

CITY OF LONDON ARCHAEOLOGICAL TRUST FUND

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014
TOGETHER WITH THE TRUSTEES AND AUDITORS
REPORT**

REGISTERED CHARITY NUMBER 268160

City of London Archaeological Trust
Report and Financial Statements 31st March 2014

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1. Reference and Administrative Details

Charity Name:	The City of London Archaeological Trust
Charity Registration Number:	268160
Address of Trust:	City of London Corporation Guildhall, London, EC2P 2EJ
Management Committee:	Members of the Trust:
Members Appointed by Court of Common Council	Virginia Rounding Hugh Morris John Scott Jeremy Simons
Appointed by the Trust Deed:	Tim Williams (representing the UCL Institute of Archaeology), John Lewis (representing the Society of Antiquaries of London) Andrew Dismore (representing the Council for British Archaeology) Taryn Nixon (representing Museum of London Archaeology) Sharon Ament (Director of the Museum of London Group)
Appointed by the Committee:	Professor Caroline Barron (Deputy Chairman) (appointed 1 January 2012) Professor Clive Orton (appointed 7 December 2010) John Dillon (appointed 5 December 2011) Roy Stephenson (appointed 5 December 2011) Geoff Pick (appointed 10 December 2012) John White (appointed 10 December 2012)
Trustees:	John White (Chairman) Hugh Morris John Scott Jeremy Simons Tim Williams John Lewis Andrew Dismore Roy Stephenson Taryn Nixon Sharon Ament Professor Caroline Barron (Deputy Chairman) Professor Clive Orton John Dillon Virginia Rounding Geoff Pick
Secretary:	John Schofield, 2 Carthew Villas London W6 0BS

Treasurer:	Chris Bilsland (Replaced in May 2014 by Dr Peter Kane) 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 members of the Court of Common Council are to be appointed by ballot for an initial term of four years, which may be renewable for a further term of four years with the agreement of the Management Committee

Ex – Officio appointments:

Director of the Museum of London Group

The Head of the Museum of London Archaeology Service (from 2009 MOLA)

Appointments by Institutions or the Management Committee:

One representative to be appointed by the:

Council of British Archaeology

The UCL 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 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 2013/14 and review of achievement

This year the Management Committee of the Trust met three times, on 18 June 2013, 9 December 2013 and 10 February 2014. The main activities have been the following:

1. Redefinition of the geographical scope of the Trust. At its meeting in February 2013 (further revised in June 2013), the Committee decided that the Trust would concentrate its grant giving on the City of London and any archaeological matter relating to the City's development, including the prehistory of the area. There is no specific geographical boundary to define London's environs.

2. Assisting in the presentation of monuments in the City of London. The Trust continued in this activity:

- We continue to monitor our suggestion to the Corporation of London that a development on the site of the medieval hospital of Elsing Spital, London Wall, would be improved by marking the alignments of known walls of the hospital buildings on the ground in the future development, with contrasting stone.
- A memorial near the site of the medieval Conduit in Poultry, excavated in 1994, was constructed after a campaign by CoLAT: an inscribed slab is let into the pavement on the south side of the street.

3. Being consulted by the City of London in planning matters concerning heritage. This continues, though the Trust did not respond to any particular consultations during the year.

4. Plans for a CoLAT book or booklet were made during the year. After internal discussions about the scope of a book or booklet drawing attention to archaeological sites which could be visited in London, the preferred course is to attach the Trust to the Corporation's new series of walking guides for the City. This will be developed with the Corporation in 2014–15.

5. The Trust's website was overhauled by a consultant, Ms Meredith Jones. The revived site, much improved, was launched in January 2014.

6. The final instalment of the substantial bequest from Miss Rosemary Green was received in October 2013, making a total of £193,361. This bequest is without special conditions except for £10,000, which is to be spent on research into finds from the City of London.

7. Grant applications to the Trust were considered at a Trust meeting in December 2013. Applications totalling £56,346 (2012: £42,300) were made and £13,531 (2012: £13,024) awarded. The successful projects included proposed work at the Tudor Dovecote, Fulham Palace; a study of health in the East End of Victorian London; and a study of ritual imagery on Roman pottery from London. A decision on the application by the Secretary for his project to publish several large waterfront excavations in the City was deferred to be considered under a new scheme, enabled by the Rosemary Green bequest, for larger projects. The procedures for this new initiative for larger projects (up to 3 years' duration and £80,000 funding) are to be settled during 2014, for an intended launch of the scheme, to run in parallel to the normal grants, in late 2014. As in previous years, we welcome the support of the *London Archaeologist* magazine, which provides funds incorporated into our grant-giving. The £10,000 received from the bequest of Miss Green specifically for work on finds in the City of London was not allocated this year and is therefore carried forward.

8. A potential series of archaeology lectures at Gresham College was explored with the College. In March 2014 four potential lectures (and lecturers) were proposed to the College, who will decide in April 2014 about their lecture programme in 2014–15. A single annual (or occasional) **CoLAT lecture** in the programme of the London and Middlesex Archaeological Society is also being discussed with that Society.

9. Partly because of the arrival of the substantial Rosemary Green bequest, there were no **fund-raising applications** to other charitable bodies in the year, but some are currently in preparation for 2014–15.

The value of investments was maintained during 2013/14.

5. Financial Review

Review of the financial position

The Trust's income from continuing operations for the year was £31,716 (2012/13 £194,035). Direct charitable expenditure relating to this income was £13,313 (2012/13 £13,024). Other expenditure totaled £6,133 (2012/13 £828). The overall increase in reserves during the year was £39,432 (2012/13 £208,012) due to an unrealised gain on revaluation of investment assets amounting to £27,162 (compared with an unrealised gain of £27,829 in 2012/13), and net incoming resources of £12,270 (compared to net incoming resources of £180,183 in 2012/13). 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 2014 taken from the relevant stock exchange pricing systems. Other investments are valued annually at 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 2014 at £400,719 (2012/13 £223,559). In addition, cash balances at 31 March 2013 were in hand by £80,725 (compared to £223,995 in hand in 2012/13). The variances between the financial years were due to the Trust reducing its Cash Balances by purchasing 20,718 Charities Pool Units at a cost of £149,998.

Reserves Policy

The policy was reviewed at the Management Committee meeting on 6 April 2011, and it was agreed that the funds were sufficiently depleted and reserves should therefore be maintained at the April 2011 level (£207,438). 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 will be in 2013/14 (at the Management Committee meeting in December 2014).

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 bequest, a donation and investment income. This total income of £31,716 has enabled new grant approvals in furtherance of the Trust's aims of £13,313.

Investment Policy

The majority of the surplus funds are invested with the Charities Pool administered by the City of London Corporation and the interest is received from the Chamberlain of London on balances held on behalf of the Trust. The increase in the market value of the investments held in the Charities Pool

reflects the general recovery in the UK and overseas stock markets, together with some relative outperformance achieved by the Fund Manager which was mainly due to favourable asset allocation within the portfolio. The investments are managed by Artemis Investment Management LLP and in the year ended 31 December 2013 achieved a total return of 24.2%, which was a relative outperformance of 6.9% compared to its benchmark, the WM Unconstrained Charity Universe.

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

Plans for Future Periods

The key targets for 2014/15 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.

In particular, the decision to use the Rosemary Green bequest to initiate a Large Grants scheme, to be announced during 2014–15, also means a wish to attract other bequests or sponsorships for future flagship projects.

7. The Financial Statements

The accounts for the year 2013/14 are set out on pages 11 to 12 followed by the notes on pages 13 to 15 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 2014.
- ◆ **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)*.

8. Responsibilities of the Trustees

The trustees 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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 presume that the charity 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 charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity 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.

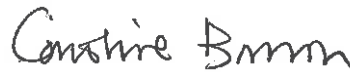
9. Adoption of the Report and Financial Statements

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

MEMBER Chairman John White



MEMBER Deputy Chairman Caroline Barron



DATED

8 DEC 2014

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE

City of London Archaeological Trust

We have audited the financial statements of the City of London Archaeological Trust Fund for the year ended 31st March 2014, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's Trustees, as a body, in accordance with Section 145 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of financial statements that give a true and fair view.

We have been appointed as auditors under Section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 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). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether accounting policies are appropriate to the Charity's circumstances and have been consistently applied and adequately disclosed the reasonableness of significant accounting estimates made by the Trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the Charity's affairs as at 31 March 2014 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

City of London Archaeological Trust

Matters on which we are required to report by exception

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

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



Kenneth Holden, Senior Statutory Auditor

For and on behalf of

H GRAHAM KING & CO

Statutory Auditor and Chartered Accountants

**Southernhay, Suite 7,
207 Hook Road
Chessington, Surrey
KT9 1HJ**

Date.....11.12.14.

H Graham King & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006 and consequently to act as the auditor of a registered charity.

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2014

Income and Expenditure	Notes	2014 Unrestricted Funds £	2013 Unrestricted Funds £
Incoming Resources			
Bequests	2	13,361	180,000
Donations	3	1,520	4,000
Contribution from City of London Corporation		0	0
Investment Income	4	16,835	10,035
Total Incoming Resources		31,716	194,035
Resources Expended			
<i>Direct Charitable Expenditure</i>			
Grants	5	13,313	13,024
		13,313	13,024
<i>Other Expenditure</i>			
Management and Administration	6	6,133	828
		6,133	828
Total Resources Expended		19,446	13,852
Net Incoming/(Outgoing) Resources		12,270	180,183
Other Recognised Gains and Losses			
Unrealised gain on Revaluation of Investments		27,162	27,829
Net Movements in Funds		39,432	208,012
Fund Balances Brought Forward at 1 April 2013		420,073	212,061
Fund Balances Carried Forward at 31 March 2014		459,505	420,073

All operations are continuing. The notes to the accounts on pages 13 to 15 form part of these financial statements.

BALANCE SHEET

as at 31 March 2014

	Notes	2014 Total £	2013 Total £
Fixed Assets			
Investments	7	400,719	223,559
Current Assets			
Cash in hand	8	80,725	223,995
Debtors		-	-
Less:			
Current Liabilities			
Creditors	9	(21,939)	(27,481)
Total Current Assets less (Current Liabilities)		58,786	196,514
Net Assets		459,505	420,073
Funds			
Unrestricted Funds		459,505	420,073
Total		459,505	420,073

The notes to the accounts on pages 13 to 15 form part of these financial statements.



MEMBER John White Chairman



MEMBER Professor Caroline Barron

DATED 8 Dec 2014

NOTES TO THE ACCOUNTS

1. Statement of Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

(a) Basis of Preparation

The financial statements have been prepared in accordance with the Charities Act 2011, the Statement of Recommended Practice *Accounting and Reporting by Charities (Revised 2005)* and under the historical cost accounting rules modified to include the revaluation of investments, and in accordance with applicable United Kingdom accounting standards.

(b) Investments

Investments are pooled with those from other small City of London charities. Underlying Listed Company investments are valued at The Stock Exchange Trading System price at 31st March 2014. Other investments are valued annually at the middle market price at the close of business on 31st March 2014. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

The unrealised gain or loss on investments at the balance sheet date is included in the Trust's funds.

The increase in the market value of the investments held in the Charities Pool reflects the general recovery in the UK and overseas stock markets, together with some relative outperformance achieved by the Fund Manager which was mainly due to favourable asset allocation within the portfolio.

(c) Investment Income

Investment income consists of distributions from the Charities Pool and interest receivable on cash balances.

The Charities Pool is an investment mechanism operating in a similar way to a unit trust. It enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

(d) Expenditure

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

(e) Grants payable

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.

(f) Support Services

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

(g) Going Concern

The Trustees consider that the current level of resources is adequate to ensure that the Charity is a going concern for the foreseeable future

2. Bequest

A bequest of £13,361 was received as the final instalment from Miss Rosemary Green (2012/13: £180,000).

3. Donations

Total donations of £1,520 were received in 2013/14 (2012/13: £4,000) and represents a grant of £1,500 from the London Archaeologist Magazine and a private donation of £20.

4. 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 1.16%, yielding £1,086 in 2013/14 (2012/13: 1.92% £2,738). Income derived from investments in the City of London Corporations charities pool of £15,749 is also included (2012/13: £7,297). The rise in income is a result of the Trust purchasing 20,718 Charities Pool units in April 2013.

5. Direct Charitable Expenditure

	2013/14 £	2012/13 £
<u>Grant applications approved at the Management Committee on 9 December 2013</u>		
Tudor Dovecote, Fulham Palace	3,240	
Health, Life and Death in Victorian London's East End	6,476	
Religion and ritual imagery on Roman pottery from London	<u>3,815</u>	
	13,531	
Kingston upon Thames: review of archaeological archive.	(218)	
TOTAL	13,313	13,024

6. Other Expenditure

	2013/14 £	2012/13 £
Auditors Remuneration	720	696
Secretarial support costs	1,250	-
Web hosting fee	4,132	132
Stationery	31	-
TOTAL	6,133	828

7. Investments

	2013/14 £	2012/13 £
Market Value at 1 April 2013	223,559	195,730
Purchase of investments at 1 April 2013	149,998	-
Unrealised Net gain / (loss) on revaluation	27,162	27,829
Market value at 31 March 2014	400,719	223,559
Cost at 31 March 2014	373,557	160,448
Unrealised Investment Gains at 31 March 2014	27,162	27,829

All investments are held in City of London Corporation Charity Pool Units. The Fund held 30,921 units at the beginning of the year and purchased a further 20,718 units on 1 April 2013 to give the Trust a total of 51,639 units throughout the year.

8. Cash

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

	2013/14 £	2012/13 £
Cash Balance	80,725	223,995

9. Creditors

The creditor balance as at the 31 March 2014 totals £21,939 (2013: £27,481) and relates to unpaid grants approved at the Management Committee meetings on 9th December 2013, £13,531, 10th December 2012, £7,688. The balance is for the audit fee of £720 including VAT.

10. Details of Related Parties and wider networks

The following disclosures are made in recognition of the principles underlying Financial Reporting Standard 8 concerning related party transactions.

The City of London Corporation is also the Trustee of a number of other Charitable Trusts. With the exception of the City of London Charities Pool, these Trusts do not undertake transactions with the City of London Archaeological Trust. A full list of these Trusts is available on application to the Chamberlain of London.

The Trust has investments in the City of London Charities Pool of which the City of London Corporation is also the Trustee.

Mr John Schofield as Secretary of the Trust received an honorarium of £1,250 as agreed by the Trustees.