

CITY OF LONDON ARCHAEOLOGICAL TRUST FUND

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2009
TOGETHER WITH THE TRUSTEES AND AUDITORS
REPORT**

REGISTERED CHARITY NUMBER 268160

City of London Archaeological Trust Fund
Report and Financial Statements

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1. Reference and Administrative Details

Charity Name:	The City of London Archaeological Trust
Charity Registration Number:	268160
Address of Trust:	Museum of London Group, 150 London Wall, London EC2Y 5HN
Management Committee:	Members of the Trust:
Aldermen Appointed by the Court of Aldermen:	Michael David Bear Robert Gerard Finch James Michael Yorrick Oliver (retired 31 July 2009) John Boothman Stuttard
Court of Common Council Members Appointed by Planning and Transportation Committee:	Alderman Fiona Woolf (appointed 5 May 2009) Christine Mackenzie Cohen OBE Martin Raymond Dudley Sylvia Moys (appointed 5 May 2009)
Court of Common Council Members Appointed by Libraries, Archives and Guildhall Art Gallery Committee:	John Leslie Bird OBE Dennis Cotgrove Vivienne Littlechild (appointed 11 May 2009) Ann Marjorie Francescia Pembroke (Chairman)
Appointed by the Trust Deed:	Tim Williams (representing the Institute of Archaeology), (appointed 15 May 2006) David Gaimster (representing the Society of Antiquaries of London), (Deputy Chairman) Dennis Turner (representing the Council for British Archaeology)
Appointed by the Committee:	Professor Caroline Barron Jack Lohman Taryn Nixon
Trustees:	The Trustees are the official trustees of the City of London Corporation and are appointed in accordance with orders made by the City of London Chris Duffield, Town Clerk Chris Bilsland, Chamberlain Andrew James Colvin, Comptroller and City Solicitor
Secretary:	John Schofield, 2 Carthew Villas London W6 0BS

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Report of the Management Committee

Treasurer:	Chris Bilsland Guildhall London EC2P 2EJ
Bank:	Lloyds TSB Bank plc City Office, PO Box 72 Bailey Drive Gillingham, Kent ME8 OLS
Auditors:	H Graham King & Co Chartered Accountants and Registered Auditors Southernhay Suite 7 207 Hook Road Chessington Surrey KT9 1HJ
Investment Adviser:	Artemis Investment Management Limited 42 Melville Street Edinburgh EH3 7HA

2. Structure, Governance and Management

Governing Document

The Trust was formed on 25 July 1974 and is governed by a trust deed.

Recruitment and Appointment

The members of the Management Committee comprise:

City of London Corporation appointments:

Four Aldermen are appointed by the Court of Alderman and remain as members until they resign.

Four Court of Common Council members are appointed annually for a term of one year by the Planning and Transportation Committee, such appointments are renewable.

Four Court of Common Council members are appointed annually for a term of one year by the Libraries, Archives and Guildhall Art Gallery Committee, such appointments are renewable.

Ex – Officio appointments:

Director of the Museum of London Group

Managing Director of the Museum of London Archaeology Service

Appointments by Institutions or the Management Committee:

One representative to be appointed by the:

Council of British Archaeology

Institute of Archaeology

Society of Antiquaries of London

Other additional Members either representative or individual as the Management Committee shall from time to time determine all of whom shall be appointed for an initial term of four years, renewable with the agreement of the Management Committee for a further term of four years.

Members of the Management Committee shall not exceed 22 in number.

The policies and procedures adopted for the induction and training of trustees

The City of London Corporation makes available to members of the Trust Corporate seminars and briefings as appropriate to enable the Members to efficiently carry out their Trust duties.

Organisational structure and decision making process

The Management Committee governs the charity whose purpose is to support and initiate archaeological work, mainly within the City. The Committee is responsible for all policy decisions and has a key role in the grant giving process. The Trust conducts its business in accordance with current charity law. The day to day administration of the Trust is undertaken by the Secretary. The Treasurer operates the principal financial accounting, information computer systems and provides financial advice, banking, investments, creditors, income collection and internal audit services. Legal and other services are also provided by the City of London Corporation as required.

Details of related parties and wider networks

The City of London Corporation is responsible for appointing a number of Aldermen and Members to the Management Committee as noted above. The Trustees are the official trustees of the City. Officers of the City Corporation provide support services for which no charge is levied.

Risk Management Statement

The Trustees are committed to a programme of risk management as an element of their strategy to preserve the Charity's assets.

In order to embed sound practice, a Risk Management Group has been established by the City of London Corporation, and the Trust is included in this review. The Group will ensure that risk management policies are applied, that there is an ongoing review of risk management activity and that appropriate advice and support is provided to members and officers.

Consequently, the Trustees will avail themselves of this work in order to facilitate the identification of the major risks, which impact on the work of the charity. An analysis of existing controls in place to deal with these risks is being followed up by identifying further actions required to create the right balance between level of risk and effectiveness of controls.

3. Objectives and Activities

Objectives

The promotion of the historic knowledge of the City of London and its environs by the carrying out or the supporting of archaeological research, including:

- ◆ Archaeological and historical research into sites in the City and its environs
- ◆ Publishing or making available reports and other data of excavations, research and investigations.
- ◆ Exhibiting in museums objects found as a result of excavations, research or investigations.

Explanations of aims and objectives for the year including the changes or differences it seeks to make through its activities

The current aims of the Trust are to provide financial support for a range of archaeological work in the City of London and its environs. The Trust prefers to support research for publication and educational activities (including the purchase of equipment). This financial support is achieved through the raising of income from a number of sources including the provision of an annual grant from the City of London Corporation, interest and dividend income, and the raising of funds from City institutions including Livery Companies. These activities are in line with the Charity Commission's public benefit guideline.

4. Achievements and Performance

Key targets for 2008/09 and review of achievement

The total grants approved for 2008-9: £23,995.

This sum supported work on Tin-glazed tiles (I Betts, £5,190), Roman ceramics from St George Southwark (MoLAS, £5,745), Franklin House Young Archaeologists (£1,150; application subsequently withdrawn), London and Middlesex Archaeological Society Occasional Papers series (N Cohen, £3,800), and Radiographic investigation of fracture healing in Londinium (R Powers, £1,720). The grants given also drew on a new and hopefully annual sum contributed by the magazine London Archaeologist (for this year, £3,400).

The Trust was also active in fund-raising, though with limited results. The Chairman wrote to 40 livery companies in 2008. The Secretary successfully asked for £1,000 from the Dyers' Company towards editorial costs of the London Waterfront Tenements 1100-1750 project. The financial contribution of the City for 2008-9 was £5,000, with a further £5,000 promised for 2009-10. The Standing Committee on London Archaeology (SCOLA) wound itself up in March 2009 and donated £2,500 of its funds to CoLAT which will be taken in the 2009/10 financial year.

The Trust began discussion with the Surveyor's Department and the Libraries and Galleries Department of the Corporation to encourage plans for the bringing into public use of the site of the Roman bath-house at Billingsgate, now in a modern basement. Two meetings of a joint working party were held, and more are planned. We hope to assist the Corporation in its intended application for a Heritage Lottery Fund grant for the site during 2009-10.

The Trust is planning a second joint CoLAT-Society of Antiquaries of London lecture, to raise awareness and look for funding for general and particular purposes, following the success of the first joint lecture in January 2008. The second lecture will be in October 2009, on Research and Outreach Work in the lower Thames.

5. Financial Review

Review of the financial position

The Trust's income from continuing operations for the year was £21,908 (2007/08 £22,196). Direct charitable expenditure relating to this income was £19,080 (2007/08 £11,916). Other expenditure totaled £600 (2007/08 £585). The overall decrease in reserves during the year was £45,390 (compared to an overall decrease of £24,627 in 2007/08) due to an unrealised loss on revaluation of investment assets amounting to £47,618 (compared with an unrealised loss of £34,322 in 2007/08), and net incoming resources of £2,228 (compared to net incoming resources of £9,695 in 2007/08). The Unrestricted Fund of the Trust is invested partly in the City of London Corporation Charity Pool Units. These Fund investments have been combined with many of the other smaller charities which are administered by the City of London Corporation and form part of the City of London Charities Pool. Where available, the underlying investments of the Pool are valued at the bid price at the 31st March 2009 taken from the relevant stock exchange pricing systems. Other investments are valued annually at

City of London Archaeological Trust
Report of the Management Committee

the bid price of the market at the close of business on 31st March of each year mainly using commonly available pricing systems.

The total units were valued as at 31 March 2009 at £139,145 (2007/08 £186,763). In addition, cash balances at 31 March 2009 were in hand by £45,402 (compared to £43,485 in hand in 2007/08)

Reserves Policy

The policy was reviewed at the Management Committee meeting on 9 April 2008, and it was agreed that the funds were sufficiently depleted and reserves should therefore be maintained at the current level. The current reserves of the Trust are to be applied as follows

- ◆ following a period of planned reduction in the reserves of the Trust, this process was ended in 2004/05, and a period of consolidation was approved to 2010/11.
- ◆ the current value of reserves is considered adequate to produce sufficient investment income to supplement funds available for the annual grant giving process, to provide a contingency against future needs and for the payment of exceptional grants.
- ◆ the funds available for grant giving continue to be subject to annual review by the Management Committee.
- ◆ to review the reserve policy every three years. The next planned review would be in 2010/11, when based on the above policy and assuming that no exceptional grants have been agreed, the projected reserves at the 31 March 2011 would amount to £221,000.

Assets

In the opinion of the Trustees, the charity's assets are sufficient to meet the obligations of the Trust.

Funding sources and grant giving process

The principal funding sources include a contribution from the City of London Corporation and investment income. This total income of £21,908 has enabled new grant approvals in furtherance of the Trust's aims of £23,955.

Investment Policy

The Trust invests in the City of London Corporation Charities Pool, which is managed by the City's Finance Committee. Since September 2005 the Charities Pool has been managed on a balanced discretionary basis by Artemis Investment Management Limited. The income objective has now been replaced with a policy driven by the concept of total return over the long term. The purpose of this policy is to provide for real increases in annual expenditure while preserving the capital base of the Trust in real terms. For the calendar year 2008 the Trust made a loss of 23% (compared with a return of 4.17% in 2007), which compares to UK Charity Fund (Unconstrained) Universe loss of 19.42% (in 2007 the return was 6.62%).

Going Concern

The Trust is a going concern for the foreseeable future as the Trustees have due regard to maintaining the capital base. Only the investment income is generally used in furtherance of the objectives of the Trust. The majority of the Charity's income is from investments in the Charities Pool administered by the City of London Corporation.

6. Plans for Future Periods

The key targets for 2009/10 are to maintain the current value of investments, raise funds from a number of sources including approaching livery companies to support specific projects where appropriate, to encourage bids for grant giving funds from a wide range of individuals and bodies, and select successful applicants.

7. The Financial Statements

The accounts for the year 2008/09 are set out on pages 11 to 12 followed by the notes on pages 13 to 16 and consist of the

- ◆ **Statement of Financial Activities** - showing all resources available and all expenditure incurred and reconciling all changes to the Unrestricted Fund of the Trust.
- ◆ **Balance Sheet** - sets out the overall financial position of the Trust's activities as at 31 March 2009.
- ◆ **Notes to the financial statements** - explaining the accounting policies adopted and explanations of information contained within the statements.

Under the requirements of Financial Reporting Standard 1, the Trust is not required to produce a cash flow statement.

The financial statements have been prepared in accordance with statutory requirements and the Statement of Recommended Practice *Accounting by Charities (Revised 2005)*.

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Report of the Management Committee

8. Responsibilities of the Management Committee

The Trust Deed requires that the Committee prepares financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of its incoming resources and application of resources for that period. In preparing those financial statements, the Committee is required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether the recommendations of the Statement of Recommended Practice *Accounting by Charities* (Revised 2005) have been followed, subject to any material departures disclosed and explained in the financial statements;
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to do so.

The Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Fund. It is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Statement as to Disclosure of Information to the Auditors

The Trustees have taken all the necessary steps to make us aware, as trustees, of any relevant audit information and to establish that the auditors are aware of that information.

As far as the trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware.

9. Adoption of the Report and Financial Statements

Adopted and signed for and on behalf of the Management Committee.

MEMBER 
MEMBER 
DATED 9th December, 2009

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CITY OF LONDON
ARCHAEOLOGICAL TRUST FUND**

We have audited the financial statements of the City of London Archaeological Trust Fund for the year ended 31st March 2009, which comprise the Statement of Financial Activities, the Balance Sheet and related notes 1-11. These financial statements have been prepared under the accounting policies set out therein

This report is made solely to the charity's trustees, as a body, in accordance with Sections 43 of the Charities Act 1993 and the regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the charity's financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the relevant financial reporting framework and are prepared in accordance with the Charities Act 1993.

In addition we report to you if, in our opinion the Trustees' Annual Report is not consistent with the financial statements, the charity has not kept sufficient accounting records or if the statement of accounts does not accord with those records or if we have not received all the information and explanations we require for our audit.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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Report of the Auditors

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Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2009 and of its 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 Charities Act 1993.



H GRAHAM KING & CO
Chartered Accountants & Registered Auditors
Southernhay, Suite 7
207 Hook Road,
Chessington, Surrey
KT9 1HJ

DATED 14 12 09

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2009

Income and Expenditure	Notes	2009 Unrestricted Funds £	2008 Unrestricted Funds £
Incoming Resources			
Sales	2	128	136
Donations	3	6,700	250
Contribution from City of London Corporation	4	5,000	10,000
Investment Income	5	10,080	11,810
Total Incoming Resources		21,908	22,196
Resources Expended			
<i>Direct Charitable Expenditure</i>			
Grants	6	19,080	11,916
		19,080	11,916
<i>Other Expenditure</i>			
Management and Administration	7	600	585
		600	585
Total Resources Expended		19,680	12,501
Net Incoming Resources		2,228	9,695
Other Recognised Gains and Losses			
Realised gain on sale of Investments		-	-
Unrealised (loss) / gain on Revaluation of Investments		(47,618)	(34,322)
Net Movements in Funds		(45,390)	(24,627)
Fund Balances Brought Forward at 1 April 2008		203,206	227,833
Fund Balances Carried Forward at 31 March 2009		157,816	203,206

All operations are continuing. The notes to the accounts on pages 13 to 16 form part of these financial statements.

City of London Archaeological Trust
Balance Sheet

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Balance Sheet

BALANCE SHEET
as at 31 March 2009

	Notes	2009 Total £	2008 Total £
Fixed Assets			
Investments	8	139,145	186,763
Current Assets			
Cash in hand	9	45,402	43,485
Debtors	10	1,000	-
Less:			
Current Liabilities			
Creditors	11	(27,731)	(27,042)
Total (Current Liabilities) less Current Assets		18,671	16,443
Net Assets		157,816	203,206
Funds			
Unrestricted Funds		157,816	203,206
Total		157,816	203,206

The notes to the accounts on pages 13 to 16 form part of these financial statements.

Ann Hambrook
MEMBER

David M. Gurney
MEMBER

DATED
12 January 2010

NOTES TO THE ACCOUNTS

1. Statement of Accounting Policies

(a) General

The Financial Statements have been prepared in accordance with the recommendations of the Statements of Standard Accounting Practice (SSAP's) and the Statement of Recommended Practice *Accounting by Charities* (Revised 2005) which sets out the way which a charity should report annually on the resources entrusted to it and the activities it undertakes.

(b) Investments

Investments are valued annually at the middle market price at the close of business on 31 March. The surplus or deficit on revaluation is shown as unrealised gains or losses on the face of the Statement of Financial Activities.

(c) Expenditure

All expenditure is charged to the Statement of Financial Activities as incurred or accrued as appropriate.

(d) Grants payable

A change in accounting policy was adopted in 2003/04 whereby all grants awarded in a financial year are included in the Statement of Financial Activities for that year regardless of when the actual payment is made; in previous years only payments incurred in the financial year were shown. The value of grants unpaid at the year end is included in creditors.

(e) Support Services

Accounting, legal and other services are provided by the City of London Corporation for which no charge is levied.

2. Sales

Sales total £128 in 2008/09 and represent the sale of 16 Great Fire paper weights to the Museum of London shop, (2007/08: £136).

3. Donations

Total donations of £6,700 were received in 2008/09 (2007/08: £250) and represents grants of £3,400 (London Archaeologist Magazine), £2,000 (Grocers Company), £300 (Tylers' & Bricklayers Company) and £1,000 (Dyer's company),

4. Contribution from City of London Corporation

The City's Finance Committee has approved an annual grant of £5,000 in 2008/09 followed by a grant of £5,000 in 2009/10, (2007/08: £10,000).

5. Investment Income

Interest is credited to the income and expenditure account based upon average cash balances invested by the Chamberlain at competitive rates which averaged 5.23%, yielding £1,824 in 2008/09 (2007/08: 5.87%, £1,915). Dividends are also included of £8,256 in 2008/09 (2007/08: £9,895).

6. Direct Charitable Expenditure

	2008/09 £
<u>Grant applications approved at the Management Committee on 3 December 2008</u>	
I Betts: Tin-glazed tiles	5,190
Museum of London Archaeological Service: Roman ceramics from St George Southwark	5,745
N Cohen: London and Middlesex Archaeological Society Occasional Papers series	3,800
R Powers: Radiographic investigation of fracture healing in Londinium	1,720
	16,455
<u>Grant application approved on 9 April 2008</u>	
Southwark Cathedral - FAO Reverend Colin Slee December	7,500
	<u>23,995</u>
<u>Grant applications approved but are now not required</u>	
Goodburn: Roman barrels - Management Committee on 12 December 2005	(1,875)
Seeley: coarse white – slipped ware - Management Committee on 12 December 2005	(2,000)
	(1,000)
Peter Youngs, Surrey Archaeological Society: St Mary’s Church, Barnes – publication. – Management Committee on 7 December 2007	(4,875)
	<u>(4,875)</u>
TOTAL	19,080

7. Other Expenditure

	2008/09 £	2007/08 £
Trustees Remuneration	-	-
Auditors Remuneration	490	470
Less: Audit fee adjustment 2006/07	-	(10)
Secretarial support costs	-	-
Web hosting fee	110	110
Hospitality	-	15
TOTAL	600	585

8. Investments

	2008/09 £	2007/08 £
Market Value at 1 April 2008	186,763	221,085
Sale of investments	-	-
Realised gain on sale of investments	-	-
Unrealised Net (loss) on revaluation	(47,618)	(34,322)
Market value at 31 March 2009	139,145	186,763
Cost at 31 March 2009	160,448	160,448
Unrealised Investment Gains at 31 March 2009	(21,303)	26,315

All investments are held in City of London Corporation Charity Pool Units. The Fund held 30,921 units throughout the year.

9. Cash

The cash balances are held by the Chamberlain of London, who invests them in the London money market.

	2008/09 £	2007/08 £
Cash Balance	45,402	43,485

10. Debtors

The debtor balance as at 31 March 2009 totals £1,000 and it relates to a payment by the Dyers Company for an internal peer review of the monograph text London Waterfront Tenements volume 1, (2007/08: £Nil).

11. Creditors

The creditor balance as at the 31 March 2009 totals £27,731 and relates to unpaid grants approved at the Management Committee meetings on 12 December 2005 £900, 7 December 2007 £9,886 and 3 December 2008 £16,455. This balance also includes audit fees of £490 -due 2008/09.