THE GREENWICH FOUNDATION FOR THE OLD ROYAL NAVAL COLLEGE

(A company limited by guarantee)
Company Number: 3340541
Registered Charity Number: 1062519

Trustees' Report & Financial Statements For the year ended 31 March 2019

The Greenwich Foundation for the Old Royal Naval College
Trustees' Report
For the year ended 31 March 2019

Date of Incorporation	20th March 1997
Charity Commission Registration	22nd May 1997

President	HRH Duke of Gloucester KG GCVO	
Trustees	Tony Hales CBE	Chair
	Vice Admiral Sir Adrian Johns KCB CBE DL	Deputy Chair (from 5 July 2018)
	Rear-Admiral Brian Perowne CB	Senior Trustee (to 11 October 2018)
	Dr Rupert Evenett FCA	Treasurer
	John Barnes	
	William Bax	(from 1 November 2018)
	Nicola Briggs	(from 21 March 2019)
	Andrew Clark	
	Jamaria Kong	
	Rosemarie Macqueen MBE	
	Peter Shanks	(to 1 November 2018)
	Desmond Shawe-Taylor	
	Diane Laura Whyte	(from 1 November 2018)
	Sue Wilkinson	(to 11 October 2018)

The Trustees also act as directors of the company for the purpose of the Companies Act 2006. All Trustees served throughout the year, except where noted.

Chief Executive	Angela McConville	(to 11 October 2019)
	Matthew Mees FCCA	(from 11 October 2019 as Interim)
Management team	Xanthe Arvanitakis	Interim Director of Marketing and Commercial Enterprises
	Ed Barnard ACMA	Finance & Commercial Director (to 18 February 2019)
	Mary Ellen Cetra	Development Director (to 27 September 2018)
	Matthew Mees FCCA	Director of Finance & IT (from 18 February 2019)
	Will Palin	Conservation Director (to 18 October 2019)
Registered & principal office	2 Cutty Sark Gardens Greenwich London SE10 9LW	
Solicitors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH	
Auditor	Crowe U.K. LLP St Bride's House 10 Salisbury Square London EC4Y 8EH	
Bankers	The Royal Bank of Scotland plc London Drummonds Branch 49 Charing Cross SW1A 2DX	Bank of Scotland plc 33 Old Broad Street London BX2 1LB
Surveyors	Huntley Cartwright Victoria House Harestone Valley Road Caterham CR3 6HY	Gerald Eve 7 Vere Street London W1G 0JB
Surveyor of the Fabric		Martin Ashley Dipl. Arch, RIBA

The Trustees' Annual Report

The Trustees present their report and financial statements for the year ended 31 March 2019. This report looks at the achievements of the previous 12 months and considers the impact we have made as a charity to preserve this historic site for the nation and to educate and inspire the public in heritage and creativity in accordance with our charitable objects.

1. Introduction from the Chair and the Chief Executive

Introduction from the Chair, Tony Hales

The year saw the conclusion of our major project to conserve the Painted Hall and King William Undercroft. This has taken 5 years of planning, fund raising and execution by a small dedicated management team, some brilliant professional architects and conservators, and some outstanding crafts people. The work of cleaning was carried out inch by inch with extraordinary care to bring alive the vividness of Thornhill's 20 years of work in creating a 44,000 sq. ft painting that encompasses science, navigation, politics, propaganda and mythology in its amazing artistry.

During the conservation process, over 86,000 people climbed the carefully constructed scaffold to view the 300-year-old painting being conserved close up. The Painted Hall now has the highest standards of environmental control and lighting to protect and enhance the experience for future generations. The discovery of two cellars from the great Tudor Palace at Greenwich presented a further exciting challenge both in funding and in conservation work. These are also now on display and provide the start of the visitor journey that covers 500 years of history. Our thanks to all those who helped fund this triumphant award-winning conservation in particular the National Lottery Heritage Fund, the Department for Digital, Culture, Media & Sport (DCMS) and the Gosling Foundation.

The history of the site embraces its use, first the great Tudor Royal Palace, second Sir Christopher Wren's Royal Hospital for Seamen, third the home for 150 years to the premier Royal Naval College, and finally now an open site for enjoyment and education for visitors from near and far. We have many stories to tell, of historical importance, great art, and beautiful architecture and landscape, that engage over a million visitors every year.

Given those connections, it was very fitting that our final opening celebration was led by our Royal guest, HRH Princess Royal, a Vice Admiral of the Royal Navy linking our Royal and Naval heritage in the spectacular Painted Hall. It was also a great opportunity to celebrate our special relationship with the River Thames, and involve the young people from our Sea Cadet Unit, Chapel Choir and Trinity Laban Conservatoire of Music and Dance. The reaction of visitors to the newly opened Painted Hall and its interpretation has been extremely positive.

Finally, in this momentous year at the Old Royal Naval College, I wish to thank all staff, volunteers and supporters, on behalf of the Trustees, for their considerable efforts this past year and for their continued commitment to securing, for future generations, this incredible World Heritage Site.

Introduction from the Chief Executive, Angela McConville

It is with great pleasure and pride that I look back on the last 12 months for The Greenwich Foundation, a year in which we concluded probably the most significant conservation and public engagement project in the history of the Foundation. A year in which we welcomed over a million people to the magnificent grounds and buildings of the Old Royal Naval College, enabling thousands of visitors to get up close to the Painted Hall ceiling and experience a once in a lifetime engagement with the expert conservationists at work.

The scale, ambition and impact of this project – what we've learned and the reputation we've garnered – is a source of much pride to everyone at the Foundation, and our wider project team, and it has set the template for how we want to deliver our charitable aims of conservation excellence and imaginative public engagement as we go forward. The success of the project has been recognised with a range of national awards for which we are exceedingly proud and grateful.

Throughout the year we were also hugely busy preparing for when the conservation project would conclude, and we would re-open to the public. We made the decision to use the re-opening as an opportunity to launch a newly energised visitor offer, informed by all the research and development from the project. This included a new '500 years of history' tour, expert talks, a new children's trail and sensory backpack, new treasure chests in the Painted Hall with exquisite handling objects, wonderful new books, as well as an exceptional new multi-media guide. Our access work also ensured that the new Sackler Gallery is woven with tactile interpretation and we have introduced a Tonesight installation, to allow blind and partially sighted visitors to experience the Hall through movement and sound. This work has been a great privilege and has stretched our commitment to access and inclusion. I want to thank our Access Panel members who've helped us significantly in shaping this work.

Our opening series in March was a tremendous celebration. We hosted a series of events to thank our supporters, project team, staff, volunteers and were delighted that our wonderful on-site Sea Cadet unit provided the ceremonial procession and ribbon cutting that officially opened the glorious new Painted Hall and King William Undercroft.

I want to also recognise the diverse range of activities that go on behind the scene at the Old Royal Naval College. We continue to be a site of great spectacle, from our outdoor summer music series, to enabling great film making to take place. Our teams have forged partnerships, local and international, to deliver an artistic and cultural programme this year that spans literature, film, opera, performance, music and architecture. Our collections and archives team, with a team of fantastic volunteers, have pioneered a project translating hundreds of wills of the Greenwich Pensioners, offering us historical insight into the lives of the people who lived, worked and led the Royal Hospital, Greenwich.

Partnership building has been a strong theme of the year and I want to highlight a couple of examples. We were delighted to welcome the Greenwich & Docklands International Festival onto the site as a new tenant in the year and look forward to the years ahead developing bold new work and drawing new audiences to the Old Royal Naval College. I was very pleased that in the year the Royal Museums Greenwich, the University of Greenwich and The Greenwich Foundation undertook a new study to look at opportunities for future creative collaboration. It was rewarding work, which highlighted the breadth of collaboration already taking place and charted a number of new projects we are now working to develop.

We launched our new forward strategy 'The Story of Greenwich Starts Here' in the year and I am grateful to the many hundreds of people who attended focus groups, wrote letters, completed our surveys and engaged in conversations – all of which have helped us to shape our future plans and settle our decision on our name and identity. The coming years offer an exciting challenge as we continue to build our visitor offer, grow our educational impact, invest in our magnificent estate and ensure we remain a bold, exciting, relevant place to visit again and again. I am grateful to the resolute support of the National Lottery Heritage Fund and our sponsoring government department, the Department for Digital, Culture, Media and Sport who have been excellent partners and friends over the last years. Finally, the commitment, passion and hard work of my colleagues at The Foundation is ever-inspiring and I want to acknowledge all that our staff and volunteer team do to make this an exceptional cultural and spiritual place to visit.

I hope you enjoy finding out more about our achievements over the last 12 months and that you will feel inspired to support our work or get further involved with our mission.

2. Our history

The Greenwich Foundation for the Old Royal Naval College was established in 1997 as a charity. Our charitable aims are to preserve and educate. We conserve and protect the magnificent Baroque buildings and grounds of the Old Royal Naval College, Greenwich, for present and future generations and provide opportunities for many and diverse audiences to enjoy and learn from its significance.

We are constitutionally independent of government but financially dependent for part of our core income on grant-in-aid from the Department for Digital, Culture, Media and Sport (DCMS). Since the Ministry of Defence vacated the site in the mid-1990s our site has been transformed from a heavily barricaded naval establishment with virtually no public access into a wonderful open space and cultural attraction for visitors. Buildings have been restored, grounds returned to their formal design and previously hidden heritage assets have been opened to the public.

3. Vision

At the Old Royal Naval College in Greenwich, we are embarking on our most ambitious transformation to become an extraordinary cultural destination.

.....inspiring local pride and world-wide acclaim...

.....a place which creates rich and memorable cultural experiences...

We will secure our future through four pillars: exploration | spectacle | stewardship | independence.

Exploration
Engage visitors via an exceptional site-wide historic, architectural and spiritual experience

Spectacle
Inspire the public via a spectacular, cultural programme

Stewardship
Conserve the fabric of our breath-taking buildings, grounds and archaeology

Independence
Nurture our people and grow a cultural business which secures our future

The Old Royal Naval College is a national asset: 17 acres of public space attracting approximately 1.1 million visitors every year.

We are an architectural masterpiece. The Royal Hospital, home to naval heroes since 1694, is Sir Christopher Wren's riverside Baroque masterpiece and home to Britain's greatest painted interior. Our site, buildings and grounds are of historical, architectural and artistic importance and are recognised as such through their World Heritage Site and Scheduled Ancient Monument designation.

We are the start of Greenwich's royal story. Greenwich has long held an important significance for the monarchy. Beneath the site of the Old Royal Naval College are the foundations of one of the largest and most important Tudor palaces in England. A vast palace complex, Greenwich Palace was arguably the main royal palace throughout the Tudor period. Henry VIII, Elizabeth I and Mary I were all born here; Henry enjoyed jousting here and his wife, Anne Boleyn, was famously arrested here; even Shakespeare performed here as an actor to Elizabeth I.

We are also the place where some of the greatest creative geniuses of their day, Sir Christopher Wren, Sir James Thornhill and even Canaletto came to display their extraordinary talent; today it attracts some of the world's greatest film makers including Sir Kenneth Branagh and Gerry Bruckheimer.

The Old Royal Naval College today is a diverse, cultural space at the heart of Royal Greenwich. We are a heritage attraction, a place of worship, learning space, retailer, concert venue, film set, picnic venue, entertainment space, conference host, wedding venue and performance space. We host hugely popular cultural events like Greenwich Music Time and the Greenwich+Docklands International Festival.

We are a space for local people and tourists from the UK and worldwide. Our offer covers the daytime and night-time economy. Our engagement programme ensures that visitors enjoy and have memorable experiences here and includes tours, talks, 'Late' events, recitals, concerts, family activities and trails, debates, festivals and markets. Our maritime campus welcomes more than 10,000 students from our principal site partners, University of Greenwich and Trinity Laban (the UK's first conservatoire of music and dance).

Values

The Old Royal Naval College we put our values at the heart of what we do.

- Bold - proud and confident, adventurous and build rich partnerships for everyone's benefit
- Embracing - warm and approachable, welcoming diverse people and ideas, and creating a positive, nurturing environment
- Imaginative - flexible, resilient and responsive to new opportunities
- Resourceful - inspired to create new ways of working to deepen our impact, making inventive use of resources and relationships as we build a cultural destination.

4. Our work

The Greenwich Foundation has two charitable purposes, conservation and public engagement, which inform everything that we do. Flowing from these core charitable purposes, our work is organised within four strategic pillars – Exploration, Spectacle, Stewardship and Independence.

Exploration

Engage visitors via a site-wide historic, architectural and spiritual experience
We aspire to be an award-winning visitor attraction inspiring local pride and world-wide acclaim. We will ensure our estate remains a must-visit London attraction. We will deepen the quality of our offer to deliver an experience our visitors talk about long after their visit.

We will:

- reveal the richness of our stories to create a world class visitor and learning experience
- inspire dialogue, debate and thought leadership in the areas of art, architecture, culture, history and design
- champion learning and cultural inclusion: innovating ways for diverse audiences to access our stories

Review of the year

Our reach

2019 marked a critical moment on our journey to building an extraordinary cultural destination and the impact we can make to conserve our heritage assets and engage the public in ways we have never done before.

The Painted Hall conservation project, which began in 2016 and finished in March 2019, has set the template for our future ambitions and strikes the perfect balance of conservation excellence, collaboration and public inclusion.

Visitor access and engagement is at the heart of all we do and so the prospect of closing the Painted Hall for two years while critical conservation work took place was unthinkable. Instead, we put the visitor at the centre of our thinking, and conceived a specially-designed, publicly accessible scaffolding which offered a unique opportunity for thousands of people to see the work being done to conserve it, at close quarters. This viewing structure enabled thousands to get up close to the ceiling, meet and interact with the conservationists whilst they undertook the painstaking cleaning of the UK's largest painted interior. It wasn't simply the opportunity to get a very different perspective on the painting that engaged the public; we were impressed with the public appetite to know more about the technical and scientific aspects of the project.

The Painted Hall project was one of the largest open access conservation projects in Europe, enabled more than 86,000 people to get up close and interact with the conservation in action. It has received industry-wide praise and many prestigious awards in recognition of the conservation, architectural excellence and the public access achieved.

This has included the VE:Forum Awards 'Accessible Visitor Experience of the Year' award, which celebrated our commitment to access and inclusion through the project. Specialist tours for the blind and partially sighted, as well as the deaf and hard of hearing were developed. Staff and volunteers were trained in audio-description by experts allowing us to offer audio-described tours.

We won the Conservation Project of the Year at the Museum + Heritage Awards which recognises innovative and ground-breaking initiatives from museums, galleries and heritage visitor attractions across the UK and overseas.

Talking about the Painted Hall Project Diane Lees CBE, Director General of the Imperial War Museums and Chair of the 2019 judging panel, noted:

> *"A pioneering project in scale, scope and ambition the winner successfully created a once in a lifetime experience enabling close-up access for many thousands of visitors to this ambitious and meticulous conservation work."*

Other awards have included three RIBA awards including the Conservation Award for London and a National Award; given to buildings across the UK in recognition of their significant contribution to architecture.

Everything the Foundation learnt during the public access period of the conservation project has informed and enriched our new visitor offer – from the content of the displays and audio tours to the objects in the handling collections specially developed for schools.

Visitor Access and Volunteering

The last 12 months from March 2018 have been challenging and unprecedented with one of our key heritage assets, the magnificent Painted Hall providing only restricted access to the general public from September 2018 to March 2019.

Despite this, we welcomed just under 1,100,000 visitors to the Old Royal Naval College through the year.

Our Painted Hall Ceiling Tours which ran from 1 April 2017 to September 2018 enabled members of the public to climb our scaffolding, getting closer to the Painted Ceiling than ever before possible; watching and interacting with conservationists' work first-hand. This has been an extraordinary visitor experience, a unique approach to open conservation. A conservation project which would ordinarily have seen the space shut off to the public for two and a half years instead we have sought to amaze and delight nearly 86,000 people, including over 3,000 school pupils and 200 specialist groups.

During the Painted Hall Project, we developed strong new relationships and networks with a range of partners, leading to a step change in the way we planned for and developed a diverse and accessible visitor offer across all our programmes and interpretation.

We embedded some core principals of access and inclusion of all people through the Painted Hall conservation project. Each member of our Visitor Experience Team underwent 40 hours of training to in order to deliver the specially designed ceiling tours.

We also convened a group of staff and volunteers, who met regularly as a special Access Panel to help develop new capabilities in interpretation, engagement, access and learning. Our work with ESOL (English for Speakers of Other Languages) students, physical disabilities including sight loss and hearing loss and people with Special Educational Needs & Disabilities (SEND) groups, are just a few pioneering elements within this remarkable project.

Up to March 2019 there had been eight Access Panel meetings with a total of 67 attendances by external Access Panel members representing disability access issues.

In March 2019, on the reopening of the Painted Hall, visitors were introduced to the wonderful new interpretation scheme developed over the course of the project, informed by our experiences of the ceiling tours, and with specialist input from our Access Panel.

Our team of passionate and knowledgeable volunteers help bring the Old Royal Naval College's fascinating 500-year history to life. We have over 70 volunteers who are dedicated to providing the most amazing experiences for our visitors in a variety of roles including welcome ambassadors, interpretation, family ambassadors as well as expert tour guides and explainers.

> *"History is my thing and I love it. You've got the Tudor palace and Lord Nelson is my hero. Everything about the place is great and it's a unique opportunity to do something I love. I learn something new every day" - Andrea, Old Royal Naval College Volunteer.*

In preparation for the reopening of the Painted Hall and the introduction of the new visitor offer, we provided extra hours of training and support to help orientate volunteers and give them the tools and confidence to give effective talks and handling sessions.

Exhibitions & Community Engagement

The permanent displays in the new Sackler Gallery in the King William Undercroft feature information, exhibits and tactile objects, as well as the only publicly displayed physical remains of the Tudor Palace anywhere in the Greenwich – marking the climax of the new '500 Years of History' site tour. A new multi-media guide to the Painted Hall, was developed through the project and has proven extremely popular with visitors since re-opening, as have the printed booklets on display in the Hall itself and the new mirrored tables with tactile reliefs.

In the year, in preparation for re-opening the Painted Hall, we undertook a light touch refresh of the Visitor Centre (Pepys Building). Together with the new '500 Years of History' tour this work has helped to stimulate engagement with and open up the history of the site to a wider audience as part of an ongoing strategy of unlocking the broader histories of the Old Royal Naval College site.

Throughout the year, the Chapel of St Peter and St Paul continued to host free lunchtime recitals every Tuesday and Friday – these are open to all. Our regular Sunday congregation continues to bring together our local and on-site community creating a spiritual heart for the Old Royal Naval College. Communion, morning prayer and concerts are among the services performed regularly for the congregation and our local and international visitors.

We also continue to host a Sea Cadet unit here at the Old Royal Naval College and help them to give local young people an adventure – and the chance to explore new activities and learn new skills. The young members of the Greenwich, Deptford and Rotherhithe Sea Cadets played a key role in the opening events of the Painted Hall in March 2019 with a ceremonial procession followed by two junior navy cadets cutting the ribbon to mark the space officially open to the public.

The Mezzanine Gallery in the Visitor Centre continued to host community art and photography exhibitions throughout the year. In March 2019 it featured a photographic exhibition telling the story of the Painted Hall project, conceived by Hugh Broughton Architects and including sketchbooks, models and drawings.

Interpretation and Learning

To help us develop audience-led visit resources, our team worked with expert participants on our 'sounding boards' - panels of people with knowledge and experience of working and living with ESOL (English for Speakers of Other Languages) students, physical disabilities including sight loss and hearing loss and people with Special Educational Needs and Disabilities (SEND). The volunteer access panel continue to work with us while we broaden our accessibility work across the site.

As part of the Painted Hall re-opening celebration we hosted a community performance inspired by the Painted Hall. The Boundless Skies performance was a culmination of a series of workshops with professional musicians, Trinity Laban Conservatoire students, in collaboration with pupils of Simon Langton Boys. The performance was composed and music and movement choreographed, in response to the stories, characters and themes of the Upper Hall. During the project, young people experienced the Painted Hall in a magical, inspiring way, bringing that excitement to an audience of young people and adults who have in various ways engaged with our community programmes over the past two years.

Interpretation for the Painted Hall project has produced a range of different routes by which visitors can approach and understand the Painted Hall. These include an introductory exhibition in the King William Undercroft exploring the history of the site and its architecture. We have also developed sensory activity bags for families and SEND groups; artist-illustrated children's activity books; beautifully produced guidebooks relating to the Upper Hall, the Lower Hall and the Vestibule; and a Multimedia Guide narrated by Tara Fitzgerald which has received an overwhelmingly positive response from visitors.

The mirror tables in the Painted Hall have tactile panels to help people with sight loss access the ceiling; an Audio Described tour of the Painted Hall is also available. 'Treasure chests' containing high quality handling objects have proved extremely popular with the public.

As we move forward with this gloriously re-opened space, our programming ambitions are to host events, ceremonies, performances against this spectacular backdrop from dinners, fashion shows, opera nights, choral and dance performances ensuring magnificent buildings are a vibrant space, full of things to do and experience.

Sharing & building expertise

The Painted Hall project featured two conservation internships and two traineeships in the construction site management team – all of whom have since progressed into full time employment. As part of the plan for engagement and inclusion – two successful 'Careers in Heritage and Conservation' days were staged on site for local schools – featuring demonstrations, talks and displays by a range of specialists including gilders and stonemasons.

Our impact

- 1,086,825 visitors to the site this year
- Over 86,000 people have ascended the scaffolding as part of our public and educational ceiling tours in the Painted Hall - 29,076 Ceiling Tour tickets sold April to September 2018
- 4,929 visitors to the Painted Hall in the opening week (March 2019)
- 257 people took part in 'Late' events, targeted at the 18-25 age group
- Volunteers gave 277 days in the Painted Hall
- 86 staff and volunteers took part in access awareness training

Re-opening

The re-opening of the Painted Hall in March 2019 was a tremendously exciting opportunity for us to transform our visitor offer into a rich, site-wide experience.

The launch events during the opening season, gave us the perfect opportunity to inspire the public and invite our local communities to participate in our 'soft opening' trial days and join us for the opening weekend.

The opening went with a bang! Nearly 5000 visitors came to the soft openings and over 2,400 ticketed visitors at the first opening weekend. During the opening week there were over 13,000 visitors throughout the site.

The opening kicked off with the Sea Cadets' ceremonial parade which was followed by a series of special events, such as the Old Royal Naval College Trinity Laban choir singing in the upper hall of the Painted Hall, costumed historical characters and activities for families to help create a buzz on site.

To ensure the re-opening was a great success, we worked closely with local organisations and our commercial and tourism partners to help build interest and engagement.

Visitor feedback has so far been fantastic.

5 Stunning! The £12 full adult cost is well worth the money; allowing free entry for a year too. The recent restoration has transformed the painting which are full of artistry history comedy politics and classical representations. The artist, James Thornhill is a genius and the building, designed by Wren, with its paintings are true masterpieces.*
There are written guides in each of the 3 spaces, live guides with informative well-honed talks every 30min and the best interactive audio guide I've ever encountered. Even the headphones were comfortable and good quality.

Lots of attention to detail re comfort was impressive: seating, padded benches to lie on to peruse the ceiling at leisure and mirrors if you preferred to stand.
I would suggest 2 hours at least to do it justice. We spent more time and I want to come back. There is an excellent shop and cafe in the undercroft.

Spectacle

Inspire the public via a spectacular, artistic programme

Our magnificent buildings are a vibrant space full of things to do and experience. We want to be known for spectacular artistic events that draw in audiences seeking culture and creativity in their lives. We want to connect our site to its surrounding communities and curate fantastic, accessible cultural experiences.

We will:

- Curate a thought-provoking, culturally inclusive public programme that is founded on our heritage and environment.
- Showcase the best of contemporary culture and talent to attract new and diverse audiences and occupiers.
- Create new spaces for creative work, practice and performance; build a creative network which reaches into our surrounding communities.

Review of the year

Over the last year we have built up significant and enduring collaborations which allow us to work in partnership with many prestigious organisations. These programmed events allow us to animate and bring to life our buildings and grounds all year round and welcome large diverse audiences to this majestic riverside setting.

A highlight of the year continues to be the Greenwich Music Time, now established as part of the Greenwich calendar. It attracted over 30,000 concert goers, who enjoyed live music performed on an historic World Heritage Site stage. Headliners included Emile Sande and Tom Jones who attract both a local and regional audience and comprised many first-time visitors to the site, who would not otherwise experience the architecture or heritage in the beautiful riverside setting.

In June 2018, Greenwich+Docklands International Festival (GDIF), London's biggest free outdoor festival of the arts, curated hundreds of events across the borough. The festival hosted 50 performances in our grounds including many on the King Charles Lawn at the Old Royal Naval College attracting large crowds and overall 32,000 visitors. The launch event, Undaunted, a tightrope show staged on the Upper Grand Square between the two domes, was a spectacle the likes of which have not been seen before. We also welcomed GDIF as a tenant during the year when they moved their offices into the Pepys Building.

London Marathon organisers launched their first London half marathon, 'The Big Half' in March 2018. This hugely popular event took place immediately before the world-famous London marathon but with a distinct focus on local communities and local charities. 20,000 runners crossed the finish line in Maritime Greenwich and collected their medals on our lawns as well as drawing thousands of spectators on and around our site throughout the day.

For the fourth year in a row we hosted the popular and family-friendly Greenwich Book Festival where visitors to our grounds enjoyed warm June days by the river meeting their favourite authors and discovering new literary voices. The Greenwich Book Festival packed the two days for readers of all ages with talks, walks, political debate, poetry, drama, children's workshops and storytelling.

The Thames Festival in September attracted large visitor numbers. We hosted "Submersion" an outdoor performance/re-enactment of Houdini's water cell escape. A dramatic show with a tense climax that left the audience gasping for breath.

Amber Markets food and craft market stalls throughout the summer brought a range of enticing culinary smells and colours to the site over the course of summer weekends, drawing crowds from near and far.

Our autumn programme included Opera Up Close with a staged a performance of 'Maria Stuarda' in the Chapel of St Peter and St Paul. We also created a series of specialist tours, designed to bring in repeat visitors. Our Halloween and Unlocked tours allowed many to experience our buildings and explore the hidden spaces at the Old Royal Naval College that are not usually open to the public.

Metamorphoses, a day-long festival curated by the Architectural Foundation explored classical currents in contemporary culture and featured a stellar array of architects, artists, poets, novelists, theatre-makers, performers and critical thinkers, including Marina Warner, Joseph Rykwert, Rosemary Hill, Pablo Bronstein and Craig Hamilton. In addition to a packed lecture series in the Queen Mary Undercroft, the Admiral's House hosted an exhibition of full-scale models of antique classical details by Architecture and Landscape students from Kingston School of Art. Over 300 people attended the event across the two stages at the Old Royal Naval College and Queen's House.

Our impact

- 30,000 ticket holders took their seats for our Greenwich Music Time Festival
- 32,000 visitors to Greenwich+Docklands International Festival events on our site
- 20,000 Big Half Marathon runners collected their medals on site
- 36,000 visitors to Amber Markets
- 200 watched Opera Up Close

Looking ahead

Next year, we will continue to foster and grow our existing events and activities as well as build new partnerships to create a programme of experiential events from theatre to family-focused festivals.

We will aim to share the history of the site but also embrace the living history of the estate today; a site alive with learning, creativity, events and festivals, a place filled with music and creativity.

We continue to work closely with our site partner, Greenwich+Docklands International Festival to develop our artistic content. In collaboration with Greenwich and London wide partners we are creating a culturally relevant and vibrant place the welcomes all, from near and far.

Stewardship

Conserve the fabric of our breathtaking buildings, grounds and archeology

The centerpiece of the Maritime Greenwich, World Heritage Site, our historic site is protected for the public's enjoyment. The magnificence of this unique feeds inspiration and understanding about the arts, culture, architecture and heritage. We will safeguard a future as rich and intense as our legacy.

We will:

- maintain and enrich our unique estate to the highest standard for the benefit of future generations
- unlock hidden spaces and heritage assets and bring them to life for the public's enjoyment
- be a valued estate owner and landlord for our on-site partners

Review of the year

The main focus of our conservation work over the last year continued to be the Painted Hall project, which completed and opened to the public in March 2019.

The cleaning and conservation of Thornhill's great decorative scheme has produced astonishing results, with colour and clarity restored to the paintings. The successful public 'ceiling tours', which continued until September 2018, formed the central element of a pioneering public engagement programme.

During the tours 86,000 visitors were introduced to the history and meaning of the Thornhill's paintings and were also able to learn about and observe the conservation work in action. The tours were led both by staff and volunteers with participation from the conservation team and the programme is now regarded as an exemplar by other heritage organisations.

The success of a 2012 pilot project that addressed the cleaning of the west wall and Upper Hall ceiling of the Painted Hall, gave the Foundation the confidence to face the huge task of addressing the remaining 40,000 square feet of painting.

The west wall work had been fairly straightforward, with a simple surface clean, producing an excellent result. But environmental conditions in other parts of the Hall were harsher and had caused more dramatic deterioration – most obviously 'blanching' or whitening of the surface of the paintings, caused by microscopic cracks forming in the varnish layer. The Vestibule (under the dome itself) was in particularly poor condition, having suffered historically from water ingress and condensation.

Importantly, what the 2012 clean had not tackled were the underlying environmental issues which were causing the deterioration of the paintings. It was clear that any future campaign should seek to stabilise (as far as possible) the relative humidity inside the Hall, by a number of high- and low-tech interventions including a bespoke heating system and solar shading.

All had to be detailed and installed in a way which would not cause harm to the fabric of this Grade I-listed building and Scheduled Ancient Monument. Beneath the Painted Hall, the beautiful but much altered baroque Undercroft would be returned to its eighteenth-century form creating an area for a café, shop and interpretation gallery.

The conservation of the Lower Hall ceiling was completed in October 2018 and the Hall closed to the public. The scaffolding was then dismantled allowing the remaining infrastructure, including heating and lighting to be fully commissioned

As well as environmental measures the project included a host of aesthetic improvements too with a view to enforcing a sense of purity in the Hall itself. The fine naval benches made for the Hall when it was an art gallery during the nineteenth century were returned for the comfort of visitors. New 'banquettes', or day beds, were placed down the centre of the Hall, to allow viewers to better enjoy Thornhill's ceiling. The two 'treasure' chests with were installed in March 2019.

Works to the King William Undercroft beneath the Painted Hall were completed in March 2019. The bronze glazed screen was installed in December 2018 with the 'Greenwich Palace Revealed' display fully installed by late February 2019. The old concrete slab floor was removed to make way for a sublime floor, with underfloor heating. The special character of the space further enhanced by the laying of a York stone floor, selected from a quarry located on the distinctive quartz-rich Crosland Hill seam in the Yorkshire Pennines. The concept was to create a beautiful, welcoming space to launch the visitor on his or her journey to the glories of the Painted Hall above.

The new shop and café took shape in the early part of 2019 with the final touches applied just prior to the public opening – including the café tables featuring full-size details from the Painted Hall, and the new range of items for sale in the shop.

The planned programme of site-wide conservation and maintenance programme continued at a slightly reduced level during 2018-19, reflecting the organisational focus on the Painted Hall project. Works commenced on the conservation of the south section of the King William colonnade, along with the decoration of the ceilings of both colonnades. Other works included the redecoration of railings on Cutty Sark Gardens.

The Foundation recruited an experienced stone mason and clerk of works to the in-house team who has been leading projects both in the Painted Hall itself, where sections of the marble floor tiles were repaired and re-laid and in Upper Grand Square, on the light-wells along the King William Colonnade. Other significant site projects included the installation of automatic bollards at West Gate and the repair and redecoration (including re-gilding) of the gates themselves.

Health & Safety consultants Quadriga have worked with our estates team and produced a detailed action plan which has helped us to set priorities and direct resources where they are most needed. Quadriga have also supported the team to ensure activities and processes are compliant with the latest legislation as well as helping with staff training.

Our impact

- Over 86,000 people have ascended the scaffolding as part of our public and educational ceiling tours in the Painted Hall
- 40,000 sq. ft of Thornhill's painting cleaned and conserved
- 600 stone paving slabs laid in King William Undercroft
- 500 years of history and two Tudor rooms revealed during excavation work
- 600 litres of water used in the conservation of the Paintings
- 3000 conservation swabs used on the Lower Hall ceiling
- 20 miles of sewers surveyed across the estate
- 20 applications for Scheduled Monument Consent submitted to Historic England
- 20 years since the inscription of Maritime Greenwich on the UNESCO World Heritage List

Looking ahead

With the Painted Hall now open, the focus will be on managing, maintaining and caring for the space. We will also need to monitor the environmental impacts of the new systems and be ready to respond if the conditions show signs of instability. So far, the signs are very good, with data showing the Painted Hall staying within the specified range of relative humidity.

The site-wide conservation programme will be gradually returning to pre-project levels as resources become available in the coming year – allowing us to complete the decoration of the colonnades as well as the latest phase of cyclical conservation and redecoration works to the south west railings and the joinery of the King William block. These works will be managed by consultant surveyor and reported using a new tracking system which gives programme, up-to-date costs and expenditure – allowing us to better plan for works and respond to current financial conditions.

Independence

Grow a cultural business which secures our sustainable future

We are committed to becoming self-sustaining. Our public grant remains vital but to grow we will enhance that funding through commercial activities, grants and fundraising. We have implemented a new business model incorporating a new ticketed admission for the Painted Hall which will enable us to do more, reach wider audiences and increase our impact.

We will:

- integrate commercial opportunities into all aspects of our work
- cultivate new and existing valued partnerships which feed our sustainability
- build an organisation with the capability and capacity to deliver our ambition

Review of the year

While our grant-in-aid from the Department of Digital, Culture, Media and Sport (DCMS) remains essential to support the Old Royal Naval College's core objectives, the organisation also increasingly needs to raise funds from wider enterprise and philanthropy to continually invest in conservation and enhance our visitor offer. Compared to the prior year the DCMS grant fell by £67k, the paid ceiling tours ended in September 2018 and, almost at the end of the financial year, the Painted Hall re-opened after it's conservation project with a new ticketed admission.

Building commercial expertise

This year was the culmination of work to create a commercial enterprise which diversified the income streams in order to broaden our reach and drive our sustainability. The ceiling tour programme came to an end in September 2018 in order that the conservation and capital works finished before the Painted Hall re-opened in March 2019.

We continued to strengthen the other major income streams such as commercial events, venue and film location hire and retail and are well-placed at the end of the financial year for all of these income streams to work alongside each other as we strive toward financial independence.

Income from visitors and events

Painted Hall ceiling tours income was £281,000 from April to September 2018 and £42,000 income was generated from ticketed admission to the Painted Hall from the 23rd to 31st March 2019. The Visitor Centre shop performed well with £270,000 income for the year with £8k coming from the newly opened shop in the King William Undercroft.

Income from events was £244,000 generated from partnerships with Amber Markets, Cruise Ships, Greenwich Music Time and Greenwich + Docklands International Festival. This was strong compared to the prior year especially as Greenwich Winter Time did not repeat in 2018/19.

Filming also had a successful year, exceeding the prior year and expectations with an income of £329,000. There was further filming of the ever-popular Netflix series 'The Crown' along with one-off films and photo-shoots.

CH&Co continue to actively market Admiral's House, Queen Mary undercroft as a wedding and corporate venue and now the Painted Hall has re-opened this will also re-join the portfolio for the 2019-20 year.

Philanthropy

The main campaign for philanthropic support this year continued to be our £8.5m Heritage Lottery Fund Painted Hall Conservation Project including its associated interpretation, learning and engagement activities. Our fundraising for the project continues to be on time and in total almost £7m has been raised to date including the grant from the National Lottery Heritage Fund of £2.7m, with further pledges to be received. The Foundation continues to fundraise for this project.

A project to fundraise for the installation of a lift to improve accessibility to the Chapel of St Peter and St Paul began in the year and will culminate in the works beginning in 2020.

In the United States, the American Friends of the Old Royal Naval College Board raised funds for the Painted Hall and more generally for the Old Royal Naval College.

Looking ahead

The new visitor season 2019-20 will see our new ticketed visitor offer become more embedded as an approach. We will review feedback from visitors and adapt our offer accordingly. We will be contracting with ticketing partners to sell the new admission ticket to ensure our offer is available to local, domestic and international visitors. We will also look to attract groups and visitors purchasing tickets for more than one London or Greenwich attraction.

The new shop within the newly conserved King William Undercroft and new café will also see their first season and the performance will be reviewed along with CH&Co who operate the café on a day-to-day basis.

Our weddings and corporate hire business partner will be in the market for the newly re-opened the Painted Hall and we will work closely with CH&Co to ensure this income is complementary to the wider Painted Hall offering and seeks to exploit potential to grow this.

There are the usual commercial activities planned for 2019-20 such as the music festival Greenwich Meantime and we will continue to seek to take opportunities for the site to be used for filming.

5. Governance

Objects

The two equal charitable objects for which the Old Royal Naval College was established, as set out in its founding constitutional documents, are:

- to preserve for the benefit of the nation the Old Royal Naval College site, buildings and monuments as being of historical, architectural and artistic importance; and
- to educate the public thereon.

In pursuance of these objects the Greenwich Foundation for the Old Royal Naval College secured, on 1 January 1998, a 150-year lease on the Old Royal Naval College from the Secretary of State for Defence in his capacity as Trustee for the Greenwich Hospital Naval Charity.

Charity's Public Benefit

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Our structure

The Old Royal Naval College is a charity (charity registration number 1062519) and a company limited by guarantee (company registration number 3340541), governed by its Memorandum and Articles of Association.

All the Trustees are members of the Board, which has responsibility for the overall management of the Old Royal Naval College. There must be between three and eleven Trustees. The full Board meets quarterly as does the Board's Audit & Finance Committee. The People & Remuneration Committee meets half-yearly. A Committee for Trustee nominations meets as required. All Committees are advisory only, to the main Board. The Chief Executive is responsible to the Board within a set of delegated authorities for the operation of the Old Royal Naval College.

Audit & Finance Committee is chaired by Rupert Evenett with Tony Hales, Jamaria Kong and William Bax as members. People & Remuneration Committee is chaired by Diane Laura Whyte with Tony Hales, Rupert Evenett and Jamaria Kong as members.

The Board conducts an annual review of its own performance and the Deputy Chair leads an annual review of the Chair.

The Charity has a wholly owned trading subsidiary, The Greenwich Trading Company Ltd, which undertakes the commercial aspects and visitor management of the organisation. It donates any profits that it makes to the Old Royal Naval College.

The Old Royal Naval College operates with a staff of **51** full time equivalent employees (2018: 55 employees) and **137** (2018: 154) volunteers.

Appointment and Training of Trustees

Trustees are appointed for an initial term of four years. They may offer themselves for re-appointment for a second term not normally exceeding four years. If appointed other than at a General Meeting, a Trustee shall hold office only until the next Annual General Meeting.

Trustee appointments are made by the Board of Trustees and do not require approval by any external authority; however, the Secretary of State at the Department for Culture, Media and Sport (DCMS) is advised of prospective appointments and given the opportunity to comment.

The Old Royal Naval College seeks to appoint Trustees who can advance the objects of the charity through their professional expertise, knowledge or experience. The 'Nominations Committee' of the Board is convened to interview prospective candidates for each appointment, assess their suitability for

the role and to ensure that before any appointment is made candidates are fully aware of the Foundation's aims, objectives and future plans.

The Greenwich Foundation for the Old Royal Naval College advertise all Trustee vacancies in accordance with the Trustees aim to have a diverse range of skills, background and experience on the Board. A diversity register is maintained, and all vacancies are advertised openly to encourage the most diverse range of relevant candidates.

After appointment, new Trustees follow a detailed induction programme, designed to acquaint them with all aspects of the Charity and its operations. Further training is made available to Trustees when required.

Remuneration

The Old Royal Naval College's principle on remuneration is to ensure the reward package is competitive with other equivalent organisations so it is able to attract and retain staff. Remuneration is reviewed on an on-going basis by Directors, for roles within their teams, and is also reviewed when any vacancies occur and is adjusted according to movements in market rates for particular roles.

The Trustees, on the advice of the People & Remuneration Committee, set the salary for Chief Executive and approve the salaries of their direct reports, as well as the overall reward structure and policy.

Trustees receive no remuneration but are entitled to claim necessary expenses in carrying out their duties, see note 5 in the financial statements.

Investment Powers of Trustees

Trustees may use the resources of the Old Royal Naval College in such ways as they regard most beneficial to the achievement of its objects. They have discretion to invest resources in the name of the Old Royal Naval College. The Trustees established an endowment by signing a Trust deed. This endowment has been established to produce a regular investment return to fund maintenance costs for the Chapel of St Peter and St Paul and Painted Hall.

Fundraising

We have a number of active programmes to encourage individuals and organisations to support the work of the Old Royal Naval College, and the Trustees gratefully acknowledge the financial support given to the Charity by so many generous donors.

We always aim to achieve best practice in the way we communicate with and support our donors. We do not undertake any direct mailing campaigns and take great care with our communications over e-mail and other forms to ensure that undue pressure is not placed on individuals or any vulnerable people for financial support.

The Charity is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. We apply best practice to protect our supporters' data; we never swap or sell data and ensure that communication preferences can be changed at any time.

We manage all of our own fundraising activities, occasionally taking advice from external professional fundraisers. We work with an independent American charity, *American Friends of the Old Royal Naval College,* which is incorporated s. a 501(c)3 in the United States, to fundraise on our behalf, and we closely monitor and advise on their activities to make sure that they adhere to our standards.

We take seriously the need to achieve the highest standards in our approach to fundraising and we are not aware of any failure by the Charity or firms which support us to comply with fundraising standards.

The Charity sets high standards about how we communicate with current and potential donors. In 2018/19 the Charity did not receive any complaints.

Sustainability

While our grant-in-aid from the Department of Digital, Culture, Media and Sport (DCMS) remains essential to support the Old Royal Naval College's core objectives, the organisation also needs increasingly to raise funds from wider enterprise and philanthropy to continually invest and enhance our offering.

The Old Royal Naval College enjoys a secure rental income from its site partners, most notably the University of Greenwich (145-year lease from 1999) and Trinity Laban Conservatoire of Music and Dance (140-year lease from 2000). Other site partners and tenants include Young's and John Smiths Bookshop, administrative offices for Cutty Sark, and satellite offices for the Royal Borough of Greenwich.

The Old Royal Naval College also holds an investment in the Newton Real Return Fund (see note 9 to the accounts). Our listed investment performance is evaluated on a total return basis each year with a benchmark of LIBOR + 4% gross of fees as a target for the investment manager. The total value of the fund grew by 4.5% during the year.

The Old Royal Naval College also has a further investment with Newton Investment Managers. This is invested in the Newton Growth and Income Fund for Charities, the total value of the fund grew by 8.3% during the year.

The Old Royal Naval College has an investment with M&G Investments invested in their Charifund. A further £100,000 was invested during the year and the investment grew by 0.3% in the financial year.

The catering, retail, public events and filming activities which take place at the College are run by the Greenwich Trading Company Ltd, a wholly owned subsidiary.

6. Summary of results for the year

The Old Royal Naval College has reported a consolidated surplus for the year with a net movement in funds of £417,601 (2018: £525,445). Of this, a surplus relating to unrestricted funds amounted to £320,675 with the rest of the consolidated surplus of £96,926 representing an increase in endowment funds.

The operating profit from our commercial activities through the trading subsidiary amounted to £369,104 (2018: £340,111).

Our resource Grant in Aid income fell by £67,000 and further reductions over the next year represents a significant risk to the financial health of the Old Royal Naval College. The Old Royal Naval College is therefore planning an expansion in revenue generating opportunities as part of the Painted Hall Project, including charging for a site-wide experience, a new café and retail areas. Investment returns from the Catalyst Endowment Fund in future years will help to further diversify revenue streams and ensure the long-term financial stability of the Old Royal Naval College.

Overall site maintenance and running costs including impaired capital works amounted to £3,567,574 during the year, an increase of 11% on the previous year, reflecting more repairs to the fabric of the buildings and grounds under the Pre-Planned Conservation and Maintenance Schedule (PPCM).

There were investment gains of £265,907 during the year. The Newton Real Return Fund, representing the funds invested from the lease premium associated with the King Charles building (see note 9 to the accounts), had an investment gain of £168,981. There was an investment gain of £94,476 on the Newton Growth & Income for Charities Fund, reflecting an increase in the value of the fund in which the Foundation has invested the proceeds of the endowment fund. There was also a small gain of £2,450 on the M&G Charifund.

7. Statement on Risk

The Old Royal Naval College keeps a comprehensive register of all significant risks listing the mitigation actions taken to minimise these risks. The register is reviewed and updated bi-annually. The Audit and Finance Committee review this register on a bi-annual basis, and the full Board, annually.

The Trustees are satisfied that appropriate safeguards are in place to minimise the impact of the principal risks and uncertainties for the Old Royal Naval College as follows:

- Catastrophic damage to the fabric of the site

  The Trustees have appointed an independent surveyor to the fabric, Martin Ashley, who regularly inspects and monitors the buildings alongside the Old Royal Naval College's conservation team to ensure that the risks to the fabric of the building are addressed through a programme of maintenance and repair. The Old Royal Naval College's conservation team also monitor all activities on the site to ensure that risks to the fabric from operational activities are minimised.

- Failure to achieve the mission critical funding and revenue generation targets necessary to deliver the charitable objects of the Old Royal Naval College

  Revenue generation targets are regularly reviewed by the management team and reviewed quarterly by Trustees to ensure that the Old Royal Naval College is able to meet its charitable objectives and targets. Teams responsible for both philanthropic / charitable income, and commercial income are in place and performing well.

- A continual reduction in grant in aid from the Department of Culture, Media and Sport

  Plans for increasing self-generated income to replace the decline in grant in aid, both through commercial activity and through philanthropic giving are regularly reviewed by Trustees and management. In particular, opportunities to increase self-generated income through the Painted Hall project and unlocking site assets for commercial benefit have been included as key objectives for our future business model.

8. Reserves Policy

The Trustees' policy on reserves was reviewed and revised during the prior year to take into account the current and future known commitments of the Old Royal Naval College, and to factor in a consideration of operational risks and cash-flows particular to the charity for which designated reserves should be set aside in order to protect the continuity of the charities work.

The Old Royal Naval College held total funds of £12,289,818 (2018: £11,872,217) which comprised endowment funds of £2,186,262 (2018: £2,089,336), restricted income funds of £nil (2018: £nil) and unrestricted funds of £10,103,556 (2018: £9,782,881) of which £9,441,685 (2018: £8,084,719) are designated. See note 17 to the accounts for further details.

The **Restricted Painted Hall Restoration Fund** comprised of income and expenditure in relation to the Development and Delivery Phases of the Painted Hall Project.

The **DCMS/HLF Catalyst Endowment Fund** comprises donations and match funding received for the purposes of an Endowment. In June 2012 the DCMS/HLF awarded the Foundation a Catalyst Endowment grant payable up to a maximum of £1,000,000: this was paid over the years 2012-2016 to match donations raised by the Foundation towards an Endowment for the future maintenance costs of the Chapel of St Peter and St Paul and the Painted Hall.

The **Designated Lease Premium: Head Lease** represents the consideration of £2,000,000 paid to the landlord, The Secretary of State for Defence (Greenwich Hospital), for the lease of the site of the Old Royal Naval College for 150 years from 1st January 1998 to 31st December 2147. This payment is being recognised on a straight-line basis over the 150-year lease period.

The **Designated Lease Premium: Site Leases** represents recognised income from current tenants where a lease premium has been paid. Lease premiums for Trinity Laban (King Charles building), the Cutty Sark offices in the Mews, and the Old Brewery are included in this fund along with any investment gains or losses associated with the investment of the lease premiums. Income from each of the lease premiums is recognised on a straight-line basis over the duration of each lease.

The **Designated Painted Hall Restoration Fund** has been designated by the Trustees to cover the Foundation's budgeted contribution to phase 2 of the Painted Hall Project. This fund is expected to be fully spent during the 2019/20 financial year.

The **Designated DCMS/HLF Catalyst Fund** represents unrestricted income generated from investments held within the Endowment Fund.

The **Designated Intangible, Tangible & Heritage Assets Fund** represents the net book value of the Foundation's intangible, tangible and heritage assets and has been designated as they do not represent free reserves. The fund totals £6,279,431 (2018: £4,944,588).

The **General Operating Fund** includes the trading activities of the Greenwich Trading Company Limited: its operating profit for the financial year amounted to £369,104 (2018: £340,111), and a cumulative reserve of £356,230 at 31 March 2019 (2018: £341,325). Greenwich Trading Company is unlikely to have significant reserves because its taxable profits are paid in Gift Aid to the Foundation: The reserves temporarily held by the Company have been allocated to the General Operating Fund. This fund is used for day-to-day expenditure in pursuit of the Foundation's objectives and to protect the continuity of the charity's work as described in the Trustees report.

The policy on reserves seeks to hold a level of unrestricted funds, after taking into account funds designated towards the Painted Hall project, of £500,000. The level of unrestricted reserves available for general purposes represents the balances of the General Operating Fund and the Designated Lease Premium: Site Leases which stand at £1,397,533 (2018: £2,182,448).

9. Auditor

A resolution to re-appoint Crowe UK LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

Statement of disclosure to auditor

In so far as each of the Trustees of the charity, at the date of approval of this report, is aware there is no relevant audit information of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

10. Statement of Trustees' Responsibilities

The Trustees (who are also directors of The Greenwich Foundation for the Old Royal Naval College for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees Report incorporating a Strategic Report was approved on 13 November 2019 and signed on their behalf by:

Tony Hales

Tony Hales CBE
Chair

Independent Auditor's Report to the Members of The Greenwich Foundation for the Old Royal Naval College

Opinion

We have audited the financial statements of the Greenwich Foundation for the Old Royal Naval College for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2019 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent company has not kept adequate accounting records; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the trustees are responsible for assessing the group's or the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Tim Redwood
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP 11 DECEMBER 2019
Statutory Auditor
London

Consolidated Statement of Financial Activities
For the year ended 31 March 2019

	Note	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	**Total 2019 £**	Total 2018 £
Income and endowments from:						
Donations and legacies						
Grant in Aid		901,000	-	-	**901,000**	968,000
Heritage Lottery Fund grant award		-	-	921,284	**921,284**	1,252,436
Donations		-	-	1,263,294	**1,263,294**	852,583
Charitable activities						
Rent receivable		1,637,460	-	-	**1,637,460**	1,519,127
Lease Premium		82,395	-	-	**82,395**	82,395
Service Charges		560,243	-	-	**560,243**	498,766
Visitor access including Ceiling Tours		513,727	-	-	**513,727**	737,002
Education / learning		2,159	-	-	**2,159**	8,768
Other trading activities						
Trading operations		668,116	-	-	**668,116**	372,961
Investments						
Deposit interest		2,308	-	-	**2,308**	27,311
Investments		164,296	-	-	**164,296**	134,080
Other income		10,556	-	-	**10,556**	28,725
Total		4,542,260	-	2,184,578	**6,726,838**	6,482,154
Expenditure on:						
Raising funds						
Raising donations and legacies	4	387,044	-	-	**387,044**	375,416
Other trading activities		688,390	-	-	**688,390**	493,908
Charitable activities						
Site maintenance and running costs	4	2,805,203	-	762,371	**3,567,574**	3,205,209
Provision of visitor access	4	1,616,001	-	153,863	**1,769,864**	1,519,593
Provision of learning activities	4	162,272	-	-	**162,272**	159,399
Total		5,658,910	-	916,234	**6,575,144**	5,753,525
Operating (deficit) / surplus		(1,116,650)	-	1,268,344	**151,694**	728,629
Net gains / (losses) on investments	9.2	168,981	96,926	-	**265,907**	(203,184)
Net income		(947,669)	96,926	1,268,344	**417,601**	525,445
Transfers between funds	17	1,268,344	-	(1,268,344)	**-**	-
Net movement in funds		320,675	96,926	-	**417,601**	525,445
Reconciliation of funds:						
Total funds brought forward		9,782,881	2,089,336	-	**11,872,217**	11,346,772
Total funds carried forward		**10,103,556**	**2,186,262**	**-**	**12,289,818**	**11,872,217**

With the exception of Endowment Funds, the information presented within the Statement of Financial Activities for the two years ended 31st March 2019 is equivalent to that which would have to be disclosed in an Income and Expenditure Account and accordingly a separate Income and Expenditure Account has not been presented, as permitted by S.394 Companies Act 2006. The consolidated income of the charity for the year is £6,726,838 (2018: £6,482,154) and net income for the year was £320,675 (2018: £554,135).

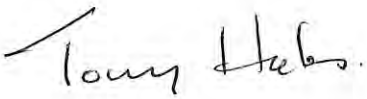
There are no recognised gains and losses in the year other than those shown above.

Consolidated Balance Sheet
as at 31 March 2019

	Note	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
Fixed assets:					
Intangible assets	6	209,066	209,066	197,829	197,829
Tangible assets	8	6,044,763	6,044,763	4,721,157	4,721,157
Heritage assets	8	25,603	25,603	25,603	25,603
Investments	9.2	6,033,874	6,033,876	7,288,053	7,288,055
Endowment asset investments	9.2	2,186,262	2,186,262	2,089,336	2,089,336
Total fixed assets		14,499,568	14,499,570	14,321,978	14,321,980
Current assets:					
Stock		60,549	-	76,537	-
Debtors: Amounts falling due after more than one year	10	1,703,335	1,703,335	1,716,668	1,716,668
Debtors: Amounts falling due within one year	10	739,032	724,071	846,458	747,278
Cash at bank and in hand	11	1,295,876	847,768	489,985	104,546
Total current assets		3,798,792	3,275,174	3,129,648	2,568,492
Liabilities:					
Creditors: Amounts falling due within one year	13	(1,447,166)	(1,289,780)	(1,018,426)	(818,597)
Net current assets		2,351,626	1,985,394	2,111,222	1,749,895
Total assets less current liabilities		16,851,194	16,484,964	16,433,200	16,071,875
Creditors: Amounts falling due after more than one year	13	(4,022,211)	(4,012,211)	(4,114,606)	(4,094,606)
Provisions for liabilities	14	(539,165)	(539,165)	(446,377)	(446,377)
Total net assets		12,289,818	11,933,588	11,872,217	11,530,892
The funds of the charity					
Endowment funds	17	2,186,262	2,186,262	2,089,336	2,089,336
Restricted income funds	17	-	-	-	-
Unrestricted funds	17	10,103,556	9,747,326	9,782,881	9,441,556
Total charity funds		12,289,818	11,933,588	11,872,217	11,530,892

The amount of the net incoming resources for the year dealt with in the financial statements of the parent charity is £417,601 (2018: £525,445).

Approved and authorised for issue by the Board of Trustees on 13 November 2019 and signed on their behalf by:



Tony Hales CBE
Chair

The notes on pages 25 to 38 form part of these financial statements.

Consolidated Statement of Cash Flows
For the year ended 31 March 2019

	Note	2019 £	2019 £	2018 £	2018 £
Cash flows from operating activities					
Net cash provided by (used in) operating activities	(a)		1,069,076		514,812
Cash flows from investing activities					
Dividends, interest and rents from investments		2,308		27,311	
Purchase of tangible fixed assets		(1,830,989)		(3,291,550)	
Purchase of intangible fixed assets		(21,960)		-	
Purchase of endowment fund investment		(100,000)		(800,000)	
Cash receipts from long-term cash deposits		1,687,456		1,268,191	
Net cash provided by (used in) investing activities			(263,185)		(2,796,048)
Cash flows from financing activities					
Endowment fund receipts		-		-	
Net cash provided by (used in) financing activities			-		-
Change in cash and cash equivalents in the year	(b), (c)		805,891		(2,281,236)

Notes to the Consolidated cash flow statement

(a) **Reconciliation of net income to net cash flow from operating activities**	2019 £	2018 £
Net income for the year	417,601	525,445
Adjustments for:		
Depreciation charges	518,106	548,042
Endowment fund receipts	-	-
Gift-in-kind - Heritage Asset	-	-
Deposit interest	(2,308)	(27,311)
Investment income	(164,296)	(134,080)
(Decrease) / Increase in provisions	92,788	86,523
Decrease / (Increase) in stocks	15,988	(15,224)
Decrease / (Increase) in debtors	120,759	(29,712)
Increase / (Decrease) in creditors	336,345	(642,055)
Net (gains) / losses on investments	(265,907)	203,184
Net cash provided by (used in) operating activities	1,069,076	514,812

(b) **Reconciliation of changes in cash balances during the year**	2019 £	2018 £
Cash balances at 1 April	489,985	2,771,221
(Decrease) / increase in cash for the year	805,891	(2,281,236)
Cash balances at 31 March	1,295,876	489,985

(c) **Analysis of cash and cash equivalents**	2019 £	2018 £
Cash at bank and in hand	1,295,876	489,985

1 Status

The company is a registered charity and qualifies for exemption from corporation and capital gains taxes on its charitable activities. The company is incorporated in the UK, limited by guarantee and has no share capital. The company is registered in England and Wales, company number 3340541, registered office address: 2 Cutty Sark Gardens, Greenwich, London SE10 9LW.

The Memorandum of Association provides that all members are liable to contribute a sum not exceeding £1 in the event of the company being wound up while they are members or within one year of ceasing to be members. There were 11 members at 31 March 2019. The Greenwich Foundation is a Public Benefit Entity.

2 Accounting Policies

Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006 and UK Generally Accepted Practice. The accounts comply with applicable charity and company law in England and Wales.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

No separate Statement of Financial Activities has been prepared for the parent charity as permitted by S.408 companies Act 2006 and paragraph 397 of the Statement of Recommended Practice.

Going concern

The trustees have considered the ability of the Foundation to continue as a going concern for the foreseeable future. The Foundation has to meet the significant costs required to maintain the Old Royal Naval College site through commercial income which is subject to normal economic and competitive pressures as well as through a grant from the Department for Digital, Culture, Media and Sport which has been significantly reduced in recent years. The current forecast for 2019/20 has been prepared showing a deficit which can be met by current reserves. Additionally, there are significant amounts of on-going discretionary expenditure which could be reduced if income is significantly reduced. As a result, the trustees do not consider there to be a material uncertainty in relation to the Foundation's ability to continue as a going concern for the foreseeable future.

Group Accounts

The Foundation owns the whole of the share capital of Greenwich Trading Company Limited (company number: 3568453). These accounts are consolidated on a line by line basis.

Fund Accounting Policy

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes, and lease premiums which must be invested under the terms of our head lease. General Funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objects of the charity. Designated Funds are unrestricted funds which have been set aside by the trustees for particular purposes.

Financial Instruments

The Greenwich Foundation has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade, accrued income and other debtors. Financial liabilities held at amortised cost comprise trade, accruals and other creditors.

Investments, including held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment.

Tangible Fixed Assets and depreciation

Assets costing in excess of £ 1,000 are capitalised. Depreciation is provided on all tangible fixed assets at rates calculated to write off the assets to their residual values over their expected useful economic lives, as follows:

Office & IT equipment	33% straight line	Leasehold improvements	10% straight line
Fixtures and fittings	33% straight line		

2 Accounting Policies (continued)

Income

Grants other than performance related grants are recognised when receivable. Donations are recognised when received. Rent and service charges are recognised in the period to which the premises are made available to a third party. Any lease premiums received are recognised on a straight line basis over the term of the lease. Income from sale of goods and catering is recognised in the year when the sale occurred. Income from events is recognised in the year the event occurs. Interest and investment income is recognised in the year earned by the charity. Donated services have been recognised when received in the year and are included in the accounts at the value of the gift to the charity.

Expenditure

All expenses are accounted for on an accruals basis. Expenditure incurred in connection with the specific objects of the charity is included under the heading "Charitable activities" together with support costs, which are an apportionment of the general overheads of the charity, the basis of allocation being as detailed in note 4 to the accounts. Governance costs are those costs attributable to compliance with constitutional and statutory requirements. Donated services are recognised as an expense under the appropriate heading at the value of the gift to the charity.

Pension costs

The company operates a defined contribution pension scheme provided by AVIVA which all employees may join. The pension contributions for the year are charged to the Statement of Financial Activities as incurred.

Heritage Assets

Heritage assets acquired since 2010 are recognised at cost and are not depreciated. Further information on the treatment of Heritage Assets in the accounts is available in notes 7 and 8.

Intangible Assets

Intangible assets includes capitalised costs incurred in entering into operating leases as a lessor and are amortised over the term of the lease.

Stock

Stock is valued at the lower of cost and net realisable value.

Recognition of liabilities

Liabilities are recognised as incurred.

Debtors

Tenants and other trade debtors and accrued income are recognised at the amount due less any provision for irrecoverable amounts. Prepayments are valued at the amount prepaid net of any trade discounts due.

Included in debtors is the remaining value for the Head Lease Premium which has been paid by the Foundation, and is being amortised over the 150 year period of the lease.

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.

Creditors

Creditors 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 are recognised at their settlement amount after allowing for any trade discounts due.

Deferred Income

Income is deferred as a liability where rent is received for future reporting periods, deposits are received for events in future reports periods, or conditions restrict the use of a grant to a future reporting period.

Provisions

Amounts provided for conservation and maintenance relates to costs (including irrecoverable VAT) that the Foundation considers it had a legal or constructive obligation to meet at the end of the year under the Head Lease with Greenwich Hospital. This includes the remaining value of building works that were ongoing at the balance sheet date and that were not complete and also additional works planned for the following financial year that the Foundation considered to be overdue. Provisions for service charges represent the excess of service charges received over relevant costs incurred.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 2, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of judgements and assumptions that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Greenwich Foundation participates in a number of leasing arrangements both as lessor and lessee. The Foundation must consider for each lease whether or not substantially all the risks and rewards incidental to ownership have been transferred to the lessee and so whether the lease represents a finance or operating lease. The Foundation has concluded that all leases entered into to date either as lessee or lessor represent operating leases and so amounts receivable under these leases are recognised on a straight line basis over the term of the lease. In relation to leases granted, the Foundations considers that it is acting as principal in relation to service charge arrangements and so income and expenditure is recognised gross in the financial statements.

4 Analysis of Expenditure

	Activities undertaken directly	Support costs	**Total 2019**	Total 2018
	£	£	£	£
Raising funds				
Raising donations and legacies	312,533	74,511	387,044	375,416
Other trading activities	583,258	105,132	688,390	493,908
Charitable activities				
Site maintenance and running costs	3,379,203	188,371	3,567,574	3,205,209
Provision of visitor access	1,418,466	351,398	1,769,864	1,519,593
Provision of learning activities	109,269	53,003	162,272	159,399
	5,802,729	772,415	6,575,144	5,753,525

Support costs	Raising donations and legacies	Other trading activities	Site maintenance and running costs	Provision of visitor access	Provision of learning activities	Total
Governance	1,737	3,241	18,778	7,882	608	32,246
Staff costs	26,217	43,695	88,119	145,651	17,478	321,160
Office running costs	46,557	58,196	81,474	197,865	34,917	419,009
	74,511	105,132	188,371	351,398	53,003	772,415

Expenditure includes auditor's remuneration (excluding VAT) of £18,350 (2018 - £17,750) for auditing services, £12,800 (2018 - £2,850) for tax return and advisory services.

Governance costs have been apportioned to activities based on the cost of activities undertaken directly. Staffing costs have been apportioned in line with the number of full time equivalent staff engaged in each activity. Office running costs have been apportioned by the desk space occupied by the staff engaged in each activity.

5 Staffing costs, volunteers and trustees

Staff Costs	2019 £	2018 £
Wages and salaries	1,800,954	1,839,966
Social security costs	155,808	156,412
Pension costs	164,923	165,199
Other benefits	14,585	14,632
Training & recruitment	62,469	47,684
	2,198,739	2,223,893

Payments to defined contribution pension schemes in the year totalled £170,290 (2018: £164,024).
One redundancy payment in the year was £20,670 (2018: nil).

World Heritage Site Co-ordinator
The Charity is a member of the Greenwich World Heritage Site. On behalf of that group it has employed a Co-ordinator. The Charity receives contributions from the members of this group to cover this employment cost (the salary costs are not included in the totals above).

The number of employees whose emoluments were in excess of £ 60,000 during the year was as follows:

	2019 No.	2018 No.
£60,000 - £70,000	-	2
£120,000 - £130,000	1	-

Total payments including employer's national insurance and pension contributions for the key management personnel, being the Chief Executive and Management team as listed on page 1, totalled £398,566 (2018: £432,057).

Staff numbers
The average number of employees during the year was 89 (2018: 95). The average number of full time equivalent staff during the year, analysed by activity was as follows:

	2019 No.	2018 No.
Trading operations	6.0	5.9
Fundraising	3.6	4.3
Learning	2.4	4.3
Site maintenance and running costs	12.1	12.4
Provision of visitor access	20.0	21.6
Support	6.1	5.8
	50.2	54.3
WHS co-ordinator	0.6	0.6
	50.8	54.9

Volunteers
Volunteers play a vital role in assisting visitors with the interpretation and the history of the ORNC and acting as guides for the Painted Hall Ceiling Tours. There are also other established volunteer roles in learning, visitor services, development, marketing and exhibitions. The total number of volunteers at the year end totalled 137 (2018: 154).

Payments to Trustees
No trustee has been paid any remuneration or received any other benefit from the charity or a related entity.

	2019 £	2018 £
The following were paid to Trustees during the year:		
Expenses - travel reimbursement for 2 trustees (2018: 3 trustees)	658	984

Charitable donations received from Trustees	2019 £	2018 £
Charitable donations (including Gift Aid reclaimed) received from Trustees during the year:	69,923	83,550

6 Intangible assets

	Lease Costs	Software	Total Charity	Total Subsidiary	Total Group
Cost	£	£	£	£	£
At 1 April 2018	213,958	49,878	263,836	-	263,836
Additions	-	21,960	21,960	-	21,960
At 31 March 2019	213,958	71,838	285,796	-	285,796
Depreciation/Impairment					
At 1 April 2018	18,101	47,906	66,007	-	66,007
Charge for the year	8,558	2,165	10,723	-	10,723
At 31 March 2019	26,659	50,071	76,730	-	76,730
Net book value					
At 1 April 2018	195,857	1,972	197,829	-	197,829
At 31 March 2019	**187,299**	**21,767**	**209,066**	**-**	**209,066**

Intangible fixed assets representing professional fees associated with the sale of the lease of the Old Brewery are amortised over a 25 year period, which represents the duration of the lease and the period over which the lease premium income is also recognised.

7 Heritage Assets - Grounds and Buildings

The Foundation has a 150 year lease over the site of the Old Royal Naval College which is leased from the Trustees of the Greenwich Hospital. This consists of a complex of four principal courtyard buildings designed by Sir Christopher Wren together with other ancillary buildings, all of which are of a historic nature and form part of the Greenwich World Heritage Site. The majority of the buildings are sublet to academic institutions as described in the Trustees Report. The site is open to the public free of charge, including access to the historic Painted Hall and Chapel except when these are in use for private hires. The Foundation is required to maintain the buildings to conservation grade standards.

The grounds and buildings of the Old Royal Naval College are defined as heritage assets for the purposes of these accounts. The Foundation has a 150 year lease on the site commencing 1st January 1998, and under the terms of the lease with the landlord, Greenwich Hospital, the Foundation is unable to dispose, alienate or encumber any heritage assets under its responsibility.

The Trustees are of the opinion that, because of restrictions contained in the leases and the obligations of maintaining the historic buildings, a meaningful or conventional valuation of the grounds and buildings in the accounts would not be meaningful and would lack relevance. Whilst the buildings are valued for insurance purposes, the valuation is not seen as relevant in the context of the irreplaceable nature of such buildings of historic importance. The value of the buildings for insurance purposes is £406,710,000.

Costs relating to the maintenance and conservation of the fabric of the building in the last five years are summarised below and have been analysed between major works (being larger discrete maintenance projects) and on-going maintenance works (being smaller repairs and conservation works undertaken on a cyclical basis).

	2019	2018	2017	2016	2015
Major Works	762,371	692,577	935,146	7,845	31,814
Maintenance Works	501,323	324,765	702,798	1,279,650	1,485,419
	1,263,694	**1,017,342**	**1,637,944**	**1,287,495**	**1,517,233**

In addition, £1,559,256 (2018: £3,250,139) has been spent as part of the Painted Hall project and capitalised in short term leasehold improvements and fixtures & fittings (see Note 8).

8 Tangible & heritage assets

	Short term leasehold improvements	Fixtures, fittings and equipment	Heritage assets artefacts	Total Charity
Cost	£	£	£	£
At 1 April 2018	8,853,649	931,053	25,603	9,810,305
Additions	1,284,063	546,926	-	1,830,989
At 31 March 2019	10,137,712	1,477,979	25,603	11,641,294
Depreciation				
At 1 April 2018	4,420,884	642,661	-	5,063,545
Charge for the year	450,468	56,915	-	507,383
At 31 March 2019	4,871,352	699,576	-	5,570,928
Net book value				
At 1 April 2018	4,432,765	288,392	25,603	4,746,760
At 31 March 2019	**5,266,360**	**778,403**	**25,603**	**6,070,366**

	Total Charity	Subsidiary fixtures and fittings	Total Group
Cost	£	£	£
At 1 April 2018	9,810,305	356,609	10,166,914
Additions	1,830,989	-	1,830,989
Disposals	-	(169,047)	(169,047)
At 31 March 2019	11,641,294	187,562	11,828,856
Depreciation			
At 1 April 2018	5,063,545	356,609	5,420,154
Charge for the year	507,383	-	507,383
Disposals	-	(169,047)	(169,047)
At 31 March 2019	5,570,928	187,562	5,758,490
Net book value			
At 1 April 2018	4,746,760	-	4,746,760
At 31 March 2019	**6,070,366**	**-**	**6,070,366**

Heritage assets

The Foundation possesses a collection of historic artefacts and memorabilia connected to the College, much of which is on display either in the Discover Greenwich exhibition or in other parts of the site. Items acquired recently comprise approximately 50 items ranging from paintings of former Admirals connected to the College to charts, books and engravings. These have been capitalised in accordance with FRS102. The Trustees have a policy of making judicious acquisitions of relevant artefacts when the opportunity arises and will not dispose of such items unless they are considered to be no longer of relevance to the College. These are also maintained to appropriate museum quality standards.

Items purchased since 2010 are capitalised at cost and reviewed for impairment in the event of physical deterioration or new doubts emerge as to their provenance or authenticity. No depreciation is provided. Items acquired by or donated to the Foundation prior to 2010 are not recognised in the financial statements as insufficient information is available.

9 Investments

9.1 Trading Subsidiary

The Foundation owns the whole of the issued share capital of the Greenwich Trading Company Limited, a company registered in England and Wales (3568453). The registered office of the Company is the same as that of the parent on page 1. The whole of the Company's taxable profits are payable under Gift Aid to the Foundation. The Company's results are given below.

Greenwich Trading Company Ltd

Profit & Loss Account for the year ended 31 March 2019	**2019**	**2018**
	£	**£**
Turnover excluding Visitor Access Income	668,116	372,962
Visitor Access Income	226,843	356,923
Total Turnover	894,959	729,885
Cost of sales excluding Visitor Access costs	(260,970)	(204,447)
Visitor Access costs	(258,744)	(178,654)
Total Cost of sales	(519,714)	(383,101)
Gross profit	**375,245**	**346,784**
Interest receivable	808	154
Administrative expenses	(6,949)	(6,827)
Operating Profit & Retained profit for the year	369,104	340,111
Gift Aid donation to The Greenwich Foundation for the Old Royal Naval College	(354,199)	
Retained profit brought forward	341,325	1,214
Retained profit carried forward	356,230	341,325

Balance Sheet at 31 March 2019	**2019**	**2019**	**2018**	**2018**
	£	**£**	**£**	**£**
Fixed assets				
Tangible assets		-		-
Current assets				
Stock	60,549		76,537	
Debtors	81,803		158,826	
Cash at bank and in hand	448,108		385,439	
	590,460		620,802	
Creditors: amounts falling due within one year	(224,228)		(259,475)	
Net current assets		366,232		361,327
Creditors: amounts falling due after more than one year		(10,000)		(20,000)
Net assets		356,232		341,327
Share Capital		2		2
Reserves		356,230		341,325
Shareholders' funds		356,232		341,327

The charity had no related parties in the period other than transactions with its subsidiary company, as detailed above. The inter-company balance at the yearend is disclosed in note 10.

9.2 Listed Investments

To fulfil the long-term aim of financial stability for the Charity and to comply with the Head lease from Greenwich Hospital, the Trustees adopted an Investment Policy, investing funds representing the lease premiums received from tenant's leases of 25 years and above with investment manager Newtons, BNY Mellon. The lease premium holdings are invested in the Newton Real Return Fund Exempt SC2.

During the year endowment funds of £100,000 were invested in M&G's Charifund. taking the total investment in this fund to £800,000.

9.2 Listed Investments (continued)

Newton Real Return Fund			
Market value	31/03/2018		3,739,844
Additions (Dividend accumulation)			89,304
Disposals			-
Net investment gain			168,981
Market value	31/03/2019		3,998,129
Historical cost		3,250,000	
Newton Growth & Income Fund			
Market value	31/03/2018		1,134,547
Additions (Purchases)			-
Additions (Dividend accumulation)			33,416
Disposals			-
Net investment gain			94,476
Market value	31/03/2019		1,262,439
M&G Charifund			
Market value	31/03/2018		682,937
Additions (Purchases)			100,000
Additions (Dividend accumulation)			41,576
Disposals			-
Net investment gain			2,450
Market value	31/03/2019		826,963
Cash - Long-term deposits			
DCMS/HLF Catalyst Endowment cash deposits			238,001
Other long-term cash deposits			1,894,604
			2,132,605
			8,220,136

10 Debtors: amounts falling due

	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
After more than one year				
Unamortised head lease premium	1,703,335	1,703,335	1,716,668	1,716,668
Within one year				
Tenants and other trade debtors	148,568	74,089	219,184	66,126
Amount owed by subsidiary undertaking	-	66,842	-	59,646
Prepayments, accrued income and other debtors	577,131	569,807	613,941	608,173
Unamortised head lease premium	13,333	13,333	13,333	13,333
	739,032	**724,071**	**846,458**	**747,278**

11 Cash at bank and in hand

	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
General accounts	**1,295,876**	**847,768**	**489,985**	**104,546**

12 Contractual expenditure commitments

2019 £	2018 £
100,875	**1,084,585**

Contractual expenditure commitments represent the remaining value on contracts entered into as part of the Painted Hall Project.

13 Creditors: amounts falling due

	Group 2019	Charity 2019	Group 2018	Charity 2018
Within one year	£	£	£	£
Trade creditors	796,171	753,067	430,536	419,974
Social security and other taxes	85,194	43,602	54,052	36,413
Deferred income	139,214	87,673	246,767	88,817
Accruals	310,681	298,532	182,817	170,868
Other creditors	115,906	106,906	104,254	102,525
	1,447,166	**1,289,780**	**1,018,426**	**818,597**
After more than one year				
Deferred income	4,022,211	4,012,211	4,114,606	4,094,606

Deferred income

Deferred income largely relates to lease premiums received in advance and amortised on a straight-line basis over the lease term. Other deferred income is recognised where income is received in advance of a service being provided.

	Group 2019	Charity 2019	Group 2018	Charity 2018
	£	£	£	£
At beginning of the year	4,361,373	4,183,423	4,370,364	4,279,283
Amounts released from previous year	(245,947)	(87,997)	(162,543)	(101,462)
Income deferred in the current period	45,999	4,458	153,552	5,602
At end of the year	**4,161,425**	**4,099,884**	**4,361,373**	**4,183,423**

14 Provisions

Amounts provided for conservation and maintenance relate to costs (including irrecoverable VAT) that the Foundation considers it had a legal or constructive obligation to meet at the end of the year under the Head Lease with Greenwich Hospital. This includes the remaining value of building works that were ongoing at the balance sheet date and that were not complete and also additional works planned for the following financial year that the Foundation considered to be overdue. The majority of costs provided are expected to be settled prior to the end of the next financial year.

The provision for "Service charge contributions received in excess of expenses incurred" represents the total value of service charges received from site tenants that is in excess of the totals due. Service charges are adjusted annually to reduce any excess service charges received.

Reconciliation of movements in provisions

	Conservation and maintenance	Service charges	Group and Charity
	£	£	£
At beginning of the year	317,833	128,544	446,377
Amounts released from previous year	(285,724)	(85,016)	(370,740)
Additional liabilities incurred in period	443,134	20,394	463,528
At end of the year	475,243	63,922	539,165

15 Operating leases

The Greenwich Foundation's tenants have commitments to making the following minimum aggregate payments under operating leases, which expire:

	Group and Charity	
	2019	2018
	£	£
In less than one year	1,481,252	1,322,198
Between one and five years	5,866,352	5,249,839
In more than five years	163,184,865	145,446,259

The Greenwich Foundation has a number of operating leases with tenants with a range of models. Operating leases can involve a single payment of a lease premium with no subsequent payments, annual lease payments with periodic rent reviews, or lease payments linked to turnover or a combination of these different models. The Foundation has granted leases with terms of up to 145 years.

16 Analysis of Group net assets between Funds

	Unrestricted General Funds		Restricted Funds		
	Operating	Designated	Other	Endowment	Total
	£	£	£	£	£
Intangible assets	-	209,066	-	-	209,066
Tangible assets	-	6,044,763	-	-	6,044,763
Heritage assets	-	25,603	-	-	25,603
Other investments	2,816,813	3,217,061	-	-	6,033,874
DCMS/HLF Catalyst Endowment Fund	-	-	-	2,186,262	2,186,262
Cash at bank and in hand	1,295,876	(54,807)	54,807	-	1,295,876
Other current assets	2,382,800	-	120,116	-	2,502,916
Current liabilities	(1,272,243)	-	(174,923)	-	(1,447,166)
Long term liabilities	(4,022,211)	-	-	-	(4,022,211)
Provisions	(539,165)	-	-	-	(539,165)
	661,870	9,441,686	-	2,186,262	12,289,818

17 Fund balances

	Funds at 1 Apr 2018	Income & investment gains	Transfers between funds	Expenditure & investment losses	Funds at 31 Mar 2018
	£	£	£	£	£
Restricted Funds					
Painted Hall Restoration	-	2,184,578	(1,268,344)	(916,234)	-
	-	**2,184,578**	**(1,268,344)**	**(916,234)**	**-**
Endowment Funds					
DCMS/HLF Catalyst Endowment Fund	2,089,336	96,926	-	-	2,186,262
	2,089,336	**96,926**	**-**	**-**	**2,186,262**
Unrestricted Funds					
Designated Lease Premium: Head Lease	1,730,001	-	-	(13,333)	1,716,668
Designated Lease Premium: Site Leases	484,286	251,376	-	-	735,662
Designated Painted Hall Restoration	859,695	-	(290,912)	-	568,783
Designated DCMS/HLF Catalyst Fund	66,149	74,992		-	141,141
Designated Intangible, Tangible & Heritage Assets	4,944,588	-	1,852,949	(518,106)	6,279,431
General Operating Fund	1,698,162	4,384,873	(293,693)	(5,127,471)	661,871
	9,782,881	**4,711,241**	**1,268,344**	**(5,658,910)**	**10,103,556**
	11,872,217	**6,992,745**	**-**	**(6,575,144)**	**12,289,818**

The **Restricted Painted Hall Restoration Fund** was created by donations and grants received in relation to the Development and Delivery Phases of the Painted Hall Project. Transfers out of this fund represent the capital element of works to the Painted Hall.

The DCMS/HLF Catalyst Endowment Fund comprises donations and match funding received for the purposes of an Expendable Endowment. In June 2012 the DCMS/HLF awarded the Foundation a Catalyst Endowment grant payable up to a maximum of £1,000,000: This was paid over the years 2012-2016 to match donations raised by the Foundation towards an Endowment for the future maintenance costs of the Chapel and the Painted Hall. Income generated from investments held within the Endowment Fund is held in a separate **Designated Fund** and £21,108 of investment income in previous years has been transferred from the Endowment Fund to the Designated Fund.

The **Designated Lease Premium: Head Lease** represents the consideration of £2,000,000 paid to the landlord, The Secretary of State for Defence (Greenwich Hospital), for the lease of the site of the Old Royal Naval College for 150 years from 1st January 1998 to 31st December 2147. This payment is being recognised on a straight line basis over the 150 year lease period. The fund has been designated as the monies have already been paid over and so do not represent free reserves.

The **Designated Lease Premium: Site Leases** represents recognised income from current tenants where a lease premium has been paid. Lease premiums for Trinity Laban (King Charles building), the Cutty Sark offices in the Mews, and the Old Brewery are included in this fund along with any investment gains or losses associated with the investment of the lease premiums. Income from each of the lease premiums is recognised on a straight line basis over the duration of each lease.

The Designated Painted Hall Restoration Fund was designated by the Trustees to cover the Foundation's budgeted contribution to phase 2 of the Painted Hall Project. Transfers out of this fund represent the capital element of works to the Painted Hall as well as the release of £675,000 to the General Operating Fund.

The Unrestricted Designated Intangible, Tangible & Heritage Assets Fund represents the net book value of the Foundation's intangible, tangible and heritage assets and has been designated by the Trustees as they do not represent free reserves. The transfers into these funds represent additions during the year.

18 Church of England Funded Pension Scheme (CEFPS)

The Greenwich Foundation for the Old Royal Naval College participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to specific Responsible Bodies and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year, plus any impact of deficit contributions (see below).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out as at 31 December 2015. A valuation at 31 December 2018 is currently under way, but the results of this are yet to be determined. The 2015 valuation revealed a deficit of £236m, based on assets of £1,308m and a funding target of £1,544m, assessed using the following assumptions:

- An investment strategy of:
  - for investments backing liabilities for pensions in payment, an allocation to gilts of 33% from the valuation date until 31 December 2019 and thereafter increasing linearly to 70% by 31 December 2030; and
  - a 100% allocation to return-seeking assets for investments backing liabilities prior to retirement;
- Investment returns equivalent to 2.6% p.a. on gilts and 4.6% p.a. on return-seeking assets;
- RPI inflation of 3.2% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.2% p.a.;
- Mortality in accordance with 80% of the S2NMA and S2NFA tables, with allowance for improvements in mortality rates in line with the CMI 2015 core projections with a long term annual rate of improvement of 1.5%.

Following the 31 December 2015 valuation, a recovery plan was put in place until 31 December 2025 and the deficit repair contribution rates payable (as a percentage of pensionable stipends) are as set out in the table below. Contributions since 2015 are shown for reference.

% of pensionable stipends	January 2015 to December 2017	January 2018 to December 2025
Deficit repair contributions	14.1%	11.9%

The deficit recovery contributions under the recovery plan in force as at 31 December 2016, 31 December 2017 and 31 December 2018 were as set out in the above table.
For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.
Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in the table below.

	2018	2017
Balance sheet liability at 1 January	24,000	23,000
Deficit contribution paid	-3,000	-3,000
Interest cost (recognised in SoFA)	0	0
Remaining change to the balance sheet liability* (recognised in SoFA)	-2,000	4,000
Balance sheet liability at 31 December	19,000	24,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	Dec-18	Dec-17	Dec-16
Discount rate	2.1% pa	1.4% pa	1.5% pa
Price inflation	3.1% pa	3.0% pa	3.1% pa
Increase to total pensionable payroll	1.6% pa	1.5% pa	1.6% pa

The legal structure of the scheme is such that if another Responsible Body fails, the Greenwich Foundation for the Old Royal Naval College could become responsible for paying a share of that Responsible Body's pension liabiities.

19 Comparative Consolidated Statement of Financial Activities

For the year ended 31 March 2018

	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	**Total 2018 £**
Income and endowments from:				
Donations and legacies				
Grant in Aid	968,000	-	-	**968,000**
Heritage Lottery Fund grant award	-	-	1,252,436	**1,252,436**
Heritage Lottery Fund matched funding	-	-	-	**-**
Donations	73,476	-	779,107	**852,583**
Charitable activities				
Rent receivable	1,519,127	-	-	**1,519,127**
Lease Premium	82,395	-	-	**82,395**
Service Charges	498,766	-	-	**498,766**
Visitor access including Ceiling Tours	737,002	-	-	**737,002**
Education / learning	8,768	-	-	**8,768**
Other trading activities				
Trading operations	372,961	-	-	**372,961**
Investments				
Deposit interest	27,311	-	-	**27,311**
Investments	134,080	-	-	**134,080**
Other income	28,725	-	-	**28,725**
Total	4,450,611	-	2,031,543	**6,482,154**
Expenditure on:				
Raising funds				
Raising donations and legacies	375,416	-	-	**375,416**
Other trading activities	493,908	-	-	**493,908**
Charitable activities				
Site maintenance and running costs	2,512,632	-	692,577	**3,205,209**
Provision of visitor access	1,410,517	-	109,076	**1,519,593**
Provision of learning activities	159,399	-	-	**159,399**
Total	4,951,872	-	801,653	**5,753,525**
Operating (deficit) / surplus	(501,261)	-	1,229,890	**728,629**
Net (losses) / gains on investments	(174,494)	(28,690)	-	**(203,184)**
Net income	(675,755)	(28,690)	1,229,890	**525,445**
Transfers between funds	2,450,533	(21,108)	(2,429,425)	**-**
Net movement in funds	1,774,778	(49,798)	(1,199,535)	**525,445**
Reconciliation of funds:				
Total funds brought forward	8,008,103	2,139,134	1,199,535	**11,346,772**
Total funds carried forward	**9,782,881**	**2,089,336**	**-**	**11,872,217**

20 Comparative Analysis of Group net assets between Funds

as at 31 March 2018

	Unrestricted General Funds		Restricted Funds		
	Operating	Designated	Other	Endowment	Total
	£	£	£	£	£
Intangible assets	-	197,829	-	-	197,829
Tangible assets	-	4,721,157	-	-	4,721,157
Heritage assets	-	25,603	-	-	25,603
Other investments	4,189,997	3,098,056	-	-	7,288,053
DCMS/HLF Catalyst Endowment Fund	-	-	-	2,089,336	2,089,336
Cash at bank and in hand	489,985	42,075	(42,075)	-	489,985
Other current assets	2,463,817	-	175,846	-	2,639,663
Current liabilities	(884,655)	-	(133,771)	-	(1,018,426)
Long term liabilities	(4,114,606)	-	-	-	(4,114,606)
Provisions	(446,377)	-	-	-	(446,377)
	1,698,161	8,084,720	-	2,089,336	11,872,217

21 Comparative Fund balances

as at 31 March 2018	Funds at 1 Apr 2017	Income & investment gains	Transfers between funds	Expenditure & investment losses	Funds at 31 Mar 2018
	£	£		£	£
Restricted Funds					
Painted Hall Restoration	1,199,535	2,031,543	(2,429,425)	(801,653)	0
	1,199,535	**2,031,543**	**(2,429,425)**	**(801,653)**	**0**
Endowment Funds					
DCMS/HLF Catalyst Endowment Fund	2,139,134	4,249	(21,108)	(32,939)	2,089,336
	2,139,134	**4,249**	**(21,108)**	**(32,939)**	**2,089,336**
Unrestricted Funds					
Designated Lease Premium: Head Lease	1,743,334	-	-	(13,333)	1,730,001
Designated Lease Premium: Site Leases	576,385	82,395	-	(174,494)	484,286
Designated Painted Hall Restoration	2,355,409	-	(1,495,714)	-	859,695
Designated DCMS/HLF Catalyst Fund	-	45,041	21,108	-	66,149
Designated Intangible, Tangible & Heritage Assets	2,201,080	-	3,291,550	(548,042)	4,944,588
General Operating Fund	1,131,895	4,323,175	633,589	(4,390,497)	1,698,162
	8,008,103	**4,450,611**	**2,450,533**	**(5,126,366)**	**9,782,881**
	11,346,772	**6,486,403**	**-**	**(5,960,958)**	**11,872,217**

Fund descriptions are in Note 17.