

Registered number: 02774232
Charity numbers: 1017579

HERITAGE OF LONDON TRUST OPERATIONS LIMITED

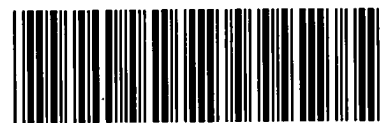
(A company limited by guarantee)

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

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HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2017**

Trustees

Mr R Barden
Ms D Beattie OBE
Mr N Bell
Mr M Brooke
Mr S Enthoven
Mr A Forshaw
Ms R Fraser (appointed 15 December 2016)

Company registered number

02774232

Charity registered number

1017579

Registered office

58-60 King Street, Norwich, Norfolk, NR1 1PG

Company secretary

Ms A Yates

Accountants

Larking Gowen, King Street House, 15 Upper King Street, Norwich, NR3 1RB

Bankers

Co-Operative Bank Plc, 69 London Street, Norwich, Norfolk, NR2 1HT

Solicitors

Mills & Reeve, 1 St James Court, Whitefriars, Norwich, NR3 1RU

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Heritage of London Trust Operations Limited (the company) for the year ended 31 March 2017. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, Governance and Management

Governing Document

The Company is a charitable company limited by guarantee, incorporated on 16 December 1992 and registered as a charity on 23 February 1993. The company was established under a Memorandum of Association which defined the objects and powers of the charitable company and is governed under its Articles of Association. The form of the Memorandum and the Articles of Association is similar to the standard form recommended by the Architectural Heritage Fund. In the event of the company being wound up members are required to contribute an amount not exceeding £5.00 (five pounds).

Recruitment and Appointment of the Board

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Council of Management. The original number of members was two but the Council of Management can approve further numbers and currently this is seven. Under the requirements of the Memorandum and Articles the members of the Council of Management retire by rotation with one-third of the members retiring each year and able to offer themselves for re-election at the Annual General Meeting. Appointments are made on the recommendation of the Council of Management.

Trustee Induction and Training

Those trustees appointed are normally already experienced with the work of charities and in addition bring an appropriate interest and skill to the Governing Body. The Memorandum and Articles of Association are made available together with advice on the dual role of member and trustee. The nature of the Company as a Building Preservation Trust and its operation as a rolling fund Trust is explained together with a current report on projects in hand and planned with a financial summary and an outline of sources of funding. New trustees will be directed to the online Charity Commission booklets CC3 and CC3a.

Risk Management

The records of the Company are held at its Registered Office at 58-60 King Street, Norwich NR1 1PG and the majority are held on computer. A weekly back-up is taken and a copy stored at another location to minimise risk from lost data. The bank accounts are accessible online, financial payments are made only by cheque, web transfer or standing order and transfers between the current and deposit accounts by web transfer, cheques require two signatures.

Risk in undertaking projects is managed in the careful selection of professional teams experienced in historic building conservation with the client interest being represented by an experienced project organiser.

The Company has no salaried staff, it has the services of a Project Organiser and Secretary for a fee. Loss of the Project Organiser and Secretary before any formal hand-over of responsibilities and records could lead to lack of continuity and thereby a potentially difficult period.

A comprehensive risk management assessment is regularly reviewed by the Trustees.

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Related Parties

Related parties might include those members of the Board connected with the Heritage of London Trust which gives grants towards projects undertaken by the Company. The President and Honorary Treasurer earns a fee for financial management services to the Company but is not a member of the Council of Management.

Objectives and Activities

The company's primary object is to preserve on behalf of the townspeople of Greater London and of the nation at large buildings of particular beauty or historical, architectural or constructional interest. The company achieves its objects by working with the local authorities, statutory bodies, grant and loan giving agencies to take on, restore, repair and refurbish buildings at risk to bring them back into beneficial use. On completion of the project the restored buildings are either sold on or let with sale receipts or loans secured by rental income forming the revolving fund by which the company maintains its facility to continue its work.

Public Benefit

As set out in its primary object the work carried out by the Trust is for the benefit of the townspeople of Greater London and the nation at large. Its work conserves the built heritage and brings it back into beneficial use, restoring individual buildings and groups of buildings often enhancing the streetscape and encouraging further improvement in the vicinity. In this work the trustees take due account of the Charity Commission guidance and requirements.

Achievements and Performance

The Trust has undertaken and completed six projects providing both residential and commercial units. The projects have all been buildings on the English Heritage Buildings at Risk Register for Greater London and have involved partnerships with other interests including regeneration bodies and health authorities. The projects have provided both residential accommodation and business premises from formerly derelict buildings. Work on the first and major stage of repairs at St Georges Chapel, Woolwich is complete allowing public access. A Friends Group, registered as a CIO, is established to take a lease and manage the site. Funding for a second stage of works is being sought.

English Heritage had asked for a study to be undertaken by the Trust on Gunnersbury Park Stables, a Grade II* listed property on the English Heritage Buildings at Risk Register and discussions were taking place with interested parties but appear to have lost some impetus.

Financial Review

The Board receives a financial report at each meeting showing current resources and commitments. With the pressure being exerted on English Heritage, the Heritage Lottery Fund and local authority resources it is becoming increasingly difficult to source funding for historic buildings other than those classified as being of exceptional quality and requiring, in many cases, other inputs such as community involvement, educational benefit, public access and sustainability. A Collaboration Agreement has been signed with the North East London Mental Health Trust with a redevelopment proposal between both Trusts to include Thorpe Coombe House with at the time of the disposal a guaranteed minimum sale price of £425,000 plus VAT. This sale of the whole site to include Thorpe Coombe House will create a capital resource to engage in future projects and cover operating costs should there be a gap in the programme. The sale is being effected to fund a new medical centre in one corner of the site. A Section 106 Agreement has been signed enabling the planning permission formally to be put in place and marketing to proceed.

Principal Funding Sources

To date these have included grants from English Heritage, the Heritage Lottery Fund, Heritage of London Trust, the Architectural Heritage Fund, some London Boroughs and other funding bodies all directed towards particular projects. Proceeds of sales, commercial loans secured on property and an annual rental from Thorpe Coombe House complement these sources. A break clause in the lease of Thorpe Coombe House was not effected and this will now run to 26 August 2020 with an increased annual rental of £51,700 effective from 27 August 2013.

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Investment Policy

The company can invest moneys not immediately required for its immediate purposes in or upon such investments, securities or property as may be thought fit subject to conditions or consents as may for the time being be imposed or required by law. The order of moneys held in an interest earning bank deposit account is £900.00 although this will vary from time to time.

Reserves Policy

The company has reviewed its past requirements and based on that review has adopted a policy to aim to hold in the order of one year's operating costs as a reserve to cover those periods when there are no active projects providing income. This policy is enabled by the annual rental received from Thorpe Coombe House, which also provides a substantial capital asset, and with allowances built into project funding. The current unrestricted funds of £43,901 are in line with this policy. In addition, at the year end there are restricted funds of £991,406 and a revaluation reserve of £198,012.

Plans for Future Periods

A Friends Group for St Georges Chapel has been established as a Charitable Incorporated Organisation and will take on responsibility to manage the site and to seek funds to maintain the site and carry out further works. A possible involvement with listed buildings at risk in Gunnersbury Park has been the subject of ongoing discussions but these seem to have lost impetus. All current and possible future projects are on the English Heritage Greater London Buildings at Risk Register. The Trust will continue to work with English Heritage in seeking to remove buildings from the Register.

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Heritage of London Trust Operations Ltd 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 the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

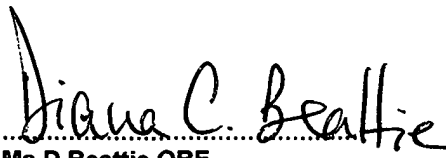
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements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

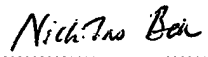
HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on ^{07/12/2017} and signed on their behalf by:


.....
Ms D Beattie OBE
Trustee


.....
Mr N Bell
Trustee

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

Independent examiner's report to the Trustees of Heritage of London Trust Operations Limited

I report on the financial statements of the company for the year ended 31 March 2017 which are set out on pages 8 to 21.

This report is made solely to the company's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Respective responsibilities of Trustees and examiner

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed.

Having satisfied myself that the company is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

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

Basis of Independent examiner's report

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

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

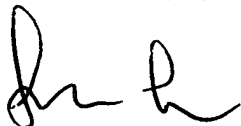
INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare financial statements which accord with the accounting records, Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and in other respects comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:



Dated:

11/12/2017

Joanne Fox FCA

Larking Gowen

Chartered Accountants

King Street House
15 Upper King Street
Norwich
NR3 1RB

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from:					
Donations and legacies	2	54,222	58,933	113,155	278,122
Investments	3	32	-	32	37
Total income		54,254	58,933	113,187	278,159
Expenditure on:					
Charitable activities	4,5	49,288	22,443	71,731	53,962
Total expenditure		49,288	22,443	71,731	53,962
Net income before other recognised gains and losses		4,966	36,490	41,456	224,197
Net movement in funds		4,966	36,490	41,456	224,197
Reconciliation of funds:					
Total funds brought forward		236,947	954,916	1,191,863	967,666
Total funds carried forward		241,913	991,406	1,233,319	1,191,863

The notes on pages 11 to 21 form part of these financial statements.

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 02774232

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Investment property	8		425,001		425,001
Current assets					
Stocks	9	885,518		845,704	
Debtors	10	23,713		25,955	
Cash at bank and in hand		48,564		72,680	
		<u>957,795</u>		<u>944,339</u>	
Creditors: amounts falling due within one year	11	<u>(137,033)</u>		<u>(152,491)</u>	
Net current assets			<u>820,762</u>		<u>791,848</u>
Total assets less current liabilities			<u>1,245,763</u>		<u>1,216,849</u>
Creditors: amounts falling due after more than one year	12		<u>(12,444)</u>		<u>(24,986)</u>
Net assets			<u>1,233,319</u>		<u>1,191,863</u>
Charity Funds					
Restricted funds	13		991,406		954,916
Unrestricted funds:					
Unrestricted funds	13	43,901		38,935	
Revaluation reserve		<u>198,012</u>		<u>198,012</u>	
Total unrestricted funds			<u>241,913</u>		<u>236,947</u>
Total funds			<u>1,233,319</u>		<u>1,191,863</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

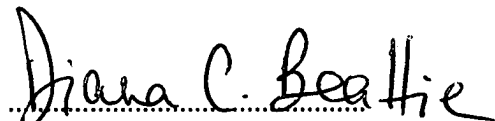
The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

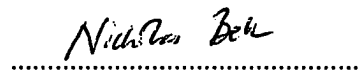
The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

BALANCE SHEET (continued)
AS AT 31 MARCH 2017

The financial statements were approved and authorised for issue by the Trustees on 07/12/2017 and signed on their behalf, by:


.....
Ms D Beattie OBE


.....
Mr N Bell

The notes on pages 11 to 21 form part of these financial statements.

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Heritage of London Trust Operations Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

1.3 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £5 per member of the company.

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.5 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. Accounting policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

1.7 Investment property

Investment property is carried at fair value determined annually by the trustees and derived from the market rents and yields along with the remaining length of the lease. No depreciation is provided.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Stocks

Stock, comprising project work in progress, is stated at the lower of cost and net realisable value. Cost comprises the direct cost of acquiring properties and relevant development costs. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

1.10 Debtors

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

1.11 Cash at Bank and in hand

Cash at bank and 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.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. Accounting policies (continued)

1.13 Financial instruments

The company only 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 their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. Income from donations and legacies

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	2,362	1,083	3,445	24,782
Gift Aid	160	-	160	-
Grants	-	57,850	57,850	201,640
Rental income	51,700	-	51,700	51,700
	<u>54,222</u>	<u>58,933</u>	<u>113,155</u>	<u>278,122</u>
Total donations and legacies	<u>54,222</u>	<u>58,933</u>	<u>113,155</u>	<u>278,122</u>
Total 2016	<u>53,632</u>	<u>224,490</u>	<u>278,122</u>	

3. Investment income

	Unrestricted funds 2017 £	Restricted funds 2017 £	Endowment funds 2017 £	Total funds 2017 £	Total funds 2016 £
Interest on bank deposits	32	-	-	32	37
	<u>32</u>	<u>-</u>	<u>-</u>	<u>32</u>	<u>37</u>
Total 2016	<u>32</u>	<u>-</u>	<u>-</u>	<u>32</u>	

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

4. Analysis of Resources Expended

	Unrestricted funds £	Restricted funds £	2017 £	2016 £
Rental Income	9,265	-	9,265	8,655
Property	31,278	9,271	40,549	40,298
Governance	8,745	299	9,044	5,009
Grants to institutions	-	12,873	12,873	-
Total	49,288	22,443	71,731	53,962

In 2016, of the total resources expended, £31,572 were unrestricted and £22,390 were restricted.

5. Resources Expended

	Governance £	Rental Income £	Property £
Loan interest	800	1,079	-
Property projects and professional fees	-	-	19,767
Project organisers fees	-	-	20,782
Legal and professional costs	-	4,948	-
Independent examination fees	2,008	-	-
General office costs	6,163	3,238	-
Bank charges	73	-	-
Grant to Woolwich Garrison Church Trust	-	-	-
	9,044	9,265	40,549
<i>At 31 March 2016</i>	<i>3,458</i>	<i>10,206</i>	<i>40,298</i>
	Grants to Institutions £	Total 2017 £	Total 2016 £
Loan interest	-	1,879	2,288
Property projects and professional fees	-	19,767	22,390
Project organisers fees	-	20,782	17,908
Legal and professional costs	-	4,948	6,925
Independent examination fees	-	2,008	3,501
General office costs	-	9,401	242
Bank charges	-	73	708
Grant to Woolwich Garrison Church Trust	12,873	12,873	-
	12,873	71,731	53,962
<i>At 31 March 2016</i>	<i>-</i>	<i>53,962</i>	

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. Net income/(expenditure)

- During the year, no Trustees received any remuneration (2016 - £NIL).
- During the year, no Trustees received any benefits in kind (2016 - £NIL).
- During the year, no Trustees received any reimbursement of expenses (2016 - £NIL).
- During the year there were no employees (2016 - NIL).

7. Independent Examiners' remuneration

The Independent Examiner's remuneration amounts to an Independent Examination fee of £2,008 (2016 - £1,950) and other accountancy services of £Nil (2016 - £1,551).

HERITAGE OF LONDON TRUST OPERATIONS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

8. Investment property

**Freehold
investment
property
£**

Valuation

At 1 April 2016 and 31 March 2017

425,001

The 2017 valuations were made by the trustees, on an open market value for existing use basis.

The properties are investment properties and are held for direct charitable purposes.

Thorpe Coombe House

This freehold property is leased to a third party. All rentals received are used by the company for charitable purposes.

The property was valued in September 2013 by the Aitchison Raffety Group. The valuation given was £500,000. The valuation report was based on continuing to receive the current annual rental of £51,700 until 2018 and then a reduced annual rent of £47,600 until 2020. In practice the lease is unlikely to be renewed after 2018 and may well be disposed of before then, the trustees have therefore deemed it prudent to value the property at the lower figure of £425,000.

The trustees are of the opinion that this was the fair value at the year end 31 March 2017.

On a historical basis the property would have been included at a cost of £226,989 (2016: £226,989).

St Pancras Waterpoint

No rent is receivable in respect of this freehold property because of its unusual nature and location.

The property was valued by M D Crowder OBE FRICS as at 31 March 2017 informally on behalf of the company in his capacity as company president. Its valuation is a nominal £1 as no rent is receivable.

On a historical cost basis the property would have been included at a cost of £94,562 (2016: £94,562) after deduction of grants and fees received towards the cost of its preservation.

9. Stocks

	2017	2016
	£	£
Work in progress	885,518	845,704

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FOR THE YEAR ENDED 31 MARCH 2017**

10. Debtors

	2017 £	2016 £
Other debtors	199	464
Prepayments and accrued income	23,514	25,491
	<u>23,713</u>	<u>25,955</u>

11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	12,359	13,042
Other loans	35,000	35,000
Trade creditors	3,998	2,241
Other taxation and social security	-	17,352
Other creditors	60,000	60,000
Accruals and deferred income	25,676	24,856
	<u>137,033</u>	<u>152,491</u>

12. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	<u>12,444</u>	<u>24,986</u>

The bank loan is secured on the company's property.

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2016 £	Income £	Expenditure £	Balance at 31 March 2017 £
Unrestricted funds				
General Funds	38,935	54,254	(49,288)	43,901
Revaluation Reserve	198,012	-	-	198,012
	<u>236,947</u>	<u>54,254</u>	<u>(49,288)</u>	<u>241,913</u>
Restricted funds				
St Georges	932,785	38,933	(21,403)	950,315
Haringey	22,131	-	-	22,131
Lee Rigby Memorial	-	20,000	(1,040)	18,960
	<u>954,916</u>	<u>58,933</u>	<u>(22,443)</u>	<u>991,406</u>
Total of funds	<u><u>1,191,863</u></u>	<u><u>113,187</u></u>	<u><u>(71,731)</u></u>	<u><u>1,233,319</u></u>

Statement of funds - prior year

	Balance at 1 April 2015 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2016 £
Unrestricted funds					
Free reserves	16,838	53,669	(31,572)	-	38,935
Revaluation Reserve	198,012	-	-	-	198,012
	<u>214,850</u>	<u>53,669</u>	<u>(31,572)</u>	<u>-</u>	<u>236,947</u>
Restricted funds					
St Georges	730,685	224,490	(22,390)	-	932,785
Haringey	22,131	-	-	-	22,131
	<u>752,816</u>	<u>224,490</u>	<u>(22,390)</u>	<u>-</u>	<u>954,916</u>
Total of funds	<u><u>967,666</u></u>	<u><u>278,159</u></u>	<u><u>(53,962)</u></u>	<u><u>-</u></u>	<u><u>1,191,863</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

13. Statement of funds (continued)

A description of the significant restricted funds as follows.

St Georges Chapel

Funding received from English Heritage for preservation of St George's Chapel, Woolwich.

Haringey Buildings Preservation Trust

Funds received in respect of the assets take over by the charity.

Lee Rigby Memorial

Funds received in respect of memorial in Royal Borough of Greenwich for Fusilier Lee Rigby.

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Investment property	425,001	-	425,001
Current assets	(33,611)	991,406	957,795
Creditors due within one year	(137,033)	-	(137,033)
Creditors due in more than one year	(12,444)	-	(12,444)
	<u>241,913</u>	<u>991,406</u>	<u>1,233,319</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Investment property	425,001	-	425,001
Current assets	(10,577)	954,916	944,339
Creditors due within one year	(152,491)	-	(152,491)
Creditors due in more than one year	(24,986)	-	(24,986)
	<u>236,947</u>	<u>954,916</u>	<u>1,191,863</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

15. Operating lease arrangements

At 31 March 2017 the total of the Charity's future minimum lease receipts under non-cancellable operating leases was:

	2017 £	2016 £
Amounts receivable:		
Within 1 year	51,700	51,700
Between 1 and 5 years	120,633	172,333
Total	172,333	224,033

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NOTES TO THE FINANCIAL STATEMENTS
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16. Related party transactions

	2017	2016
	£	£
A Yates (Company secretary) Fees and expenses paid	21,198	17,747
A Yates (Company secretary) - balance owed at year end	1,652	2,400
Interest paid on loan from Heritage of London Trust	800	800
Loan from Heritage of London Trust - balance at year end	20,000	20,000

The loan from Heritage of London Trust is repayable on demand and carries an interest charge of 4%.

17. First time adoption of FRS 102

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

The policies applied under the company's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.