



Charity Number: 1157164

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2018**

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**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2018**

**Legal and 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 LLP 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 YEAR ENDED 31 MARCH 2018

The Trustees present their annual report, together with the audited financial statements for the year ended 31 March 2018. 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 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and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.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	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.

# ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

## REPORT OF THE TRUSTEES

### FOR THE YEAR ENDED 31 MARCH 2018

#### **Appointed Charity Trustees (cont'd)**

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:

- the date of the vacancy; and
- 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:

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

# ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

## REPORT OF THE TRUSTEES

### FOR THE YEAR ENDED 31 MARCH 2018

#### **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), Nicky Snook
- 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 Officer and the board to develop and deliver the aims and objectives of the Charity. 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 Financial Controller 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:

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

## REPORT OF THE TRUSTEES

### FOR THE YEAR ENDED 31 MARCH 2018

#### **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 2018 are detailed below.

#### **Learning and participation**

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

- A new exhibition 41 Paterson Road at Greenwich Heritage Centre.
- Major events across Royal Greenwich included the Great Get Together in June 2017 (total number across events was 1,148 participants; of which 345 was Great Get Together).
- The launch of the Friends of Royal Greenwich Heritage Trust and a programme of events at Charlton House & the Museum & Archive.

# ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

## REPORT OF THE TRUSTEES

### FOR THE YEAR ENDED 31 MARCH 2018

#### Learning and participation (cont)

- With the support of a Heritage Lottery Fund Grant the Charity recruited a new Community Outreach Officer who has delivered a series of community events including LGBTQ Love Late at the Heritage Centre; Nepalese Community Day; Artist led events across the borough inspired by the natural history collections of Royal Borough of Greenwich.
- Armed Forces Community Covenant (awarded March 2017) £20,000 to the Woolwich History Trail project developed in 2017 to launch Armed Forces Day 2018.

#### Visitor services

We have promoted the assets in our care by:

- Achieving 146% of our web site visit target with 108,056 visits against a target of 73,725, demonstrating the success of the new website, launched in May 2016.

#### 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 commenced and work was 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 trust has worked with 20 volunteers on projects in 2017/18. Roles have included:

- Supporting learning and events.
- Supporting outreach.
- Collections cataloguing backlog project in the museum store.

Charlton House also continues to 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 program.

#### Service Level Agreement Funding

Royal Borough of Greenwich of Town Hall ("the Council", "RBG") under the Service Level Agreement (SLA), transferred the Charity's assets and employees from the Council to the Charity, with effect from 1 July 2014. The current SLA covers the period of 1 July 2017 to 31 March 2020.

The total price for the service to March 2020 is £1,592,056 plus VAT, in which £589,650 was the annual instalment for 2017-18.

# ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

## REPORT OF THE TRUSTEES

### FOR THE YEAR ENDED 31 MARCH 2018

#### Grant funding received

The Charity accounted for £148,461 of grant funding and other financial support (actual cash received £176,493) in 2017-18. Of this, £119,211 was restricted.

These funds were made up of:

- £80,500 from HLF for Resilient Heritage for Greenwich Heritage (£161,000 being the total HLF grant to be received over the life of the project).
- £20,000 was awarded by the Ministry of Defence Community Covenant to create a Woolwich History Walk.
- £29,250 from Royal Borough of Greenwich used to assist with the museum development plan.
- £6,985 from RBG Charlton Ward budget for Laser survey on Charlton House grounds.
- £11,726 from The World Monument Fund for Charlton House Garden project (£17,550 being the total contribution to be received over the life of the project).

#### Community engagement

- LGBTQ Love Late Valentines exhibition and event funded by Heritage Lottery Fund.
- Nepalese Community day hosted at the museum in March funded by Heritage Lottery Fund.
- New Honey Bee Day hosted at Charlton House to celebrate the Charlton House bees producing honey from roof top hives.

#### Tenancy

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

#### Operational Development

##### Staff

- The Trust appointed a Community Outreach Officer in October 17, funded by Heritage Lottery Fund Resilient Heritage grant for 1 year.
- A Business Development Executive was appointed in December 2017, funded by Heritage Lottery Fund Resilient Heritage Grant for 1 year.
- A Resilient Heritage Administrator was appointed in January 2018 for 1 year, funded by Heritage Lottery Fund Resilient Heritage Grant funding.

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2018**

**Operational Development (cont'd)**

**Consultants**

- The accounts are audited by Simpson Wreford LLP, who remain the Trust's Accountants for year-end activity.
- HR Services Partnership continue as the Trust's HR Consultants.
- Donald Insall Associates are appointed as Charlton House & Gardens Master Plan architects with Dominic Cole Landscape Architects.
- Focus Consultants are appointed as Lead Consultant to the Resilient Heritage programme including Business Planning.
- Alix Slater Consultancy is appointed as Audience Development consultant.
- Kendrick Hobbs are appointed as retail and catering consultant.
- Hogen Lovells LLP provided occasional legal support and advice on a pro bono basis.

**Training**

The CEO is completing an MSc in Sustainable Heritage, fully funded by an Ecclesiastical Bursary.

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2018**

**Achievements and performance**

The table below identifies achievements in the 2017-18 accounting period.

<b>Charitable Objective</b>	<b>Core Service</b>	<b>KPI</b>	<b>Achievement April 2017 – March 2018</b>
Education and learning about the history of the borough for the general public.	- Learning and participation	- Percentage of Royal Borough of Greenwich schools reached.  - Number of learning events per annum other than school events.	- 25%.  - 86 (16/17 104) events including Charlton House events.
Promotion of the assets for the benefit of the inhabitants of 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 .	- 73,725 (16/17 72,280) total on new website.  - Retained VAQAS at Greenwich Heritage Centre.  - Achieved VAQAS for Charlton House.  - 3,949 enquires dealt with.
Care and conservation of the historic buildings and assets in the care of the Charity.	- Collections care	- Retain Museum Accreditation standard.	- Provision status granted by Arts Council.

**Financial review**

The Statement of Financial Activities on page 14 shows an unrestricted surplus of **£448,562** at the year end.

There are two designated funds which are unrestricted as per note 14 to the accounts on page 31.

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.

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2018**

**Plans for future periods**

The key aim for 2018-19 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 outreach model for delivery; and</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, explore new ways to display the histories of the Royal Borough of Greenwich.</li></ul>
<b>Conservation, repair and maintenance</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; and</li><li>- Complete The Charlton House &amp; Gardens Master Plan with Donald Insall Associates, Dominic Cole Landscape Architects funded by Heritage Lottery Fund, and World Monuments Fund.</li></ul>
<b>Promotion</b>	<ul style="list-style-type: none"><li>- Retain Visitor Attraction Quality Assurance (VAQAS) for 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 Charlton House to maximise income to re-invest in conservation, repair and maintenance programme; and</li><li>- Manage Tenancies and facilities effectively.</li></ul>
<b>Grant funding</b>	<ul style="list-style-type: none"><li>- Identify, during Resilient Heritage programme, capital programme priorities and identifying funding streams for future applications; and</li><li>- Develop the Friends of Royal Greenwich Heritage Trust and the income associated with membership.</li></ul>
<b>Governance</b>	<ul style="list-style-type: none"><li>- Implement programme of Training &amp; Development for Trustees to refresh understanding of roles and responsibilities; and</li><li>- Review Governance model to ensure fitness for purpose for next phase of development; and</li><li>- Identify Trustee skills gaps and recruit to fill gaps, where identified.</li></ul>

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2018**

**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 held by the Charity amount to £448,562 at the year end. These funds are not held for any specific purpose other than where designated, but to fund future charitable activities. Restricted funds held by the Charity amount to £34,665. 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 ..... and signed on its behalf by:

Len Duvall  
Chair

**INDEPENDENT AUDITORS' 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 2018, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flows 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 auditors' 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 AUDITORS' 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 2018, 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**  
**for and on behalf of**  
**Simpson Wreford LLP, Statutory Auditors**  
Wellesley House  
Duke of Wellington Avenue  
Royal Arsenal  
London  
SE18 6SS

Dated: .....

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	Unrestricted funds 2018 £	Restricted Funds 2018 £	Total 2018 £	Total 2017 £
<b>Income and endowments from:</b>					
Donations and legacies	3	32,248	140,179	172,427	186,821
Charitable activities	4	1,032,678	-	1,032,678	990,901
Other trading activities	5	84,668	-	84,668	74,762
Other	6	5,000	-	5,000	345,000
<b>Total income</b>		<u>1,154,594</u>	<u>140,179</u>	<u>1,294,773</u>	<u>1,597,484</u>
<b>Expenditure on:</b>					
Raising funds – cost of trading activities		(75,274)	-	(75,274)	(65,432)
Charitable activities		(1,067,964)	(138,310)	(1,206,274)	(1,173,448)
<b>Total expenditure</b>	7	<u>(1,143,238)</u>	<u>(138,310)</u>	<u>(1,281,548)</u>	<u>(1,238,880)</u>
<b>Net income before transfers</b>		11,356	1,869	13,225	358,604
<b>Transfers</b>					
Gross transfers between funds		(20,361)	20,361	-	-
<b>Net income before other recognised gains and losses</b>		(9,005)	22,230	13,225	358,604
<b>Other recognised gains and losses</b>					
Re-measurement (losses)/gains on defined benefit pension schemes	13	86,000	-	86,000	(304,000)
<b>Net movement in funds</b>		76,995	22,230	99,225	54,604
<b>Reconciliation of funds:</b>					
Total funds brought forward		371,567	12,435	384,002	329,398
<b>Total funds carried forward</b>	14	<u><u>448,562</u></u>	<u><u>34,665</u></u>	<u><u>483,227</u></u>	<u><u>384,002</u></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 AS AT 31 MARCH 2018**

	Notes	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
<b>Fixed assets</b>					
Office equipment	8	2,677	13,215	2,026	11,915
Investments	9	-	-	1	1
		<u>2,677</u>	<u>13,215</u>	<u>2,027</u>	<u>11,916</u>
<b>Current assets</b>					
Stocks		8,700	700	200	200
Debtors	10	1,064,081	1,176,983	1,078,544	1,181,038
Cash at bank and in hand		533,217	374,251	514,503	357,181
		<u>1,605,998</u>	<u>1,551,934</u>	<u>1,593,247</u>	<u>1,538,419</u>
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	11	(773,448)	(834,147)	(769,441)	(819,333)
				<u>823,806</u>	<u>719,086</u>
<b>Net current assets</b>		<u>832,550</u>	<u>717,787</u>		
<b>Net assets excluding pension liability</b>		835,227	731,002	825,833	731,002
Defined benefit pension liability	13	(352,000)	(347,000)	(352,000)	(347,000)
		<u>483,227</u>	<u>384,002</u>	<u>473,833</u>	<u>384,002</u>
<b>Total assets</b>					
<b>Funds represented by:</b>					
Restricted funds		34,665	12,435	34,665	12,435
Unrestricted funds		448,562	371,567	439,168	371,567
		<u>483,227</u>	<u>384,002</u>	<u>473,833</u>	<u>384,002</u>
<b>Total funds</b>	14				

The financial statements on pages 14 to 34 were approved by the Trustees on .....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 ENDED 31 MARCH 2018**

	Note	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Charity 2018 £</b>	<b>Charity 2017 £</b>
<b>Cash (deficit)/surplus from operating activities</b>	<b>21</b>	158,966	(47,355)	157,322	(25,867)
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets		<u>-</u>	<u>(8,030)</u>	<u>-</u>	<u>(6,080)</u>
(Decrease)/increase in cash and cash equivalents in the year		158,966	(55,385)	157,322	(31,947)
Cash and cash equivalents at the beginning of the year		<u>374,251</u>	<u>429,636</u>	<u>357,181</u>	<u>389,128</u>
<b>Total cash and cash equivalents at the end of the year</b>		<u><u>533,217</u></u>	<u><u>374,251</u></u>	<u><u>514,503</u></u>	<u><u>357,181</u></u>

# ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2018

#### 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. 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).

##### c. Expenditure and irrecoverable VAT

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

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

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

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**1. Accounting policies (continued)**

**d. Allocation of support costs**

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

**e. Fund accounting**

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

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

**f. Heritage and fixed assets**

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

Other assets used by the Charity were not purchased by the Charity and have been determined to have no cost value and no depreciation charge is included in the accounts. Individual fixed assets costing £1,000 (2017 £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 and none in the year of disposal.

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

**g. 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.

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**1. Accounting policies (continued)**

**h. Debtors**

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

**i. Cash at bank and in hand**

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

**j. Creditors and provisions**

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

**k. Pension schemes**

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

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

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

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**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>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Income	1,210,105	1,522,722
Gift aid from subsidiary company	-	9,330
	<u>1,210,105</u>	<u>1,532,052</u>
Expenditure on charitable activities	(1,206,274)	(1,173,448)
Re-measurement (losses)/gains on defined benefit pension schemes	86,000	(304,000)
	<u>86,000</u>	<u>(304,000)</u>
<b>Net income</b>	89,831	54,604
Funds brought forward	<u>384,002</u>	<u>329,398</u>
<b>Total funds carried forward</b>	<u><u>473,833</u></u>	<u><u>384,002</u></u>
<b>Represented by:</b>		
Restricted income funds	34,665	12,435
Unrestricted income funds	439,168	371,567
	<u>473,833</u>	<u>384,002</u>

**3. Donations and legacies**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>2018</b>	<b>2017</b>
	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Concert donations	-	7,129	7,129	9,067
Public donations	1,728	13,839	15,567	998
Grants receivable for core activities	29,250	119,211	148,461	176,493
Friends of Charlton House	35	-	35	165
RGHT Friend Membership	1,235	-	1,235	98
	<u>32,248</u>	<u>140,179</u>	<u>172,427</u>	<u>186,821</u>

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**4. Income from charitable activities**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
<b>Local authority service contracts</b>				
Royal Borough of Greenwich	589,650	-	589,650	589,650
Room hire	200,657	-	200,657	139,653
Rental charges	146,298	-	146,298	145,045
Service charges	33,471	-	33,471	32,894
Royal Borough of Greenwich	-	-	-	21,980
Civil ceremonies and weddings	14,779	-	14,779	20,924
Wedding catering commission	5,583	-	5,583	8,451
Recoverable staff costs	9,873	-	9,873	11,303
Other recoverable costs	24,211	-	24,211	13,162
Heritage Centre search fees and sales	616	-	616	2,172
Bank and other interest	2,042	-	2,042	1,057
Miscellaneous income	5,498	-	5,498	4,610
	<u>1,032,678</u>	<u>-</u>	<u>1,032,678</u>	<u>990,901</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 as a distribution 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>2018 £</b>	<b>2017 £</b>
Turnover	84,668	74,762
Costs of sales and administrations costs	<u>(75,274)</u>	<u>(65,432)</u>
Net profit	9,394	9,330
Gift aid donation to the Charity	<u>-</u>	<u>(9,330)</u>
Retained in subsidiary	<u>9,394</u>	<u>0</u>
The assets and liabilities of the subsidiary were:		
Fixed assets	650	1,300
Current assets	30,639	22,845
Current liabilities	<u>(21,894)</u>	<u>(24,144)</u>
Total net assets	<u>9,395</u>	<u>1</u>
Aggregate share capital and reserves	<u>9,395</u>	<u>1</u>

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**6. Other income**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Increase/(decrease) in pension indemnity	5,000	-	5,000	345,000

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 2018**

**7. Total resources expended**

	<b>Cost of generating funds 2018 £</b>	<b>Costs of charitable activities 2018 £</b>	<b>Governance costs 2018 £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
<b>Raising funds</b>					
Commercial trading operations	75,274	-	-	75,274	65,432
<b>Charitable activities</b>					
Agency staff	-	12,655	-	12,655	8,036
Staff salaries and social security costs	-	478,763	-	478,763	439,846
Defined contribution pension cost	-	5,780	-	5,780	6,359
Pension service cost	-	120,000	-	120,000	73,000
Staff training	-	3,531	-	3,531	2,784
HR and recruitment costs	-	2,278	-	2,278	5,982
Project - Charlton House survey	-	-	-	-	11,723
Project - Here Come The Girls	-	-	-	-	28,865
Project - Making Woolwich	-	-	-	-	130,579
Project - Resilient Heritage	-	92,380	-	92,380	-
Cleaning, refuse and pest control	-	68,269	-	68,269	56,224
Insurance and security	-	26,992	-	26,992	37,864
Premises repairs and maintenance	-	127,160	-	127,160	105,893
Rates, light and heat	-	84,025	-	84,025	93,872
Advertising, events and exhibition costs	-	13,041	-	13,041	16,501
Concert expenses	-	7,998	-	7,998	8,133
Telephone and broadband	-	8,017	-	8,017	8,853
Printing, postage and stationery	-	10,425	-	10,425	15,101
Books, publications and artwork	-	95	-	95	1,190
Equipment rental	-	799	-	799	553
Small equipment and repairs	-	9,720	-	9,720	12,296
IT costs	-	8,332	-	8,332	10,891
Subscriptions	-	7,483	-	7,483	7,421
Education	-	7,125	-	7,125	5,800
Legal and professional fees	-	4,802	-	4,802	15,243
Consultancy fees	-	53,869	-	53,869	19,889
Cash collections	-	1,321	-	1,321	1,277
Audit and accountancy fees	-	-	7,680	7,680	10,260
Travel and subsistence	-	3,171	-	3,171	3,177
Bank service charges	-	-	481	481	468
Net interest on the defined pension liability	-	-	17,000	17,000	10,000
Miscellaneous expense	-	1,625	1,000	2,625	1,478
Partial VAT exemption charge	-	10,568	-	10,568	14,001
Depreciation	-	9,889	-	9,889	9,889
	-	1,180,113	26,161	1,206,274	1,173,448

# ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2018

#### 8. Heritage and tangible assets

##### **Charlton House**

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

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 horses were kept when Charlton House was used as a residence. It has now been leased to The Greenwich Carers Centre to establish an improved base of operations in which to undertake their charitable work.

##### **Assembly Rooms**

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

##### **Tudor Barn**

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

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 YEAR ENDED 31 MARCH 2018**

**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.

During the year, 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.

The Heritage Centre will be closed from 21 July 2018 for a period of redevelopment. During this time the historical artefacts will be securely stored.

**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 2018**

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

**Tangible Fixed Assets – Fixtures, fittings and equipment**

	<b>Group</b>	<b>Charity</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 April 2017	31,616	29,666
Additions	-	-
Disposals	-	-
At 31 March 2018	<u>31,616</u>	<u>29,666</u>
 <b>Depreciation</b>		
At 1 April 2017	18,401	17,751
On disposals	-	-
Charge for the year	10,538	9,889
At 31 March 2018	<u>28,939</u>	<u>27,640</u>
 <b>Net book value</b>		
At 31 March 2018	<u>2,677</u>	<u>2,026</u>
 At 31 March 2017	<u>13,215</u>	<u>11,915</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>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	666,327	792,069	679,463	786,794
Other debtors	-	-	1,327	-
Prepayments and accrued income	45,754	37,914	45,754	37,914
Pension indemnity	352,000	347,000	352,000	347,000
Amount due from subsidiary	-	-	-	9,330
	<u>1,064,081</u>	<u>1,176,983</u>	<u>1,078,544</u>	<u>1,181,038</u>

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

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

	<b>Group</b>		<b>Charity</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	80,188	29,797	78,014	19,805
Accruals and deferred income	608,950	686,188	607,950	686,188
Other creditors	<u>84,310</u>	<u>118,162</u>	<u>83,477</u>	<u>113,340</u>
	<u>773,448</u>	<u>834,147</u>	<u>769,441</u>	<u>819,333</u>

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

Royal Borough of Greenwich Service Level Agreement income of £501,403 (2017 £589,650), rental income £37,829 (2017 £38,826), wedding/civil ceremony income of £2,346 (2017 £1,958) and other income of £300 (2017 £400) have been deferred as these relate to the 2018/19 year and they will be recognised as income in that period.

**13. Pension costs**

**Defined contribution**

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Contributions payable by the Charity for the period	<u>5,780</u>	<u>6,359</u>

**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.

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**13. Pension costs (cont)**

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 2020. 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 31/03/18</b>	<b>At 31/03/17</b>
Rate of increase in salaries	3.85%	4.20%
Rate of increase in pensions in payment	2.35%	2.70%
Discount rate	2.55%	2.70%
Inflation rate	2.35%	3.60%

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	22.6	22.5
	Females	24.7	24.6
Retiring in 20 years	Males	24.8	24.7
	Females	27.0	26.9

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

	<b>2018 £</b>	<b>2017 £</b>
Current service cost	120,000	73,000
Net interest on defined benefit liability	17,000	10,000
Miscellaneous expenses	<u>1,000</u>	<u>1,000</u>
Pension service cost	<u><u>138,000</u></u>	<u><u>84,000</u></u>

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**13. Pension costs (continued)**

**Value of scheme assets and liabilities**

	<b>At 31/03/18 £</b>	<b>At 31/03/17 £</b>
Equities	68,000	70,000
Bonds	134,000	121,000
Property	77,000	69,000
Cash and alternative assets	8,000	10,000
Unitised insurance policies	207,000	152,000
UK & overseas unit trusts	<u>269,000</u>	<u>154,000</u>
 Market value of assets	 763,000	 684,000
 Present value of scheme liabilities	 <u>(1,415,000)</u>	 <u>(1,331,000)</u>
 Deficit in scheme	 (652,000)	 (647,000)
Amount indemnified on formation	<u>300,000</u>	<u>300,000</u>
 Net pension liability	 <u><u>(352,000)</u></u>	 <u><u>(347,000)</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>2018 £</b>	<b>2017 £</b>
Return on Fund assets in excess of interest	(6,000)	110,000
Other actuarial (losses) on assets	-	(233,000)
Changes in financial assumptions	92,000	(468,000)
Change in demographic assumptions	-	2,000
Experience gain on defined benefit obligation	<u>-</u>	<u>285,000</u>
 Actuarial (loss)/gain recognised	 <u><u>86,000</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 2018**

**13. Pension costs (continued)**

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

	<b>2018</b>
	<b>£</b>
Liabilities as at 1 April 2017	1,331,000
Current service cost	120,000
Benefits paid	-
Contributions from scheme members	20,000
Change in financial assumptions	(92,000)
Change in demographic assumptions	-
Experience (gain) on defined benefit obligation	-
Interest cost	<u>36,000</u>
At 31 March 2018	<u><u>1,415,000</u></u>

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

	<b>2018</b>
	<b>£</b>
Fair value of assets at 1 April 2017	684,000
Interest on assets	19,000
Return on assets less interest	(6,000)
Other actuarial (losses)	-
Administration expenses	(1,000)
Benefits paid	-
Contributions by the employer	47,000
Contributions by scheme members	<u>20,000</u>
At 31 March 2018	<u><u>763,000</u></u>

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**14. Analysis of charitable funds**

	<b>Balance at 1 April 2017 £</b>	<b>Incoming resources £</b>	<b>Outgoing resources £</b>	<b>Gains and losses £</b>	<b>Fund transfers £</b>	<b>Balance at 31 March 2018 £</b>
<b>Restricted Funds</b>						
Eltham War Memorial	9,000	-	(450)	-	-	8,550
Concert performances	3,435	7,129	(10,564)	-	-	-
Resilient Future for GH	-	80,500	(93,616)	-	13,116	-
Woolwich History Walk	-	20,000	-	-	-	20,000
RAWHS	-	8,839	(2,724)	-	-	6,115
Charlton House grounds and garden	-	23,711	(30,956)	-	7,245	-
<b>Total Restricted Funds</b>	<b>12,435</b>	<b>140,179</b>	<b>(138,310)</b>	<b>-</b>	<b>20,361</b>	<b>34,665</b>
<b>Unrestricted Funds</b>						
Designated funds	55,580	5,000	(91,000)	86,000	14,420	70,000
Core Unrestricted Funds	315,987	1,149,594	(1,052,238)	-	(34,781)	378,562
<b>Total Unrestricted Funds</b>	<b>371,567</b>	<b>1,154,594</b>	<b>(1,143,238)</b>	<b>86,000</b>	<b>(20,361)</b>	<b>448,562</b>
<b>Total Funds</b>	<b>384,002</b>	<b>1,294,773</b>	<b>(1,281,548)</b>	<b>86,000</b>	<b>-</b>	<b>483,227</b>

**Purpose of designated funds**

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

In addition, the Trustees have decided to set aside designated funds for the following projects:

- Matched funding towards the ‘Resilient Future for Greenwich Heritage’ HLF funded project.
- Anticipated additional costs for 2018/19 of the Charlton House grounds and garden project.

**Analysis of net assets between funds**

	<b>Core Unrestricted Funds £</b>	<b>Designated Funds £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
Tangible fixed assets	2,677	-	-	2,677
Cash at bank and in hand	451,878	46,674	34,665	533,217
Other net current assets/(liabilities)	(75,993)	375,326	-	299,333
Defined benefit pension liability	-	(352,000)	-	(352,000)
<b>Total</b>	<b>378,562</b>	<b>70,000</b>	<b>34,665</b>	<b>483,227</b>

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**15. Trustee expenses**

During the year, £276 (2017 £214) was paid to a trustee, who lives outside of the Borough, for travel expenditure incurred.

**16. Staff costs**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Staff costs were as follows:		
Salaries and wages	449,107	467,038
Social security costs	29,558	29,966
Defined contribution pension cost	5,780	6,359
Pension service costs	120,000	73,000
Staff training	<u>3,531</u>	<u>2,784</u>
	<u><u>607,976</u></u>	<u><u>579,147</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>2018</b>	<b>2017</b>
Trust management	4	3
Greenwich Heritage Trading staff	1	1
Charlton House staff	7	7
Heritage Centre staff	9	9
HLF Funded project staff	<u>1</u>	<u>-</u>
	<u><u>22</u></u>	<u><u>20</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 £12,655 (2017 £8,036).

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**17. Net income for the period**

This is stated after charging:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Accountancy fee	4,443	5,760
Auditors remuneration - audit fee	<u>4,250</u>	<u>4,250</u>
	<u>8,693</u>	<u>10,010</u>
Depreciation	<u>10,538</u>	<u>10,538</u>

**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 with Trustees.

At the end of the year, Greenwich Heritage Trading Limited made a charitable donation of £nil (2017 £9,330) to the Charity.

During the year £797 (2017 £640) gross room hire fees have been charged to The Charlton Society. One of the directors of The Charlton Society is Roden Richardson, a Trustee of the Charity.

**20. Other professional services provided by Auditors**

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

**ROYAL BOROUGH OF GREENWICH HERITAGE TRUST CIO**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

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

	<b>Group</b>		<b>Charity</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net movement in funds	13,225	358,604	3,831	358,604
Decrease/(increase) in stock	(8,000)	-	-	-
Decrease/(increase) in debtors	112,902	(357,608)	102,494	(352,670)
(Decrease)/increase in creditors	(60,699)	(99,890)	(49,892)	(82,690)
Add back depreciation charge	10,538	10,539	9,889	9,889
Increase in defined benefit pension liability	5,000	345,000	5,000	345,000
Pension scheme non-cash movement	86,000	(304,000)	86,000	(304,000)
<b>Net cash surplus/(deficit) in operating activities</b>	<u>158,966</u>	<u>(47,355)</u>	<u>157,322</u>	<u>(25,867)</u>