	<b>Cost of generating funds 2017 £</b>	<b>Costs of charitable activities 2017 £</b>	<b>Governance costs 2017 £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
<b>Raising funds</b>					
Commercial trading operations	65,432	-	-	65,432	70,974
<b>Charitable activities</b>					
Agency staff	-	8,036	-	8,036	38,585
Staff salaries and social security costs	-	439,846	-	439,846	369,220
Defined contribution pension cost	-	6,359	-	6,359	-
Pension service cost	-	73,000	-	73,000	90,000
Staff training	-	2,784	-	2,784	3,127
HR and recruitment costs	-	5,982	-	5,982	-
Project - Charlton House survey	-	11,723	-	11,723	8,562
Project - Here Come The Girls	-	28,865	-	28,865	26,678
Project - Travelling Trunks	-	-	-	-	21,004
Project - Making Woolwich	-	130,579	-	130,579	1,093
Project - Charlton House	-	-	-	-	22,330
Cleaning, refuse and pest control	-	56,224	-	56,224	56,111
Insurance and security	-	37,864	-	37,864	42,341
Premises repairs and maintenance	-	105,893	-	105,893	91,177
Rates, light and heat	-	93,872	-	93,872	101,115
Advertising, events and exhibition costs	-	16,501	-	16,501	7,112
Concert expenses	-	8,133	-	8,133	4,546
Telephone and broadband	-	8,853	-	8,853	7,538
Printing, postage and stationery	-	15,101	-	15,101	10,893
Books, publications and artwork	-	1,190	-	1,190	770
Equipment rental	-	553	-	553	722
Small equipment and repairs	-	12,296	-	12,296	7,398
IT costs	-	10,891	-	10,891	11,656
Subscriptions	-	7,421	-	7,421	5,980
Education	-	5,800	-	5,800	2,555
Legal and professional fees	-	15,243	-	15,243	22,944
Consultancy fees	-	19,889	-	19,889	-
Cash collections	-	1,277	-	1,277	1,468
Audit and accountancy fees	-	-	10,260	10,260	10,738
Travel and subsistence	-	3,177	-	3,177	552
Bank service charges	-	-	468	468	265
Net interest on the defined pension liability	-	-	10,000	10,000	11,397
Miscellaneous expense	-	478	1,000	1,478	3,712
Partial VAT exemption charge	-	14,001	-	14,001	-
Depreciation	-	9,889	-	9,889	7,862
	-	1,151,720	21,728	1,173,448	989,451

## ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

#### 8. Heritage and tangible assets – charity (also comprising that of the group)

##### **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.

In 2014, 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.

In 2014, 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 2017

#### 8. Heritage and tangible 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.

In 2014, the Royal Borough of Greenwich Heritage Trust CIO was granted a three-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.

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

**8. Heritage and tangible assets (continued)**

**Tangible Fixed Assets**

	<b>Office equipment £</b>
<b>Cost</b>	
At 1 April 2016	23,586
Additions	8,030
Disposals	-
At 31 March 2017	<u>31,616</u>
 <b>Depreciation</b>	
At 1 April 2016	7,862
On disposals	-
Charge for the year	<u>10,539</u>
At 31 March 2017	<u>18,401</u>
 <b>Net book value</b>	
At 31 March 2017	<u>13,215</u>
 At 31 March 2016	<u>15,724</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.

**10. Debtors**

	<b>Group</b>		<b>Charity</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	792,069	776,687	786,794	771,812
Other debtors	-	776	-	-
Prepayments and accrued income	37,914	39,912	37,914	39,912
Pension indemnity	347,000	2,000	347,000	2,000
Amount due from subsidiary	-	-	9,330	14,644
	<u>1,176,983</u>	<u>819,375</u>	<u>1,181,038</u>	<u>828,368</u>

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

**11. Creditors: amounts falling due within one year**

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	29,797	123,764	19,805	94,772
Accruals and deferred income	686,188	721,541	686,188	721,541
Other creditors	118,162	88,732	113,340	85,710
	<u>834,147</u>	<u>934,037</u>	<u>819,333</u>	<u>902,023</u>

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

Royal Borough of Greenwich Service Level Agreement income of £589,650 (2016 £589,650), rental income £38,826 (2016 £49,103), wedding/civil ceremony income of £1,958 and other income of £400 have been deferred as these relate to the 2017/18 year and they will be recognised as income in that period. There was also a balance of £32,529 held in 2016 from The Heritage Lottery Fund which was released during the year.

**13. Pension costs – charity (also comprising that of the group)**

**Defined contribution**

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

	2017	2016
	£	£
Contributions payable by the Charity for the period	<u>6,359</u>	<u>-</u>

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.

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

**13. Pension costs (continued)**

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 2017. 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 2016 which has been updated to reflect conditions at the balance sheet date. The major assumptions used by the actuary were:

	<b>At 31/03/17</b>	<b>At 31/03/16</b>
Rate of increase in salaries	4.20%	4.10%
Rate of increase in pensions in payment	2.70%	2.30%
Discount rate	2.70%	3.70%
Inflation rate	3.60%	3.30%

The return on the Fund is estimated to be 18%.

*Mortality assumptions:*

The assumed life expectations on retirement at age 65 are:

Retiring today	Males	22.5	23.8
	Females	24.6	25.0
Retiring in 20 years	Males	24.7	26.1
	Females	26.9	27.3

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

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Current service cost	73,000	90,000
Net interest on defined benefit liability	10,000	11,000
Miscellaneous expenses	1,000	-
Pension service cost	<u>84,000</u>	<u>101,000</u>

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

**13. Pension costs (continued)**

**Value of scheme assets and liabilities**

	<b>At 31/03/17 £</b>	<b>At 31/03/16 £</b>
Equities	70,000	155,000
Bonds	121,000	135,000
Property	69,000	85,000
Cash and alternative assets	21,000	10,000
Unitised insurance policies	181,000	152,000
UK & overseas unit trusts	<u>222,000</u>	<u>154,000</u>
 Market value of assets	 684,000	 719,000
 Present value of scheme liabilities	 <u>(1,331,000)</u>	 <u>(1,021,000)</u>
 Deficit in scheme	 (647,000)	 (302,000)
Amount indemnified on formation	<u>300,000</u>	<u>300,000</u>
 Net pension liability	 <u><u>(347,000)</u></u>	 <u><u>(2,000)</u></u>

Funds due from Royal Borough of Greenwich for the above deficit are held in designated funds per note 14.

**Analysis of actuarial loss recognised in the Statement of Financial Activities**

	<b>2017 £</b>	<b>2016 £</b>
Return on Fund assets in excess of interest	110,000	(26,000)
Other actuarial (losses) on assets	(233,000)	-
Changes in financial assumptions	(468,000)	147,000
Change in demographic assumptions	2,000	-
Experience gain on defined benefit obligation	<u>285,000</u>	-
 Actuarial (loss)/gain recognised	 <u><u>(304,000)</u></u>	 <u><u>121,000</u></u>

ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

13. Pension costs (continued)

**Movements in present value of defined benefit obligations:**

	<b>2017</b>
	<b>£</b>
Liabilities as at 1 April 2016	1,021,000
Current service cost	73,000
Benefits paid	-
Contributions from scheme members	18,000
Change in financial assumptions	468,000
Change in demographic assumptions	(2,000)
Experience (gain) on defined benefit obligation	(285,000)
Interest cost	<u>38,000</u>
At 31 March 2017	<u><u>1,331,000</u></u>

**Movements in the fair value of plan assets:**

	<b>2017</b>
	<b>£</b>
Fair value of assets at 1 April 2016	719,000
Interest on assets	28,000
Return on assets less interest	110,000
Other actuarial (losses)	(233,000)
Administration expenses	(1,000)
Benefits paid	-
Contributions by the employer	43,000
Contributions by scheme members	<u>18,000</u>
At 31 March 2017	<u><u>684,000</u></u>



**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

**14. Analysis of charitable funds**

	<b>Balance at 1 April 2016 £</b>	<b>Incoming resources £</b>	<b>Outgoing resources £</b>	<b>Gains and losses £</b>	<b>Fund transfers £</b>	<b>Balance at 31 March 2017 £</b>
<b>Restricted Funds</b>						
Here Come the Girls	-	27,088	(28,865)	-	1,777	-
Making Woolwich	-	127,007	(130,579)	-	3,572	-
Eltham War Memorial	-	9,000	-	-	-	9,000
Concert performances	-	9,067	(8,134)	-	2,502	3,435
<b>Total Restricted Funds</b>	-	172,162	(167,578)	-	7,851	12,435
<b>Unrestricted Funds</b>						
Designated Funds	2,557	345,000	(41,000)	(304,000)	53,023	55,580
Core Unrestricted Funds	326,841	1,080,322	(1,030,302)	-	(60,874)	315,987
<b>Total Unrestricted Funds</b>	329,398	1,425,322	(1,071,302)	(304,000)	(7,851)	371,567
<b>Total Funds</b>	329,398	1,597,484	(1,238,880)	(304,000)	-	384,002

**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. These were reclassified as restricted during the year due to the nature of their donations.

Matched funding towards the ‘Resilient Future for Greenwich Heritage’ HLF funded project for 2017/18.

**Analysis of group net assets between funds**

	<b>Core Unrestricted Funds £</b>	<b>Designated Funds £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
Tangible fixed assets	13,215	-	-	13,215
Cash at bank and in hand	377,776	-	(3,525)	374,251
Other net current assets/(liabilities)	(19,424)	347,000	15,960	343,536
Defined benefit pension liability	-	(347,000)	-	(347,000)
<b>Total</b>	371,567	-	12,435	384,002

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

**15. Trustee expenses**

During the year, £214 (2016 - £191) was paid to Malcolm Woods for reimbursement of travel expenditure incurred.

**16. Staff costs**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Staff costs were as follows:		
Salaries and wages	497,839	345,135
Social security costs	29,966	24,085
Defined contribution pension cost	6,359	90,000
Pension service costs	73,000	-
Staff training	<u>2,784</u>	<u>3,127</u>
	<u><u>579,147</u></u>	<u><u>462,347</u></u>

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 and treated in note 5 as such.

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

	<b>2017</b>	<b>2016</b>
Trust management	3	2
Greenwich Heritage Trading staff	1	1
Charlton House staff	7	5
Heritage Centre staff	<u>9</u>	<u>6</u>
	<u><u>20</u></u>	<u><u>14</u></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 £15,720 (2016 £57,101).

**17. Net income for the period**

This is stated after charging:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Accountancy fee	5,760	7,988
Auditors remuneration - audit fee	<u>4,250</u>	<u>4,000</u>
	<u><u>10,010</u></u>	<u><u>11,988</u></u>
 Depreciation	 <u><u>8,512</u></u>	 <u><u>7,862</u></u>

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017**

**18. Ultimate controlling party**

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

**19. Related Party Transactions**

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

**21. 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.

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

	<b>Group</b>		<b>Charity</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net movement in funds	358,604	10,764	358,604	10,764
Decrease/(increase) in stock	-	-	-	-
Decrease/(increase) in debtors	(357,608)	(626,326)	(352,670)	(619,767)
(Decrease)/increase in creditors	(99,890)	809,981	(82,690)	781,009
Add back depreciation charge	10,539	7,862	9,889	7,862
Defined benefit pension liability	345,000	(68,000)	345,000	(68,000)
Pension scheme non-cash movement	(304,000)	121,000	(304,000)	121,000
<b>Net cash (deficit)/surplus in operating activities</b>	<u>(47,355)</u>	<u>255,281</u>	<u>(25,867)</u>	<u>232,868</u>