

COTSWOLD ARCHAEOLOGY LTD

England & Wales - Charity number 1001653

Details

Other names	COTSWOLD ARCHAEOLOGICAL TRUST LTD, COTSWOLD ARCHAEOLOGY
Status	Registered
Legal form	Charitable company
Company number	02362531
Registered	1991-01-24
Register	View on the Charity Commission register

Contact

Address	Cotswold Archaeology Ltd. Building 11 Cotswold Business Park Kemble Cirencester GL7 6BQ
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Website	www.cotswoldarchaeology.co.uk

Activities

Objects: THE COMPANY IS ESTABLISHED TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE SUBJECT OF ARCHAEOLOGY AND THE APPRECIATION AND UNDERSTANDING OF THE CULTURAL HERITAGE AND HISTORIC ENVIRONMENT IN THE UNITED KINGDOM AND OTHER PARTS OF THE WORLD.

Activities: We achieve our Object by creating knowledge which accrues from archaeological and heritage investigations and other research. Through our research we make the past relevant, interesting and enjoyable to a broad spectrum of beneficiaries. Developing knowledge of the past amongst stakeholders increases community cohesion and identity, and furthers an overall appreciation of the world we live in

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM AND OTHER PARTS OF THE WORLD
- Ireland
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£39,191,592	£37,527,449	£18,426,222	343
2024-03-31	£29,631,840	£28,097,783	£15,391,275	312
2023-03-31	£24,160,424	£21,066,022	£12,825,110	279
2022-03-31	£25,231,191	£23,356,911	£7,262,366	290
2021-03-31	£19,075,331	£17,583,954	£4,478,140	266

Trustees

Name	Role	Appointed
Dr Laura Helen Evis	Chair	2018-09-12
ALAN MALCOLM CHATER BSC FCA		2011-11-02
Angus James Cameron		2025-09-03
Clare Kirk		2018-09-12
Dr Christopher John Young		2018-09-12
Karen Ann Pilling		2019-09-11
Kevin Mark Gleeson		2025-09-03
Nicholas James Hunt		2025-09-03
Sue Parsons		2014-11-19

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Accounts

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st MARCH 2025

COMPANY REGISTRATION NUMBER - 2362531
CHARITY NUMBER - 1001653

REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 31st MARCH 2025

OBJECTIVES AND ACTIVITIES

Objectives

The object of the Charity is to advance the education of the public in the subject of archaeology and the appreciation and understanding of the historic environment in the United Kingdom and other parts of the world. We achieve this by creating knowledge which is gathered from archaeological investigations and other research.

Cotswold Archaeology strongly supports a sustainable approach to our cultural heritage, and we utilise our professional expertise to balance the preservation of the most important aspects of our heritage with society's current and future needs. We adhere to the principle that significant heritage assets and their settings should be preserved, but where this is not possible ensure that such assets are recorded to the highest standards, and the results of this work widely disseminated. As a Registered Organisation accredited by the Chartered Institute for Archaeologists (CIfA) we signify our commitment to the maintenance and development of the highest professional standards.

The Charity has adopted a Strategic Plan to guide its activities until the end of 2025. A new plan to cover the period to 2030 will be prepared during 2025.

Mission

Cotswold Archaeology exists to increase public awareness and appreciation of the past. We create and communicate knowledge so that it can be valued and enjoyed by present and future generations. We are a leading supplier of professional heritage services who provide high-quality expertise and advice to our customers. We continually aim to improve our service so that we maintain our market-leading reputation.

Values

Our Guiding Principles are:

- We use our research to make the past relevant, interesting and enjoyable to a broad spectrum of beneficiaries;
- Developing knowledge of the past amongst stakeholders increases community cohesion and identity, and furthers an overall appreciation of the world we live in;
- Engagement with heritage activities, either directly or indirectly, benefits individual wellbeing;
- We commit to the maintenance and development of the highest professional standards in our activities;
- We always strive to meet the needs and aspirations of our customers; and
- We want to be a great company to work for.

We link our activities to our Mission and Values through a performance chain that measures our efficiency and effectiveness.

Vision / Strategic Goals

Objective 1: Increase society's understanding and appreciation of the past through improved awareness and knowledge of archaeology.

Objective 2: Enhance our reputation as a high performing and innovative Charity that produces excellent work.

Objective 3: Commitment to the health, safety, wellbeing and safeguarding of our staff and other people we encounter in the course of our work.

Objective 4: Remain a top tier provider of professional heritage services in the UK.

Objective 5: Be a resilient, secure and stable Charity that can adapt to changing circumstances and is well prepared for unexpected events.

Objective 6: A great employer. Be one of the best companies to work for.

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REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 31st MARCH 2025

Public Benefit

Our Mission, Values and Vision all combine towards the delivery of a public benefit, which Trustees keep under regular review by reference to the guidance on public benefit published by the Charity Commission following the Charities Act 2011. This requires an identifiable benefit or benefits to arise from the work of charities, and such benefits to be available to the public or a section of the public. The activities of Cotswold Archaeology meet that test.

STRATEGIC REPORT

Achievements and Performance

We report here on our performance during 2024/25 in delivering the six objectives set out in the previous section. We evaluate our activities under the headings of *Knowledge Creation*; *Facilitating Access to Knowledge and Creating Social Value*, and *Sustainability, Innovation and Company Development* (which collectively address Objectives 1 and 2); and *Caring For and Developing Our People* (which addresses Objectives 3 and 6). The *Financial and Operational Review* examines our progress with Objectives 4 and 5. The Charity maintained a high level of income and staff deployment throughout 2024/25 due to our involvement in a wide range of projects, some of very large size. This has allowed us to maintain a strong research output and continue our progress in reaching a diverse range of individuals through our public engagement activities.

Knowledge Creation

Archaeological investigations are an important means by which knowledge about the past is created. The frequency and scale of these projects is closely tied to the level of development in the UK. We were able to secure a good workflow of project commissions throughout the year, despite a somewhat subdued residential housebuilding sector.

Demand for our fieldwork services was driven in large measure by projects associated with energy security, water infrastructure and residential development. Demand for post-excavation and consultancy services was also strong. Many new projects were started during the year, alongside continuing work on those initiated previously. We worked with Oxford Archaeology Ltd (a registered charity) as a Joint Venture known as Oxford Cotswold Archaeology (OCA JV) on major fieldwork investigations associated with the Sizewell C development in Suffolk and the A417 Missing Link trunk road in Gloucestershire. The latter project neared completion in the field during the year. Post-excavation work by the JV focused on a prehistoric causewayed camp at Thame, Oxfordshire, and a site within the Redcliffe suburb of medieval Bristol. The final reports on both projects were published as our first two OCA monographs. We are also well underway on post-excavation work for the A417 and Sizewell investigations.

The five largest projects undertaken during the year were field investigations in Gloucestershire, Kent, Oxfordshire, and Suffolk (x 2). We also devoted considerable resources to post-excavation analysis and report production, desk-based research and projects associated with historic buildings and landscapes. Field projects conducted during the year which will have a high research impact when the results have been fully analysed and disseminated include:

- *Coventry*. Part of the quarters, stables, hospital and smithy of a Napoleonic-era barracks constructed in 1793.
- *Gloucester*. Buildings within the Roman town and 350 medieval and post-medieval burials associated with the Church of St Aldate.
- *Fordingbridge, Hampshire*. Late Roman enclosures and trackways containing circular or semi-circular structures, evidence of metalworking, ovens, and hearths.
- *Herne Bay, Kent*. Neolithic pits and Bronze Age houses, enclosures, trackways and cremations; Late Iron Age enclosures and settlement and Early Roman cremation burials and timber buildings. Later medieval or early post-medieval enclosures were also present.
- *Wembdon, Somerset*. A Late Iron Age/Roman farmstead with multiple semi-circular structures within small enclosures associated with agricultural, domestic, and light industrial functions.
- *Thornbury, South Gloucestershire*. A Late Iron Age and Roman farmstead which produced several high-status objects including part of a glass cremation vessel.
- *Flixton Park Quarry, Suffolk*. Prehistoric, Roman, medieval and post-medieval activity on the margins of the floodplain of the River Waveney. Neolithic and Bronze Age pits, and an Early Bronze Age ring-ditch with a potentially earlier enclosure inside. Large Roman aisled building, corn-drier, timber-lined well and clay-lined trough. Medieval ovens and a post-medieval brick kiln.
- *Sizewell C, Leiston, Suffolk (OCA JV project)*. Activity spanning from the Early Neolithic to the post-

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REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 31st MARCH 2025

medieval period. Of particular note are c.350 Early Neolithic pits and a large number of medieval ovens and associated structures within the hinterland of Leiston Abbey. Two areas of Roman salt making were also identified. Other finds include a Palaeolithic handaxe, Early Bronze Age pits, two ring-ditches and cremation burials.

- *Bury to Colchester water pipeline, Suffolk.* At one location an area of dense Roman settlement included wooden and stone-founded buildings, the latter likely a granary.
- *Wisley, Surrey.* Bronze Age to Iron Age enclosures, pits and four-post structures.

We worked on several projects looking at rewilding parts of the landscape to improve biodiversity. This sits alongside commissions to update management regimes for large landscape monuments with an emphasis on balancing heritage interest with nature conservation and enhancement. Examples include detailed LiDAR assessments and ground-truthing around Neroche Castle, Somerset, and management plans for Dumpdon hillfort, Devon, round barrows and World War II structures near Dorchester, Dorset, and Grim's Ditch, Oxfordshire.

Work on historic buildings was in many cases associated with schemes which aim to provide sympathetic new uses for old buildings which no longer serve their original function. Notable projects include recording and monitoring during restoration of Penydarren Bridge, Merthyr Tydfil, one of the earliest cast iron bridges in the world and a scheduled monument. At Manod Quarry, Gwynedd, we recorded a subterranean storage facility which was used to store the National Gallery's artwork during the Second World War. This project included a programme of public engagement. We have also supported the restoration of several historic buildings, including the rare survival of a 15th-century house in Warwick.

Partnerships, Collaborations, and Professional Citizenship

The Board believes that benefits come from working in partnership with other organisations (both within and outside of the heritage sector) that share similar values and objectives to us. In some situations, partnerships with other archaeological organisations allow us to work on larger projects without exposing ourselves to excessive risk. Oxford Cotswold Archaeology JV, mentioned above, is our most significant example of collaborative work. We also collaborate with academic institutions on a variety of research projects. During the year we contributed to projects including: *Feed the birds/do not feed the animals* (Exeter University); *Tales of trauma: life and violence in Roman Gloucester* (Exeter University); *Rewilding later prehistory* (Oxford University); *Rendlesham revealed* (Suffolk County Council and University College London); *One thousand genomes* (an ancient DNA study run by the Francis Crick Institute); projects run by the Molecular Population Genetics Lab, Trinity College Dublin; *Hidden kingdoms: The South-West of Britain in late antiquity* (Exeter and Cardiff Universities); *Bio-cultural impacts on British biodiversity, AD 0-1000* (NERC funded PhD studentship, Exeter University); *Roman Britannia: mobility and society* (Cardiff and York Universities). We also supported a PhD student undertaking doctoral research on the bird bones from our community excavation at Clare Castle, Suffolk.

Knowledge creation is served by the existence of a strong heritage sector, a well-trained work force, and a corporate commitment to innovation and service development. Cotswold Archaeology is accredited under the ISO 9001: 2015 quality management scheme. As such we commit to continuous improvement. We also play an active role in furthering the discipline and practice of archaeology through staff participation in a wide range of professional citizenship activities both within the UK and internationally.

Facilitating Access to Knowledge and Creating Social Value

Dissemination of Research

Our activities have a positive impact on the various constituencies (public; professional; academic) interested in the archaeology and history of the UK, and our work furthers public knowledge and understanding of the historic environment. We commit to a high standard of research and take pride in the academic quality of our research publications. Our activities provide public benefit as we make the results of our work widely available to our beneficiaries at little or no cost. Current in-print monographs and journal articles are widely available through public lending libraries. Our unpublished reports are available either via our website or at publicly accessible archives. Our Reports Online library of grey literature reports allows visitors to download our unpublished fieldwork reports. This very popular and well-used resource now hosts 5,644 fieldwork reports (5,420 in 2024), and the number continues to grow steadily. The reports can be searched via keyword and map-based interfaces and downloaded at no cost. This section of the website attracted 13,558 downloads during the year. Some 3,420 (3,276 in 2024) of these reports are also freely available online via the Library of Unpublished Fieldwork Reports hosted by the Archaeology Data Service. All our out-of-print monographs are available as pdf downloads from our website, along with an increasing number of reports published in journals and periodicals.

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We published two further books in our Cotswold Archaeology monograph series during the year, one reporting on our excavations at Hinkley Point, Somerset and the other on our work at Wroughton, Wiltshire. In addition, we published our first Oxford Cotswold Archaeology monograph on our JV excavations at Thame, Oxfordshire, and a three-volume report in the East Anglian Archaeology series on excavations at RAF Lakenheath in Suffolk. Some 25 other reports were published in a variety of academic journals on projects in Cambridgeshire, Bristol, Buckinghamshire, Cardiff, Gloucestershire, Hampshire, Northamptonshire, Oxfordshire, Suffolk, and Wiltshire. These journals are widely distributed, both in the UK and internationally, and can be obtained from public libraries and, increasingly, online. Much preparatory work was undertaken on reports on other projects which will be published in the next few years.

Social Value

Delivery of public benefit and social value is very important to Cotswold Archaeology. We have defined five social value activities appropriate to our activities and evaluate our performance in delivering them with reference to the National Social Value Measurement Framework (TOMs). The five activities are: Community Support and Engagement; Access to Work; Readiness for Work; Good Governance and Local Spend. The Board receives an annual social value performance report detailing our activities and approves the targets for future years. Social value achievements in 2024/25 can be summarised as follows:

#1 Community Support and Engagement. We foster healthier, safer and more resilient communities by helping to connect people and places through engagement with archaeology and heritage. We are committed to communicating our work to a wide range of beneficiaries, including people of all ages and varying levels of prior knowledge of archaeology. Our beneficiaries range from school children to retired people and from those with a well-developed passion for the past to those with a more casual interest in the history of their community and local area. We strive to develop and tailor our outputs to appeal to traditionally under-served groups in our society. To this end, we delivered during the year:

- 30 in-person talks.
- 12 in-school sessions in primary and secondary settings supporting the delivery of history, local history and the STEM curriculum.
- 6 on-line webinars.
- 7 open days or exhibitions (including participation in museum-led events and opening our Milton Keynes archaeological store to the public in support of a city-wide Heritage Open Days initiative).
- Volunteering opportunities in our offices and in the field totalling 6,794 hours and involving 178 individuals.

As a Charity we actively encourage and support public participation in archaeology to support individual well-being. We place considerable importance in working with local groups to deliver impactful community projects, helping to foster community cohesion and pride of place. Notable achievements include:

- *Willersey, Gloucestershire.* Working with Historic England, we recruited, trained and supervised volunteers on a community excavation to understand the wider context of the discovery of two Roman swords by a metal detectorist.
- *Kelmscott, Oxfordshire.* Working with our partners, the Society of Antiquaries of London, we delivered on-site school activities for two local schools together with fieldwork volunteering opportunities and public tours.
- *World War Two B17 bomber crash site investigation, Suffolk.* We completed our second recovery operation for the US Defense POW/MIA Accounting Agency working with Operation Nightingale and local volunteers.
- *Malmesbury, Wiltshire, Big Dig Weekend/Athelstan 1100.* We provided fieldwork support for a test pit excavation weekend and follow-up talks and public finds viewing.
- *Minety, Wiltshire.* The third and final season of excavation of a Roman tile kiln generated a great deal of local interest and was supported by a committed and enthusiastic group of fieldwork volunteers.

Digital platforms and media engagement are fundamental to how we connect people with the past. From social media to online press, 3D models to TV broadcasting, our strategy centres on making archaeology accessible, inclusive, and visible. Our digital channels allow us to reach individuals who may never attend a dig or public event, extending our impact across geographical, social and physical barriers. During the year we welcomed over 184,700 visitors to our websites. This includes the newly launched Oxford Cotswold Archaeology site, built to showcase the JV's collaborative strengths and discoveries, and promote its public engagement events. Our Virtual Museum now contains c.250 objects, of which a third have interactive 3D models. This cements its dual role as both a public exhibit and a researcher resource. We also created our first virtual site tour, for the Minety Roman tile kiln, setting a precedent for immersive storytelling in public

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FOR THE YEAR ENDED 31st MARCH 2025

archaeology. Behind the scenes, we acted to improve the accessibility of our websites via actions such as alt-text for images, video captioning, colour-blindness friendly colour palettes, and better readability of our web articles.

Across social media we have maintained strong growth, ending the year with over 49,500 followers across six core platforms, and achieving 1,600,000 impressions. Engagement peaked during campaigns such as Neurodiversity Celebration Week, where our storytelling and staff personal perspectives humanised our work and promoted a culture of inclusivity. Our recruitment and apprenticeship campaigns have had significant impact, using platforms like LinkedIn to attract high-quality applicants and communicate career pathways.

Through video and livestreaming we have opened new avenues to participation. A highlight was the B-17 Memorial Day, broadcast globally to include surviving family of the plane's fallen crew. Our YouTube channel, now with over 2,000 subscribers, received 50,270 views in the year, with more than 26,000 of these attributable to the 2024 Mick Aston Annual Lecture. The channel features conference talks, Q&As, and our lecture series. It appears on Historic England's recommended lists and is used in higher education.

Strong online storytelling continues to translate into mainstream exposure: press coverage totalled 225 media engagements with 100 international and nearly 50 national features, including the BBC's *Digging for Britain*, *CBS News*, *The Guardian*, *New York Times* and *The Times*. These collaborations extend our educational impact and amplify our reputation for public-facing, evidence-based, archaeology.

#2 Access to Work. We promoted local skills and employment via our support for apprentices. Three individuals successfully completed their Level 3 Archaeological Technician apprenticeship during the year. We also provided work experience placements for 20 individuals across our four offices.

#3 Readiness for Work. We attended 16 careers fairs at local schools, regional events and universities during the year.

#4 Good Governance. We strive to set exemplary standards of good governance and responsible employment. The Charity is committed to equality, diversity and inclusion and organises workplace sessions to raise awareness of these issues. We place considerable emphasis on staff well-being and support mental health in the workplace. We continually seek improvements to our company working culture so that colleagues can be open about their mental health and will be supported if they do so. We operate a Mental Health First Aider scheme. A Neurodiversity Employee Resource Group was created during the year, with much positive staff feedback. We will explore the potential for creating other Employee Resource Groups.

We publish our Gender Pay Gap report in line with Government requirements. Our median gender pay gap at 5 April 2024 had decreased from the previous snapshot at 5 April 2023, but there is more we want to do to maintain progress in reducing the imbalance. For instance, women are under-represented at managerial level in some parts of the Charity, and we encourage and support females so they can better compete for these roles. We encourage and support female managers to serve as visible role models and mentors for their junior colleagues.

#5 Local Spend. We favour the local procurement of goods and services where practicable so that we make a positive economic contribution to the communities we work in. We support small, local, and diversely owned businesses through the implementation of our procurement policy and a programme of staff training in the principles of responsible procurement. Our central register of suppliers allows us to better communicate our corporate values and policies to our supply chain, in particular those relating to anti-bribery, carbon reduction, equality, diversity, and inclusion, modern slavery, and sustainability.

Caring For and Developing Our People

The Charity cannot deliver its objectives without an expert, well-trained and motivated work force. Recruitment of adequate numbers of professional archaeologists with appropriate skills and experience is a challenge across the heritage sector, and we place great emphasis on the recruitment and retention of talented individuals. The Board has heightened its focus on people-related matters in recent years through its review of an annual people report. The Charity is committed to a comprehensive programme of staff training.

We strive to develop our people to their maximum potential and continue to invest in an award-winning graduate training programme. We also believe that non-graduates can play a valuable role in our profession. Our three Level 3 Archaeological Technician apprentices completed their training during the year.

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FOR THE YEAR ENDED 31st MARCH 2025

We emphasise the importance of colleague communication and promote staff engagement with our Mission, Values and Vision. In addition to face-to-face briefings, we convene online staff 'town hall meetings' where colleagues receive updates on the performance of the Charity and are able to ask questions. Our internal online staff newsletter is well read. We undertake an annual staff survey and formulate an action plan to react to the key trends identified.

We commit to exemplary standards of health and safety performance to ensure the health, safety and wellbeing of our staff and all others affected by our work. We recognise that a safe working culture in which risk of harm is minimised is a key factor in the success of the Charity. Our people are our most important assets. We maintain an occupational health and safety management system in accordance with the high standards required for our ISO 45001 accreditation. This goes beyond basic compliance with relevant legislation. The Board approved updated Health and Safety Policy and Procedures in March 2025 and receive an annual performance report.

Whilst overall responsibility for health and safety policy and implementation rests with the Board, it has delegated to the Chief Executive authority for policy provision, safety management systems and legal compliance. We commit to continuous improvement in the management of health and safety and the Board monitors that an appropriate level of resource is devoted to this. Our current objectives are:

- To provide best practice and control of the health and safety risks arising from our work activities.
- To consult with colleagues on matters affecting their health, safety, and wellbeing.
- To provide and maintain safe vehicles, plant, and equipment.
- To ensure safe handling and use of substances.
- To provide information, instruction, and supervision for employees.
- To ensure all employees are competent to do their tasks, we provide them with appropriate training and follow best practice.
- To prevent work-related ill health.
- To support and look after the physical and mental wellbeing of our colleagues.
- To maintain safe and healthy working conditions.
- To review and revise the Health and Safety policy at least annually.

Safeguarding of our staff and all others we encounter during the course of our activities (including the recipients of our digital communications) is of the utmost importance to the Charity. Our Safeguarding Policy is accompanied by a procedure that explains how to raise a concern and how it will be investigated.

Sustainability, Innovation and Company Development

Environmental Sustainability and Carbon Reduction

Cotswold Archaeology is committed to initiatives that advance environmental, economic, and social sustainability for current and future generations. We support the principle of sustainable development, and our Corporate Mission and Objectives directly align with United Nations Sustainable Development Goal 11.4: *Strengthen efforts to protect and safeguard the world's cultural and natural heritage*. We work collaboratively with our peers and stakeholders to develop, implement and enhance the climate action agenda in the heritage sector.

We adopted a Sustainability Policy in 2022 to guide our activities, and the Board receives an annual sustainability progress report. Cotswold Archaeology is committed to achieving Net Zero Carbon by 2050 and has chosen the 2022/23 financial year as the baseline year against which progress will be compared. The Board has a Carbon Reduction Plan which includes actions to reduce our carbon footprint, both scope 1 and 2 emissions from our buildings and vehicle fleet, and scope 3 emissions from staff commuting, business travel and purchased goods and services. The plan includes actions across data management, staff, technology, and management systems and is subject to the processes laid out in our ISO 14001: 2015 Environmental Management system which is independently certified.

Our overall market-based carbon footprint for 2023/24 is 8tCO_{2e} lower than 2022/23 on a like-for-like basis. The areas that saw the greatest absolute reductions were upstream leased assets (i.e. plant hire) and stationary combustion (burning of kerosene to heat one of our offices). The largest absolute increases were from purchased goods and services, commuting and the Company vehicle fleet. We benchmark our carbon footprint relative to the growth of the Company to allow fair comparison year-on-year. This shows that our kgCO_{2e} per £m of income has decreased since 2022/23.

PAS 2080 is a global standard for managing infrastructure carbon. It provides a standardised methodology for recording project-specific carbon data, although the precise requirements are set by clients who utilise this standard. To be accredited for PAS 2080 we will need to have been subject to, and passed, an external audit,

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which is a two-stage process. We have registered with an auditor and are targeting accreditation by the end of 2025.

Innovation and Service Development

Cotswold Archaeology is committed to digital innovation and has adopted a three-year programme that will bring about a step change in our digital capacity, resilience and security. 2024/25 was the first year of the programme and the main achievements were maintaining our Cyber Essentials Plus accreditation; installation of new firewalls; improving our backup systems so our data are securely stored, easily accessible and protected from unexpected events; replacing our antivirus and malware systems and upgrading numerous PCs and laptops. We have also improved our geomatics capability significantly over the last few years. This year we continued with a programme of instrument upgrades, adopted terrestrial scanning and aerial LiDAR and improved automation and workflows.

We are the joint owner with Oxford Archaeology of a software system that allows us to capture digital archaeological data in the field. The two charities are committed to the future development of the system and continue to invest in it. During the year we implemented various software upgrades, such as an improved digital mapping interface and the addition of new features to the recording system and improved functionality. Additional tablets were deployed to our sites, supported by a concerted training and upskilling programme, which increasingly allow our archaeologists to capture born digital data on site.

Future Plans

The Charity has a strong order book of projects for 2025/26, and the Trustees believe it is well placed to achieve its budgets for the year. Our current investment priorities are focussed on the following areas.

- Developing our expertise and capability in digital data management to make us more efficient and technologically proficient.
- Improving our skills development and training programmes so that employees develop to their full potential quicker.
- Building workplace culture as an effective recruitment and retention tool.
- Developing our post-excavation analysis and publication capability so that it keeps pace with the increasing volume of fieldwork undertaken.
- Enhancing our sustainability and social value performance.

Specific objectives for 2025/26 include:

- Formulating a new Strategic Plan to guide our activities to 2030.
- Improving the safety and management of our vehicle fleet through driver training initiatives.
- Continuing with initiatives to support the mental health of our staff, including managerial training in mental health recognition, and promoting the greater visibility of our mental health first aiders.
- Building on our recent progress in the use of drones and laser scanners to collect archaeological data.
- Migrating our Digital Recording System into the Cloud.
- Replacing our Virtual Server and network infrastructure.
- Creation of a centralized archaeological store in Milton Keynes that makes better use of the available space.
- Refreshing the content and design of our website.
- Implementing actions in support of our social value agenda.
- Evaluating and implementing actions in support of our Carbon Reduction Plan.
- Obtaining PAS 2080 accreditation.
- Recruiting new Trustees to join our Board via public advertisement.

We want to remain a leading supplier of professional heritage services in the UK and further consolidate our position and reputation within and outside the heritage sector. We have developed an excellent reputation for the quality of our community engagement activities, and we will continue to invest in them. We also want to develop further partnerships with academic institutions to deliver high-quality synthesis and research projects.

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FINANCIAL AND OPERATIONAL REVIEW

Investigations of archaeological and heritage sites are largely funded by bodies which act in the role of developer, and it is normal practice for these bodies to engage our services through contract. We maintain a professional archaeological service to undertake this research. The major sources of this income derive from Government agencies, local authorities, landowners and commercial organisations. The Charity secured an income of £39,166,531 from its unrestricted activities to enable it to undertake its work (£29,578,957 in 2024). We registered an operational surplus (net incoming resources) for the year of £1,654,947 (£1,539,165 in 2024).

The Charity operates from four offices. We supplemented our original base in Cirencester by opening offices in Milton Keynes in 2011; Andover in 2012 and Suffolk in 2019. In addition to the delivery of project work, our offices function as hubs from which we can forge links with local stakeholders. The existence of these offices allows us to undertake investigations throughout the UK.

The amount of heritage work undertaken in the UK is closely tied to the health of the construction and development industries. We were able to maintain a strong work programme throughout the year, despite high interest rates discouraging activity in some construction sectors. Trustees consider that the Charity has sufficient reserves to withstand any short-term diminution in the demand for its services caused by deterioration in the volume of construction activity.

The Charity maintains close control of its finances. A budget is adopted by the Board for each forthcoming financial year, and performance is measured against this. Key performance indicators are monitored monthly by the Senior Management Team, and the quarterly management profit and loss account and balance sheet are reviewed by either the Full Board or the Finance, People and Culture Committee. If significant variation to the budget is anticipated, a revised budget is prepared for Board approval. The Charity implements rigorous credit control procedures to ensure the timely payment of bills and the maintenance of liquidity and cash flow.

Pension Schemes

The Charity operates two pension schemes, one defined contribution scheme (administered by Royal London) and a defined benefit scheme administered through the Gloucestershire County Council Pension Fund. The defined contribution scheme is open to all employees whilst the defined benefit scheme was closed to new entrants in 2007. Our individual fund within the Gloucestershire County Council pension fund was £3.873m in surplus at 31 March 2025 according to the FRS17 accounting standard, an improved position from March 2024 that results in a positive contribution on the balance sheet of £1.380m. This improvement can be attributed to large measure to a significant increase in the discount rate compared to last year which places a lower value on obligations. Employer contribution rates are currently fixed until 31 March 2026.

Trustees have paid close attention to the implications of the pension valuation on the operations of the Charity over many years and are familiar with the volatile nature of the FRS102 calculation. Experience suggests that positive movements in our funding position are frequently counteracted by negative movements in subsequent years. The funding position does not pose any short-term risk to the Charity, but Trustees remain mindful of the long-term implications. A designated fund was created in 2014 within our unrestricted funds to cover any pension deficit at the point the Charity finally leaves the scheme. Trustees consider it prudent to both maintain this fund and increase its value as finances allow.

Reserves Policy

The Reserves Policy received its annual review. Trustees consider it important to build up sufficient free unrestricted reserves not designated for other purposes to finance our planned programme of research for the foreseeable future. The Trustees consider that we should aim to sustain free reserves equivalent to at least three months' working capital to allow normal business activities to be undertaken without major financial risk, and to mitigate the risks to the Charity of a shortfall in budgeted income.

At 31st March 2025 the Charity had free reserves of £9.7m. Trustees are very mindful of the volatile fluctuations in the valuation of our defined benefit pension fund and that the current positive funding position may not persist in future years. They are content that the Charity has an appropriate level of reserves to support our research and education activities over the coming years.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 31st MARCH 2025

Investment Policy

The Charity has built up funds from its trading operations which are held as unrestricted reserves. Part of these funds is retained in cash deposits to support day-to-day cash flow requirements and the remainder is available for investment. The sums required or available in both categories fluctuate according to trading conditions, so flexibility is an important consideration. We aim to preserve the value of our invested funds against inflation and to achieve modest capital growth by means of prudent placements in a diversified range of investments with a low level of risk. Diversity is sought both in terms of the range of placements and length of commitment. Within this policy, the Trustees have delegated responsibility for investments to the Finance, People and Culture Committee which comprises both Trustees and professionally qualified staff. The Finance, People and Culture Committee undertakes on an annual basis a financial health check of the investment portfolio. This investment policy is itself subject to annual review.

Principal Risks and Uncertainties

The Trustees identify and review the risks to which the Charity is exposed. We have a risk management policy which sets out procedures and systems to mitigate those risks. Risk is assessed as part of the ISO 9001: 2015 quality management system which is subject to annual external audit. The Senior Management Team maintains a Risk Register which is regularly updated, with the major risks reviewed by Trustees at every Full Board meeting. The risks that scored highest in the risk matrix at March 2025 were:

Operational Risks

- Increasing threats from cyber-attacks could affect the delivery of our work. It is vital that our current IT security protocols and software are kept under constant review.
- Inadequate IT capability and resilience which exposes us to delays in working and downtime.
- Disruption to operations, financial liabilities, loss of income and damage to reputation caused by a serious health and safety incident.
- Cuts in Government spending lead to reduced opportunities to work on major public infrastructure projects and thus less demand for our services overall.
- Recession in the UK economy leads to less demand for our services from private sector clients, especially residential house builders.
- Disruption to business activities brought about by shortages and price rises (including power and vehicle fuel) as a consequence of issues with global supply chains and political situations.
- Failure to find senior managers with sufficient skills to successfully lead and manage a company of our size.
- Difficulty in recruiting sufficient numbers of Archaeologists with appropriate competencies/experience to service major labour-intensive contracts.

Financial Risks

- Inadequate commercial awareness (and confidence) leading to overly risky contracts and poor client communications during their execution.
- Rising supply costs cannot be fully passed on to customers leading to reduced profitability.

Trustees are satisfied that appropriate contingency measures are in place to mitigate these risks. The Charity also maintains a Business Continuity Plan which is reviewed as part of the ISO 9001: 2015 system.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cotswold Archaeology Limited is registered as a Charity. It is also incorporated as a Company, limited by guarantee and without share capital. The Charity is run in accordance with its Articles of Association which were last revised in 2021. The Articles state that the Board of Directors, who are also Charity Trustees, shall not be less than five or more than twelve. Directors are appointed for a three-year term and retire at the end of this period. A retiring Director is eligible for re-election. Some of our projects are of lengthy duration, ten years or more is not uncommon, and accordingly the Board considers that continuity and experience amongst the trustee cohort to be beneficial. Four Trustees have served on the Board for in excess of nine years: Mr A. Chater to assist with long-term business continuity and on account of his special experience with financial management; Mr P. Cullen on account of his long-term experience of working with commercial development companies; Ms V. Fenner given her experience of community engagement, and Ms S. Parsons on account of her accountancy and charity governance experience. Mr Cullen and Ms Fenner have given notice of their intention to retire from the Board at the 2025 AGM. The Chair, Vice Chair and Committee Chairs are elected for three-year terms, at the conclusion of which they are eligible for re-election.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 31st MARCH 2025

The Charity was deeply saddened by the death of its Chairman Professor Timothy Darvill on 5 October 2024. Tim was a founder trustee of the Charity in 1989 and his contribution over the years has been immense. He will be greatly missed. Mr K. Winmill retired from the Board at the 2024 AGM after twelve years of excellent service. Vice Chair Dr Laura Evis became Interim Chair upon the death of Professor Darvill and was confirmed in this position on 11 December 2024. Ms Karen Ann Josephides is now the Vice Chair. Trustees are satisfied that the Board contains a good mix of skills and attitudes and that there is diversity of opinion and a culture and willingness to constructively challenge views expressed by fellow Trustees and the executive when appropriate.

Three Trustees have given notice of their intention to retire from the Board at the 2025 AGM and accordingly the Charity has sought new Trustees via a public advertisement campaign. During the recruitment process Trustees were mindful of their wish to promote equality, diversity and inclusion in the composition of the Board. The successful candidates will provide declarations of eligibility to serve as a Trustee and a Company Director and confirm that they meet the HMRC test of 'A fit and proper person'. They will receive a programme of induction from the Chief Executive to fully inform them of the workings of the Charity, the responsibilities attached to trusteeship, the organisation of archaeology in the UK, and the objectives, opportunities and challenges facing the Charity. Trustees are reimbursed for out-of-pocket expenses, such as transport costs to attend meetings and visit projects but are otherwise not remunerated

Cotswold Archaeology aligns with the Charity Governance Code for England and Wales, and the management of the Charity is regulated by a Code of Governance. Delegated authorities to management are granted via a power of attorney and a schedule of delegated financial authority. Both documents were reviewed and refreshed during the year. The Chief Executive has responsibility for appraising Trustees of new legislation, guidance and statements of good practice to enable them to effectively discharge their responsibilities. Our future direction is guided by a Strategic Plan.

The Full Board meets at least twice per year, plus an Annual General Meeting, while its two committees (Archaeology and Public Engagement, and Finance, People and Culture) each meet on at least a further two occasions. This year the Full Board met on five occasions given the death in service of Prof Darvill in October 2024. Trustees are required to declare any interests at the commencement of each meeting. Full Board attendance during the year was 81% (2024: 84%). Reports from the committees are presented to the Full Board at least twice a year.

The Board of Trustees reviews the success of the Charity in meeting its stated aims and objectives at Full Board meetings. It benchmarks progress against targets set in the Strategic Plan which underpin the six strategic goals which form our Corporate Vision. A panel of Specialist Academic Advisors assists the Trustees in validating and assuring the quality of our projects and publications.

To meet our charitable objectives, the Board appoints salaried staff to undertake projects under the leadership of a Chief Executive. The Chief Executive is supported in operational management by a Senior Management Team comprising the Commercial Director & Director of Fieldwork; Finance Director; Director of Heritage Consultancy; People Director, and Director of Research and Engagement. The Commercial Director is tasked with responsibility for the oversight and financial control of our trading operations, including management of contract risk. To allow the Charity to respond to the demands for its services the average number of staff employed during the year was 343 (312 in 2024). The Full Board approves the annual staff pay award, following prior consideration by the Finance, People and Culture Committee. The pay and remuneration packages of the Senior Management Team are set by the Full Board with reference to the salaries offered for comparable posts, and local employment conditions.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 31st MARCH 2025

Status and Administration

The Directors, who are also Charity Trustees, and who served during the year were:

Dr L.H. Evis (Chair)
Mr A.M. Chater
Mr P.P.J. Cullen
Professor T.C. Darvill (resigned 5th October 2024)
Ms V.E.P. Fenner
Professor C.M. Gerrard
Ms K.A. Josephides (Vice Chair) Ms K.A. Pilling (from 25th July 2025)
Ms C. Kirk
Ms S.B. Parsons
Mr K.P. Winmill (resigned 4th September 2024)
Dr C.J. Young

Taxation Status

The company is a registered Charity within the terms of the Income and Corporation Taxes Act 2007.

Address: Building 11
Cotswold Business Park
Cirencester
Gloucestershire
GL7 6BQ

Bankers: CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Auditors: Wenn Townsend
Gosditch House
5 Gosditch Street
Cirencester
Gloucestershire
GL7 2AG

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 31st MARCH 2025

Directors Responsibilities

The Directors are responsible for preparing the Trustees' Annual Report (including the Strategic 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 Directors to prepare financial statements for each financial year, which 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in operation.

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

In so far as the Directors are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Wenn Townsend having expressed their willingness to continue in office, will be deemed to be reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives notice under section 488(1) of the Companies Act 2006.

By Order of the Directors



K A Josephides
VICE CHAIR

Date: 23rd July 2025

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

We have audited the financial statements of Cotswold Archaeology Ltd (the 'Charitable Company') for the year ended 31st MARCH 2025 which comprise the Statement of Financial Activities, Balance Sheet and Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Opinion on financial statements:

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31st March 2025 , 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 requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material inconsistencies, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 12, the Trustees (who are also the directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charitable Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charitable Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charitable Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

Use of our report

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



S J Bates FCA
Senior Statutory Auditor
For and on behalf of Wenn Townsend, Statutory Auditor
5 Gosditch Street
Cirencester
Gloucestershire

Date: 30/07/2025

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2025

	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Fund</u> £	<u>2025</u> <u>Total</u> £	<u>2024</u> <u>Total</u> £
Income					
Donations and Legacies:					
Income from charitable activities:					
Archaeological projects		38,694,515	-	38,694,515	29,243,958
Book sales		2,688	-	2,688	945
Donations		-	25,061	25,061	52,883
Investment income		469,328	-	469,328	319,554
Surplus on fixed assets disposals			-	-	14,500
		<hr/>	<hr/>	<hr/>	<hr/>
Total Incoming Resources		39,166,531	25,061	39,191,592	29,631,840
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure					
Expenditure and charitable activities:					
Archaeological projects		36,735,946	30,864	36,766,810	27,496,643
Other support costs		760,639	-	760,639	601,140
		<hr/>	<hr/>	<hr/>	<hr/>
Total Resources Expended	4	37,496,585	30,864	37,527,449	28,097,783
		<hr/>	<hr/>	<hr/>	<hr/>
		1,669,946	(5,803)	1,664,143	1,534,057
Unrealised (loss)/surplus on investments		(9,196)	-	(9,196)	5,108
		<hr/>	<hr/>	<hr/>	<hr/>
Net Incoming Resources for the year		1,660,750	(5,803)	1,654,947	1,539,165
Actuarial (loss)/gain on defined benefit pension scheme		1,380,000	-	1,380,000	1,027,000
		<hr/>	<hr/>	<hr/>	<hr/>
Net Movement on Funds		3,040,750	(5,803)	3,034,947	2,566,165
Fund Balances brought forward		15,385,472	5,803	15,391,275	12,825,110
		<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances carried forward	12	18,426,222	-	18,426,222	15,391,275
		<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 22-32 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2025
 Analysis of prior year figures

	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Fund</u> £	<u>2024</u> <u>Total</u> £
Income			
Donations and Legacies:			
Income from charitable activities:			
Archaeological projects	29,243,958	-	29,243,958
Book sales	945	-	945
Donations	-	52,883	52,883
Investment income	319,554	-	319,554
Surplus on fixed assets disposals	14,500	-	14,500
	<hr/>	<hr/>	<hr/>
Total Incoming Resources	29,578,957	52,883	29,631,840
	<hr/>	<hr/>	<hr/>
Expenditure			
Expenditure and charitable activities:			
Archaeological projects	27,406,093	90,550	27,496,643
Other support costs	601,140	-	601,140
	<hr/>	<hr/>	<hr/>
Total Resources Expended	28,007,233	90,550	28,097,783
	<hr/>	<hr/>	<hr/>
	1,571,724	(37,667)	1,534,057
Unrealised surplus/(loss) on investments	5,108	-	5,108
	<hr/>	<hr/>	<hr/>
Net Incoming Resources for the year	1,576,832	(37,667)	1,539,165
Actuarial (loss)/gain on defined benefit pension scheme	1,027,000	-	1,027,000
	<hr/>	<hr/>	<hr/>
Net Movement on Funds	2,603,832	(37,667)	2,566,165
Fund Balances brought forward	12,781,640	43,470	12,825,110
	<hr/>	<hr/>	<hr/>
Fund Balances carried forward	15,385,472	5,803	15,391,275
	<hr/>	<hr/>	<hr/>

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

BALANCE SHEET
31st MARCH 2025

	<u>Note</u>	<u>£</u>	<u>2025</u> <u>£</u>	<u>£</u>	<u>2024</u> <u>£</u>
<u>Fixed Assets</u>					
Tangible Fixed Assets	5	857,714		544,829	
Investments	6	440,881		430,808	
		<hr/>		<hr/>	
			1,298,595		975,637
<u>Current Assets</u>					
Debtors	7	6,958,605		6,062,550	
Cash at Bank and in Hand		14,194,829		12,677,725	
		<hr/>		<hr/>	
		21,153,434		18,740,275	
Deduct: <u>Creditors</u> (Amounts falling due within one year)	8	7,898,807		6,817,637	
		<hr/>		<hr/>	
<u>Net Current Assets</u>			13,254,627		11,922,638
			<hr/>		<hr/>
<u>Total Net Assets before Pension Liability</u>					
Defined benefit pension scheme asset/(liability)	13		14,553,222		12,898,275
			3,873,000		2,493,000
			<hr/>		<hr/>
Total assets less current liabilities			18,426,222		15,391,275
			<hr/>		<hr/>
Financed by:					
<u>Unrestricted Funds:</u>					
General	11	14,426,222		12,110,472	
Designated		4,000,000		3,275,000	
		<hr/>		<hr/>	
			18,426,222		15,385,472
<u>Restricted Fund</u>	10		-		5,803
			<hr/>		<hr/>
			18,426,222		15,391,275
			<hr/>		<hr/>

These financial statements were approved by the Board and signed on behalf of the Board on 23rd July 2025



K A Josephides
VICE CHAIR

The notes on pages 22-32 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH 2025

	<u>2025</u>	<u>2024</u>
	£	£
CASH USED IN OPERATING ACTIVITIES	1,718,350	1,566,119
CASHFLOW FROM INVESTING ACTIVITIES		
Interest received	463,328	319,554
Payments to acquire tangible fixed assets	(645,305)	(281,819)
Receipts from disposal of tangible fixed assets	-	14,500
	<hr/>	<hr/>
Cash provided by (used in) investing activities	-	-
Sale of fixed asset investments	-	-
Cashflow from financial activities	(19,269)	(13,995)
	<hr/>	<hr/>
INCREASE IN CASH	1,517,104	1,604,359
	<hr/>	<hr/>
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR	12,677,725	11,073,366
	<hr/>	<hr/>
TOTAL CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	14,194,829	12,677,725
	<hr/>	<hr/>

The notes on pages 22-32 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH 2025

RECONCILIATION OF OPERATING SURPLUS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	2025	2024
	£	£
Net Incoming/(outgoing) resources	3,034,947	2,566,205
Depreciation	332,420	221,087
(Profit)/loss on disposal of fixed assets	-	(14,500)
Actuarial loss/(profit) on defined benefit pension scheme	(1,380,000)	(1,027,000)
Unrealised (profit)/loss on investments	9,196	(5,108)
Interest received	(463,328)	(319,554)
(Increase)/Decrease in debtors	(896,055)	(1,501,827)
Increase/(Decrease) in creditors	1,081,170	1,646,816
	<hr/>	<hr/>
Net cash inflow from operating activities	1,718,350	1,566,119
	<hr/>	<hr/>

ANALYSIS OF CHANGES IN NET FUNDS

	1st Apr 2024	Cash flow	Other non-Cash	31st Mar 2025
	£	£	Changes	£
			£	
Cash at bank and in hand	12,677,725	1,517,104	-	14,194,829
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 22-32 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2025

General information

The Company is a private company limited by guarantee, registered and incorporated in England and Wales. The address of the registered office is Building 11, Cotswold Business Park, Cirencester, Gloucestershire GL7 6BQ

Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

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 (FRS102) (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cotswold Archaeology Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Depreciation

Depreciation is provided using the following rates and bases which reflect the anticipated useful lives of the assets and their residual value:

Plant and Equipment	25% straight line
Improvements to Leasehold Property	5 years (Term of Lease)

Revenue Recognition

The Company's primary source of income derives from archaeological project contracts. Income from these contracts is recognised when receivable. Incoming resources from grants and donations are included when receivable. In respect of long-term contracts and contracts for ongoing services, turnover represents the value of work done in the year, including estimates based on time costs and actual expenditure costs for amounts not yet invoiced. All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

Interest Income

Interest income is recognised when it is received.

Resources Expenditure

Expenditure is recognised in the period in which they are incurred and include attributable VAT which cannot be recovered.

- Charitable expenditure comprises costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both direct and indirect costs whose charges is necessary to support them.
- Support costs include those costs associated with meeting the constitutional and statutory requirements at the Charity including audit fees and administrative labour.

Investments

Investments held as fixed assets are revalued at market value of the balance sheet date and the gain or loss taken to the SOFA.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2025

Accounting Policies (continued)

Pensions

The Company operates a pension scheme providing benefits based on pensionable pay which was closed to new members in 2007. The assets of the scheme are held and managed separately from those of the Company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Company. The contributions are determined by a qualified actuary on the basis of triennial valuations.

The scheme is being accounted for under FRS102, with the annually calculated notional surplus or deficit on the funding of the scheme is shown in the accounts as a designated pension scheme fund entitled "Pension Reserve", which is deducted from unrestricted funds in the balance sheet. The directors believe that the scheme currently meets statutory minimum funding requirements. The directors note that the calculated notional deficit or surplus calculated under FRS102 can vary greatly from year to year depending on the assumptions made at the valuation date, but with little or no effect on short term cash flows.

The employees not entitled to be part of the above scheme are entitled to be members of a defined contribution scheme. The costs charged in the financial statements represent the contribution payable by the Company during the year.

Operating Leases

The Charity classifies the lease of property and motor vehicles as operating leases; the title to the equipment remains with the lessor and the equipment is replaced before the end of its economic life. Rental charges are charged on a straight-line basis over the term of the lease.

Debtors

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

Creditors and provisions

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

Funds

The Company's funds consist of unrestricted and restricted amounts. The Company may use unrestricted amounts at its discretion. Restricted funds represent income, which is restricted to a particular purpose, in accordance with the donor's wishes. Designated funds are unrestricted funds set aside by the Directors out of unrestricted general funds for specific future purposes or projects.

2. Surplus on Ordinary Activities

	<u>2025</u>	<u>2024</u>
	£	£
The surplus is stated after charging:		
Auditors Remuneration	11,000	10,700
Depreciation	332,420	221,087
(Loss)/Profit on disposal of fixed asset	-	14,500
	<u> </u>	<u> </u>

3. Taxation

As a Charity Cotswold Archaeology Limited is exempt from tax on income and gains falling within the Income Taxes Act 2007 Section 524 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2025

4. Total Resources Expended

	<u>Staff Costs</u>	<u>Depreciation</u>	<u>Other Costs</u>	<u>Total</u> <u>2025</u> £	<u>Total</u> <u>2024</u> £
Archaeological Projects	12,948,488	332,420	23,485,902	36,766,810	27,496,643
Management and Administration	749,639	-	11,000	760,639	601,140
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	13,698,127	332,420	23,496,902	37,527,449	28,097,783
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
				<u>2025</u>	<u>2024</u>
Other Support Costs					
Salaries				749,639	590,440
Audit and Accountancy Fees				11,000	10,700
				<hr/>	<hr/>
				760,639	601,140
				<hr/>	<hr/>
				<u>2025</u>	<u>2024</u>
Staff Costs					
Wages and Salaries				11,582,533	9,987,156
Social Security Costs				1,166,852	994,462
Pension Costs				948,742	830,798
				<hr/>	<hr/>
				13,698,127	11,812,416
				<hr/>	<hr/>
Employees benefits		£ 70,001 - £ 80,000	2		
		£ 80,000 - £90,000	3		
		£ 110,000 - £ 120,000	1		

The total pension costs for the employees is £116,062 all of whom are members of one of the company's pension schemes

The average number of employees analysed by function, was:

Archaeological Projects	324	297
Management and Administration	19	15
	<hr/>	<hr/>
	343	312
	<hr/>	<hr/>

The Directors received no remuneration during the year. Total expenses reimbursed to Directors during the year amounted to £1,715 (2024 £2,846).

The total amount of employee benefits received by key management personnel is £703,227 (2024 £648,877). The Charity considers its senior management team key personnel.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2025

5. Tangible Fixed Assets

	<u>Short Leasehold Improvements</u>	<u>Plant and Machinery</u>	<u>Total</u>
	£	£	£
<u>Cost</u>			
At 1st April 2024	310,090	1,745,850	2,055,940
Additions in Year	79,782	565,523	645,305
Disposals	(-)	(-)	(-)
	-----	-----	-----
At 31st March 2025	389,872	2,311,373	2,701,245
	-----	-----	-----
<u>Depreciation</u>			
At 1st April 2024	276,081	1,235,030	1,511,111
Charge for the Year	13,854	318,566	332,420
Disposals	(-)	(-)	(-)
	-----	-----	-----
At 31st March 2025	289,935	1,553,596	1,843,531
	-----	-----	-----
<u>Net Book Value</u>			
At 31st March 2025	99,937	757,777	857,714
	-----	-----	-----
At 31st March 2024	34,009	510,820	544,829
	-----	-----	-----

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2025

6. Investments	<u>2025</u>	<u>2024</u>
	£	£
Market value		
Balance b/fwd	430,808	411,745
Disposals	(-)	(-)
Accumulated interest	19,269	13,955
Unrealised gains/(loss) on investments	(9,196)	5,108
Realised gain on investments	-	-
	<hr/>	<hr/>
	440,881	430,808
	<hr/>	<hr/>

The investments were held M & G Investments Charibond Charities Fixed Interest Common Investment Fund, Accumulation Shares of £440,881 (2024 £430,808). The market value of investments was valued at mid-market price as at 31st March 2025.

	<u>2025</u>	<u>2024</u>
	£	£
Investments in subsidiary	1	1
	<hr/>	<hr/>
Subsidiary		
Cost	1	1
	<hr/>	<hr/>

The share is held in Suffolk Archaeology Limited. The company is dormant.

7. Debtors	<u>2025</u>	<u>2024</u>
	£	£
Trade Debtors	6,285,992	5,474,190
Other Debtors	156,359	116,596
Amounts Recoverable on Contracts	516,254	471,764
	<hr/>	<hr/>
	6,958,605	6,062,550
	<hr/>	<hr/>
8. Creditors (Amounts falling due within one year)	<u>2025</u>	<u>2024</u>
	£	£
Trade Creditors	1,608,419	1,161,174
Taxation and Social Security Costs	924,448	1,196,577
Other Creditors	269,521	249,213
Deferred Income	5,096,419	4,210,673
	<hr/>	<hr/>
	7,898,807	6,817,637
	<hr/>	<hr/>

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2025

Deferred Income relates to archaeological project contract income received in advance and relates wholly to the year under review.

9. Share Capital

The Company is limited by guarantee and does not have a Share Capital. In accordance with the Company's Memorandum and Articles of Association the members' liability, in the event of the Company being wound up, is limited to £1.

10. Analysis of Net Assets by Fund

	<u>< - Unrestricted Funds -></u>		<u>Restricted Fund</u>	<u>Total 2025</u>	<u>Total 2024</u>
	<u>General</u>	<u>Designated</u>			
	£	£	£	£	£
Fixed Assets	857,714	-	-	857,714	544,829
Investments	440,881	-	-	440,881	430,808
Current Assets	17,153,434	4,000,000	-	21,153,434	18,740,275
Current Liabilities	(7,898,807)	-	-	(7,898,907)	(6,817,637)
Pension Scheme					
Funding Surplus/(Deficit)	3,873,000	-	-	3,873,000	2,493,000
	<u>14,426,222</u>	<u>4,000,000</u>	<u>-</u>	<u>18,426,222</u>	<u>15,391,275</u>

The restricted fund current assets are comprised as follows:

	<u>2025</u>	<u>2024</u>	
	£	£	
Cash at Bank	-	5,803	
	<u>-</u>	<u>5,803</u>	
	<u>Roman CBM PhD Fund</u>	<u>Community Research Fund</u>	<u>Total</u>
	£	£	£
As at 1st April 2024	5,803	-	5,803
Income in year		25,061	25,061
Expenditure in year	(5,803)	(25,061)	(30,864)
	<u>-</u>	<u>-</u>	<u>-</u>
As at 31st March 2025	-	-	-

Roman Ceramic Building Material (CBM) PhD Fund:
Donations to support a funded PhD student researching Roman ceramic building material at the University of Kent.

Community Research Fund:
Donations to support fieldwork and post-excavation analysis of a community research project in Wiltshire.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2025

11. Unrestricted Funds

	<u>General</u> £	<u>Designated</u> £	<u>Total</u> £
As at 1st April 2024	12,110,472	3,275,000	15,385,472
(Deficit)/Surplus for the year	4,100,750	(1,060,000)	3,040,750
Transfers between Funds	(1,785,000)	1,785,000	-
	<hr/>	<hr/>	<hr/>
	14,426,222	4,000,000	18,426,222
	<hr/>	<hr/>	<hr/>

The designated funds are listed below. These funds are earmarked and exist to enable the Charity to continue to provide archaeological services to a high standard on an ongoing basis and to further our charitable objectives.

	<u>Dissemination Public Engagement And Social Value</u> £	<u>New Technology</u> £	<u>Premises</u> £	<u>Defined Benefit Pension Scheme</u> £	<u>Total</u> £
1st April 2024	775,000	450,000	300,000	1,750,000	3,275,000
Expenditure	(380,000)	(550,000)	(130,000)	-	(1,060,000)
Transfer	355,000	850,000	580,000	-	1,785,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31st March 2025	750,000	750,000	750,000	1,750,000	4,000,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Funds have been designated by the Directors for the following purposes:

Dissemination, Public Engagement and Social Value:

Work associated with communicating the results of our work to a wide range of beneficiaries using a variety of media. Providing opportunities for volunteering and initiatives to support access to, and readiness for, work in our sector.

New Technology:

Maintenance and upgrading of IT infrastructure to maintain contemporary standards of functionality, resilience and security. Investment in the capture archaeological data in a born digital format especially that arising from archaeological fieldwork investigations. Investment in digital survey techniques.

Premises:

Improvements to current premises. Future premises requirements and relocation costs.

Defined Benefit Pension Scheme:

Provision for liabilities arising from the Company's defined benefit pension scheme operated by Gloucestershire County Council, including any final cessation payment.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2025

12. Movement of Funds 31st March

	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2025</u> £	<u>Total 2024</u> £
Balance B/Fwd	15,385,472	5,803	15,391,275	12,825,110
Surplus/(Loss) for the Year	3,040,750	(5,803)	3,034,947	2,566,165
	<hr/>	<hr/>	<hr/>	<hr/>
	18,426,222	-	18,426,222	15,391,275
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2024</u> £	
Balance B/Fwd	12,781,640	43,470	12,825,110	
Surplus/(Loss) for the Year	2,603,832	(37,667)	2,566,165	
	<hr/>	<hr/>	<hr/>	
	15,385,472	5,803	15,391,275	
	<hr/>	<hr/>	<hr/>	

13. Defined Benefit Pension Scheme

By the end of the year 11 (2024 - 11) employees were members of the Gloucestershire Local Government Pension Scheme (GLGPS). The Company contributed £129,000 (2024 - £139,000) to the scheme on behalf of its employees during the year. The Company has 19 deferred pensioners and 10 pensioners.

The assets of the defined benefits scheme for staff are held separately from those of the Charity. The Scheme is funded by contributions from the employees and employer in accordance with the recommendations of independent qualified actuaries on the basis of triennial formal valuations. The most recent of these formal valuations was made on 31st March 2022, using the revised actuarial assumptions of the Pensions Act 1995, and reported a deficit of £2,744,000 which is being funded by employer's contributions of 29.8% per annum and employees' contributions on average of 7.9% of pensionable pay to 31st March 2023.

Significant assumptions used are as follows:

	31st March 2025 % p.a.	31st March 2024 % p.a.
Inflation/Pension Increase Rate	2.75%	2.95%
Salary Increase Rate	3.25%	3.45%
Discount Rate	5.80%	4.75%

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2025

Major categories of plan asset

Year ended	31st Mar 2025 %	31st Mar 2024 %
Equities	63	65
Bonds	22	21
Property	14	12
Cash	1	2
	-----	-----
	100	100
	-----	-----

Balance Sheet

Year ended:	31st Mar 2025 £ (000)	31st Mar 2024 £ (000)
Fair value of employer assets	9,166	8,545
Present value of funded liabilities	(5,293)	(6,052)
	-----	-----
Net (under)/overfunding in funded plans	3,873	2,493
Present value of unfounded liabilities	-	-
Unrecognised past service cost	-	-
	-----	-----
Net asset / (Liability)	3,873	2,493
	-----	-----

The defined benefit obligation is split £3,391,000, £1,201,000 and £701,000 between active members, deferred members and pensioner members respectively as at 31st March 2025

The liabilities as at 31st March 2025 are based on the current benefit structure of the GLGPS.

Reconciliation of defined benefit obligation

Year ended:	31st Mar 2025 £ (000)	31st Mar 2024 £ (000)
Opening defined benefit obligation	6,052	5,952
Current service cost	129	139
Interest cost	295	258
Contributions by members	45	45
Actuarial losses / (gains)	(-)	(-)
Past service costs / (gains)/losses	-	-
Losses/ (gains) on curtailments	-	-
Changes in financial assumptions	(1,057)	(412)
Changes in demographic assumptions	(11)	(33)
Other expenses	(44)	149
Estimated unfounded benefits paid	-	-
Benefits paid	(116)	(73)
	-----	-----
Closing defined benefit obligation	5,293	6,052
	-----	-----

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2025

Reconciliation of fair value of employer assets

Year ended:	31st Mar 2025	31st Mar 2024
	£ (000)	£ (000)
Opening fair value of employer assets	8,545	7,418
Net interest	420	359
Contributions by members	45	45
Contributions by the employer	306	304
Return on assets excluding amounts included in interest	(34)	(492)
Assets distributed on settlements	-	-
Other expenses	(-)	(-)
Benefits paid	(116)	(73)
	<hr/>	<hr/>
Closing fair value of employer assets	9,166	8,545
	<hr/>	<hr/>

Investment returns

The return on the Fund in market value terms for the period to 31st March 2025 is estimated based on actual Fund returns as provided by the Administering Authority and index returns where necessary. Details are given below:

Actual Returns from 1st April 2024 to 31st March 2025	4.5%
Total Returns from 1st April 2024 to 31st March 2025	4.5%

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31st March 2025 :	Approximate % increase to Defined Benefit Obligation	Approximate monetary Amount (£ 000)
0.1% decrease in Real Discount Rate	2%	
1 year increase in member life expectancy	4%	
0.1% increase in the Salary Increase Rate	0%	
0.1% increase in the Pension Increase Rate	2%	

Analysis of projected amount to be charged to operating profit for the year to 31st March 2025

Year ended:	31st March 2025	% of Pay
	£ (000)	
Projected current service cost	(101)	(18.2)
Interest including plan assets	539	
Interest cost on defined benefit obligation	(309)	
Past service cost including curtailments	-	
Effect of settlements	-	
	<hr/>	
	129	
	<hr/>	

The actuary estimates that the Employer's contributions for the year to 31st March 2025 will be approximately £553,000.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2025

14. Defined Contribution Scheme

The Company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the Company and amounted to £553,000 (2024 £525,039).

15. Related Party Transactions

There were no related party transaction during the year or prior year.

16. Contingent Liabilities

The Company's leasehold premises have had alterations made that may require rectification at the end of the lease. The costs relating to this are not known. A provision of funds over the period of the lease will be made through the designated premises reserve to cover anticipated future costs.

17. Capital Commitments

There were no capital commitments at the year end.

18. Controlling Parties

The Charitable Company has no ultimate controlling party.

19. Going Concern

The Charity has no going concern issues.

20. Operating Leases

Total future minimum lease payments under non-cancellable leases are as follows:

Leases on Buildings	<u>2025</u> £	<u>2024</u> £
Within 1 year	275,458	233,308
More than 1 year	307,074	302,450
Other		
Less than 1 year	74,002	93,765
More than 1 year	75,638	10,980

21. Government Grants

The Charity received none during the last two financial years.

COTSWOLD ARCHAEOLOGY LTD

England & Wales - Charity number 1001653

Accounts

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st MARCH 2024

COMPANY REGISTRATION NUMBER - 2362531
CHARITY NUMBER - 1001653

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 31st MARCH 2024

OBJECTIVES AND ACTIVITIES

Objectives

The object of the Charity is to advance the education of the public in the subject of archaeology and the appreciation and understanding of the historic environment in the United Kingdom and other parts of the world. We achieve this by creating knowledge which is gathered from archaeological investigations and other research.

Cotswold Archaeology strongly supports a sustainable approach to our cultural heritage, and we utilise our professional expertise to balance the preservation of the most important aspects of our heritage with society's current and future needs. We adhere to the principle that significant heritage assets and their settings should be preserved, but where this is not possible ensure that such assets are recorded to the highest standards, and the results of this work widely disseminated. As a Registered Organisation accredited by the Chartered Institute for Archaeologists (CIfA) we signify our commitment to the maintenance and development of the highest professional standards.

The Charity has adopted a Strategic Plan to guide its activities until the end of 2025.

Mission

Cotswold Archaeology exists to increase public awareness and appreciation of the past. We create and communicate knowledge so that it can be valued and enjoyed by present and future generations. We are a leading supplier of professional heritage services who provide high-quality expertise and advice to our customers. We continually aim to improve our service so that we maintain our market-leading reputation.

Values

Our Guiding Principles are:

- We use our research to make the past relevant, interesting and enjoyable to a broad spectrum of beneficiaries;
- Developing knowledge of the past amongst stakeholders increases community cohesion and identity, and furthers an overall appreciation of the world we live in;
- Engagement with heritage activities, either directly or indirectly, benefits individual wellbeing;
- We commit to the maintenance and development of the highest professional standards in our activities;
- We always strive to meet the needs and aspirations of our customers; and
- We want to be a great company to work for.

We link our activities to our Mission and Values through a performance chain that measures our efficiency and effectiveness.

Vision / Strategic Goals

We have defined six objectives for the period to 2025:

Objective 1: Increase society's understanding and appreciation of the past through improved awareness and knowledge of archaeology.

Objective 2: Enhance our reputation as a high performing and innovative Charity that produces excellent work.

Objective 3: Commitment to the health, safety, wellbeing and safeguarding of our staff and other people we encounter in the course of our work.

Objective 4: Remain a top tier provider of professional heritage services in the UK.

Objective 5: Be a resilient, secure and stable Charity that can adapt to changing circumstances and is well prepared for unexpected events.

Objective 6: A great employer. Be one of the best companies to work for.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 31st MARCH 2024

Public Benefit

Our Mission, Values and Vision all combine towards the delivery of a public benefit, which Trustees keep under regular review by reference to the guidance on public benefit published by the Charity Commission following the Charities Act 2011. This requires an identifiable benefit or benefits to arise from the work of charities, and such benefits to be available to the public or a section of the public. The activities of Cotswold Archaeology meet that test.

STRATEGIC REPORT

Achievements and Performance

We report here on our performance during 2023/24 in delivering the six objectives set out in the previous section. We evaluate our activities under the headings of *Knowledge Creation; Facilitating Access to Knowledge and Creating Social Value*, and *Sustainability, Innovation and Company Development* (which collectively address Objectives 1 and 2); and *Caring For and Developing Our People* (which addresses Objectives 3 and 6). The Financial and Operational Review details our progress with Objectives 4 and 5. In financial year 2023/24 the Charity maintained a high level of income and staff deployment due to our involvement in a wide range of projects, some of very large size. This has allowed us to maintain a strong research output and continue our progress in reaching a diverse range of individuals through our outreach and engagement activities.

Knowledge Creation

Archaeological investigations are an important means by which knowledge about the past is created. The frequency and scale of these projects is closely tied to the level of development in the UK. We were able to secure a good workflow of project commissions throughout the financial year, despite weakness in some parts of the UK construction sector brought about by high interest rates. Residential housebuilding activity was notably subdued.

Demand for our fieldwork services was driven in large measure by projects associated with energy security, residential development and transport infrastructure. Demand for post-excavation and consultancy services was also strong. Many new projects commenced during the year, alongside continuing work on those initiated previously. We worked with Oxford Archaeology Ltd (a registered charity) as a Joint Venture known as Oxford Cotswold Archaeology (OCA) on major fieldwork investigations associated with the A417 Missing Link trunk road scheme in Gloucestershire and the Sizewell C development in Suffolk. Post-excavation analysis by OCA focused on a prehistoric causewayed camp at Thame, Oxfordshire, and a site within the Redcliffe suburb of medieval Bristol. Publication of both projects is anticipated in 2024 or early 2025.

The five largest projects undertaken during the year were field investigations in Gloucestershire, Suffolk (x 2) and Wiltshire (x 2). We also devoted considerable resources to post-excavation analysis and report production, desk-based research and projects associated with historic buildings. Field projects conducted during the year which will have a high research impact when the results have been fully analysed and disseminated include:

- *Wendover, Buckinghamshire*. A Roman enclosure and timber building, crop drying ovens and burials.
- *A417 Road Improvement, Birdlip, Gloucestershire (OCA project)*. Investigation at numerous sites revealed Mesolithic, Neolithic, Bronze Age, Iron Age, Roman and Second World War activity. Notable discoveries included an Iron Age enclosure, linear Iron Age banks and ditches, Iron Age and Roman funerary monuments, and a Roman road and adjacent settlement.
- *Gloucester City Campus*. A Roman stone building associated with preserved timber stakes and medieval burials associated with the church of St Aldate. The western wall of the rebuilt post-medieval church and two post-medieval brick burial vaults were also found.
- *Welborne, Hampshire*. Romano-British farmstead and associated field system; medieval enclosures.
- *Ringwood, Hampshire*. A double prehistoric ring ditch, the outer ring 25m in diameter with the inner, likely earlier ditch, inside it. A subsequent Middle Bronze Age cemetery of 24 cremation burials was dug into the remnant mound and infilled ring ditches.
- *Barham, Suffolk*. Neolithic and Bronze Age pits and Iron Age ditches; Roman occupation comprising two rectangular buildings, four cremation burials and a mound formed from burnt material with a wood-lined trough or well.
- *Bury St Edmonds to Colchester Pipeline, Suffolk and Essex*. The excavation of sites spread over a considerable distance provided insights into the development of the landscape across a broad time span. Almost every period is accounted for, including the Neolithic, Bronze Age, Iron Age, Roman and Anglo-Saxon periods.

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- *Sizewell C, Leiston, Suffolk (OCA project)*. A medieval monastic landscape situated between the sites of the original Leiston Abbey and where it was later relocated to. Substantial Neolithic activity has also been identified, including Early Neolithic pits rich in pottery and worked flint. Neolithic and Bronze Age activity tends to be found on the higher ground and sand ridges, whereas the lower ground has greater evidence of medieval stock penning. A trackway was flanked by medieval structures including buildings and ovens, likely associated with the processing of sheep products.
- *Lacock, Wiltshire*. Roman enclosures containing several roundhouses associated with animal husbandry, followed by a period of pit digging, probably waterholes, and numerous later Roman ovens.

Work on historic buildings was in many cases associated with schemes which aim to provide sympathetic new uses for old buildings which no longer serve their original function. Notable projects include a large building recording survey of 150 buildings at a former military cordite factory at Caerwent, Monmouthshire; a detailed building survey and watching brief work to enable the restoration and conversion of Gilkicker Palmerston Fort in Gosport, Hampshire, and a detailed survey of Ruperra Castle, Caerphilly, prior to restoration.

We have also produced management plans for several Scheduled Monuments which will assist in securing a sustainable future for these important places. Projects included the restoration, and protection with badger meshing, of round barrows on the Came Down Estate in Dorset. At Castle Hill in Dorset we provided management guidance for the protection of a motte and bailey castle. Both projects provided the opportunity to investigate the monuments through desk-based research, landscape walkovers and geophysical survey.

Partnerships, Collaborations, and Professional Citizenship

The Board believes that benefits accrue from working in partnership with other organisations (both within and outside of the heritage sector) that share similar values and objectives to us. In some situations, partnerships with other archaeological organisations allow us to work on larger projects without exposing ourselves to excessive risk. Oxford Cotswold Archaeology JV, mentioned above, is our most significant example of collaborative working. We also collaborate with academic institutions on a variety of research projects. During the year we contributed to projects including: *Feed the birds/do not feed the animals* (Exeter University); *Tales of trauma: life and violence in Roman Gloucester* (Exeter University); *Bio-cultural impacts on British biodiversity, AD 0-1000* (NERC funded PhD studentship, Exeter University); *Hidden kingdoms: the South-West of Britain in late antiquity* (Exeter and Cardiff Universities); *One thousand genomes* (an ancient DNA study run by the Francis Crick Institute); *Rewilding later prehistory* (Oxford University); *Rendlesham revealed* (Suffolk County Council and University College, London), and projects run from the Molecular Population Genetics Lab, Trinity College Dublin. We also continued to sponsor a student undertaking doctoral research on Roman ceramic building materials at the University of Kent.

Knowledge creation is served by the existence of a strong heritage sector, a well-trained work force, and a corporate commitment to innovation and service development. Cotswold Archaeology is accredited under the ISO 9001: 2015 quality management scheme. As such we commit to continuous improvement. We also play an active role in furthering the discipline and practice of archaeology through staff participation in a wide range of professional citizenship activities both within the UK and internationally.

Facilitating Access to Knowledge and Creating Social Value

Dissemination of Research

Our activities have a positive impact on the various constituencies (public; professional; academic) interested in the archaeology and history of the UK, and our work furthers public knowledge and understanding of the historic environment. We commit to a high standard of research and take pride in the academic quality of our research publications. Our activities deliver a public benefit as we make the results of our work widely available to our beneficiaries at little or no cost. Current in-print monographs and journal articles are widely available through public lending libraries. Our unpublished reports are available either via our website or at publicly accessible archives. Our Reports Online library of grey literature reports allows visitors to download for free our unpublished fieldwork reports. This very popular and well-used resource now hosts 5,420 fieldwork reports (5,131 in 2023), and the number continues to grow steadily. The reports can be searched via keyword and map-based interfaces and downloaded at no cost. This section of the website attracted 16,976 visits and downloads during the year. Some 3,276 (2,816 in 2023) of these reports are also freely available online via the Library of Unpublished Fieldwork Reports hosted by the Archaeology Data Service. All our out-of-print monographs are available as pdf downloads from our website, along with an increasing number of reports published in journals and periodicals.

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Four monographs were published during the year concerning excavations near Wantage in Oxfordshire; Stoke Gifford in South Gloucestershire; Little Hadham in Hertfordshire, and the first of two volumes detailing the results of our work at Hinkley Point in Somerset. In addition, 22 other reports were published in a variety of academic journals on projects in Bath and North East Somerset, Bristol, Buckinghamshire, Devon, Gloucestershire, Oxfordshire, Somerset, South Gloucestershire, Surrey, and Wiltshire. These journals are widely distributed, both in the UK and internationally, and can be obtained from public libraries and, increasingly, online. Much preparatory work was undertaken on reports on other projects which will be published in the next few years.

Social Value

An overarching objective of the Charity is to deliver public benefit and social value. We defined five social value activities appropriate to Cotswold Archaeology and evaluate our performance in delivering them with reference to the National Social Value Measurement Framework (TOMs). The five activities are: Access to Work; Readiness for Work; Community Support and Engagement; Local Spend and Good Governance. The Board received an annual social value performance report detailing achievement against these activities and approves the targets for future years.

Social Value activities in 2023/24 can be summarised as follows:

#1 Access to Work: we promoted local skills and employment via our support for three apprentices. We also provided work experience placements for 25 individuals across our four offices.

#2 Readiness for Work: we attended 15 careers fairs at local schools, regional events and universities during the year.

#3 Community Support and Engagement: we seek to help foster healthier, safer and more resilient communities by helping to connect people and places through engagement with archaeology and heritage. We are committed to communicating our work to a wide range of beneficiaries, including people of all ages and varying levels of prior knowledge of archaeology. Our beneficiaries range from school children to retired people and from those with a well-developed passion for the past to those with a more casual interest in the history of their community and local area. We strive to develop and tailor our offerings to appeal to traditionally under-served groups in our society. To this end, we delivered during the year:

- 32 in-person talks.
- 7 on-line webinars.
- 9 open days or exhibitions (including participation in Museum-led events and the Cheltenham Science Festival).
- Volunteering opportunities in our offices and in the field totalling 2,726 hours and involving 165 separate individuals.

As a Charity we actively encourage and support public participation in archaeology to support individual well-being. We place considerable importance in working with local groups to deliver impactful community projects, helping to foster community cohesion and pride of place. Notable achievements include:

- *Kelmscott Manor, Oxfordshire:* Working with our partners, the Society of Antiquaries of London, we delivered in-school and on-site sessions for a local school together with fieldwork volunteering opportunities over a two-week fieldwork programme in Summer 2023.
- *Rendlesham, Suffolk:* we contributed to the community research excavation and outreach programmes for school and community groups during the final year of a project supported by the Heritage Lottery Fund.
- *WWII B17 bomber crash site investigation, Suffolk:* a community-based project that investigated the site of an aircraft that crashed in 1944. This proved to be an extraordinary and rewarding experience for all.
- *Minety, Wiltshire:* The second season of excavation of a Roman tile kiln generated a great deal of local interest and was supported by a committed and enthusiastic group of fieldwork volunteers.

In combination, our websites and social platforms allow us to share stories of discoveries digitally, pitched at different levels, driving rich engagement and a deeper understanding of archaeology. We utilise on-site photos and videos, drone imagery, live Q&A sessions, extended web articles, GIS storyboards, webinars, and social media posts, with associated in-person lectures and open days, to develop a greater public understanding of the archaeology and history of Britain. A strong web presence is also a valuable means of communicating with our wider audiences, particularly those who cannot physically access our sites and events, whatever the reason. In the past year, our website received over 93,500 visits, and we further developed the catalogue of artefacts available to the public via our virtual museum, which now hosts almost 200 free-to-view objects, the majority with 3D models.

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Our Social Media programme continues to entertain and educate additional audiences and demographics to those traditionally targeted by our academic publications; our analytics software indicates that we significantly outperform other similar organisations with our content quantity, quality, and engagement levels. Our social profiles achieved combined impressions of over 5.4 million during the year, and we engaged daily with individuals from all over the world – mostly countries in Europe, but also North America, Australasia, Asia, Africa and South America. These numbers don't simply reflect passive onlookers: our core followers, now numbering close to 44,000 (an increase of 5,000 from 2022/23), interact with our discoveries at a rate regarded by industry experts as 'very highly engaged' and our audiences are taking the opportunity to learn directly from us about archaeology and our discoveries. Our social posts generated nearly 2,500 conversations during the year. Our social platforms have also acted as a successful communication tool for engaging wider news and media outlets, including *Current Archaeology Magazine*, *Time Team*, ITV, and the BBC, and an array of local, national, and international journalists.

#4 Local Spend: we favour the local procurement of goods and services where practicable so that we make a positive economic contribution to the communities we work in. We support small, local and diversely owned businesses through a refreshed procurement policy which we adopted during the year. We are working towards the creation of a central register of suppliers which will create greater control of spend and decision making, alongside a programme of staff training in the principles of responsible procurement. The register will also allow us to better communicate our corporate values and policies to our supply chain, in particular those relating to anti-bribery, carbon reduction, equality, diversity and inclusion, modern slavery and sustainability.

#5 Good Governance: we strive to set exemplary standards of good governance and responsible employment. The Charity is committed to the equality, diversity and inclusion in all its operations and organises workplace sessions to raise awareness of these issues. We place considerable emphasis on staff well-being and support mental health in the workplace. We continually seek improvements to our company working culture so that colleagues can be open about their mental health and will be supported if they do so. We operate a Mental Health First Aider scheme. We shared daily updates during National Mental Health Awareness Week covering financial well-being, how to deal with anxiety, and reminders regarding our Employee Assistance Programme and the Wellness page on our company intranet.

We publish our Gender Pay Gap report in line with Government requirements. Our median gender pay gap at 5 April 2023 had decreased from the previous snapshot at 5 April 2022, but there is more we want to do to maintain progress in reducing the imbalance. For instance, women are under-represented at managerial level in some parts of the Charity, and we encourage and support females so they can better compete for these roles. We encourage and support female managers to serve as visible role models and mentors for their junior colleagues.

Caring For and Developing Our People

The Charity cannot deliver its objectives without an expert, well-trained and motivated work force. Recruitment of adequate numbers of professional archaeologists with appropriate skills and experience is a challenge across the heritage sector, and we place great emphasis on the recruitment and retention of talented individuals. The Charity has heightened its focus on people-related matters in recent years, and the Board receives an Annual People Report. The Charity is committed to a comprehensive programme of staff training and monitors our performance.

We strive to develop our people to their maximum potential and continue to invest in an award-winning graduate training programme. We also believe that non-graduates can play a valuable role in our profession and support the National Apprenticeship Scheme. Our Level 3 Archaeological Technician apprentices progressed with their training during the year and are on course to complete their apprenticeships before the end of 2024.

As the Charity grows, we devote greater resources to communication with our colleagues. In addition to face-to-face briefings, we convene online staff 'town hall meetings' where colleagues receive updates on the performance of the Charity and are able to ask questions. Our internal online staff newsletter is well read. We have maintained our focus on activities that help foster staff engagement and alignment with our guiding values. We undertake an annual staff survey and formulate an action plan to react to the key trends.

We commit to exemplary standards of health and safety performance which ensure the health, safety and wellbeing of our staff and all others affected by our work. We recognise that a safe working culture in which risk of harm is minimised is a key factor in the success of the Charity. Our people are our most important assets. We maintain an occupational health and safety management system in accordance with the high standards required

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for our ISO 45001 accreditation. This goes beyond basic compliance with relevant legislation. The Trustees approved an updated Health and Safety Policy and Procedures in March 2024, and receive an annual health, safety and welfare report. Whilst overall responsibility for policy and implementation rests with the Board, it has delegated to the Chief Executive authority for policy provision, safety management systems and legal compliance.

We commit to continuous improvement in the management of health and safety and the Board monitors that an appropriate level of resourcing is provided. Our objectives are: -

- To provide best practice and control of the health and safety risks arising from our work activities.
- To consult with our employees on matters affecting their health, safety, and wellbeing.
- To provide and maintain safe vehicles, plant, and equipment.
- To ensure safe handling and use of substances.
- To provide information, instruction, and supervision for employees.
- To ensure all employees are competent to do their tasks, to give them the appropriate training and to strive to implement best practice wherever practicable.
- To prevent incidents and cases of work-related ill health.
- To support and look after the physical and mental wellbeing of our employees.
- To maintain safe and healthy working conditions.
- To review and revise our Health, Safety and Wellbeing policy at least annually.

Safeguarding of our staff and all others we encounter during the course of our activities (including the recipients of our digital communications) is of the utmost importance to the Charity. A refreshed Safeguarding Policy was adopted in 2023, accompanied by a Safeguarding Procedure that explains how to raise a concern, and how it will be investigated.

Sustainability, Innovation and Company Development

Environmental Sustainability and Carbon Reduction

Cotswold Archaeology is committed to initiatives that advance environmental, economic, and social sustainability for current and future generations. We support the principle of sustainable development, and our Corporate Mission and Objectives directly align with United Nations Sustainable Development Goal 11.4: *Strengthen efforts to protect and safeguard the world's cultural and natural heritage*. We work collaboratively with our peers and stakeholders to develop, implement and enhance the climate action agenda in the heritage sector.

We adopted a Sustainability Policy in 2022 to guide our activities and the Board receives an Annual Environmental Sustainability Report. Cotswold Archaeology is committed to achieving Net Zero Carbon by 2050 and has chosen the 2022/23 financial year as the baseline year against which progress will be compared. In December 2023 the Board adopted its first Carbon Reduction Plan and formulated reduction activities to cover the next three years. We have actions concerned with scope 1 and 2 emissions from buildings and the direct fleet, and scope 3 emissions from staff commuting, business travel, and purchased goods and services. The actions cover all the required elements for successful carbon reduction initiatives by highlighting actions across data management, staff, technology, and management systems. The carbon reduction plan will be subject to the processes laid out in our ISO 14001: 2015 Environmental Management system which is independently certified.

The Energy Savings Opportunity Scheme (ESOS) is a mandatory government energy assessment scheme. Cotswold Archaeology now falls within the scope of this scheme and therefore compiled its energy usage data for the 2022/23 financial year, ready for submission to the Environment Agency. The ESOS legislation repeats every four years, with the next compliance deadline in December 2027 when it is expected that the ESOS audit requirements will change to a Net Zero audit.

Innovation and Service Development

Cotswold Archaeology is committed to digital innovation. During the year we undertook a detailed review of the state of our IT infrastructure and devised a plan to bring about a step change in capacity, resilience and security. It will take several years to achieve this goal fully. The main achievements during the year were achieving Cyber Essentials Plus accreditation, installation of software that allows for standardisation of equipment and software across the staff complement, adding extra server storage capacity and disaster recovery testing.

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We are the joint owner with Oxford Archaeology of a software system that allows us to capture digital archaeological data in the field. The two Charities are committed to the future development of the system and continue to invest in it. During the year we implemented various software upgrades, such as an improved digital mapping interface that enables staff to view, edit and query results, and allows geophysical and drone-derived surveys to be used as base mapping. We also introduced new recording features and layouts which provide greater accessibility for mobile device users. Further functionality enhancements are scheduled for 2024/25. An additional 60 tablets were deployed to our sites, supported by a concerted training and upskilling programme, which allow our archaeologists to capture data on site.

We have also continued to develop the organisation and working methods of our geomatics department, supported by instrument upgrades, and continued to invest in Unmanned Aerial Systems (drones) which have proved valuable on various projects, not least in the recording of standing structures. Drone services are now provided in all offices. Our historic building recording service has also benefited from the purchase of a dedicated portable laser scanner which has created efficiencies in our on-site recording methodologies.

Future Plans

The Charity has a strong order book of projects for 2024/25 and the Trustees believe it is well placed to achieve its budgets for the year.

We have defined five priorities for investment and focus over the next few years:

- Develop our expertise and capability in digital data management to make us more efficient and technologically proficient. In 2024/25 we will commence our programme of enhanced investment in IT infrastructure and staffing to bring our infrastructure in line with contemporary standards.
- Improve our skills development and training programmes so that employees develop to their full potential quicker.
- Build workplace culture as an effective recruitment and retention tool.
- Grow our post-excavation analysis and publication capability so that it keeps pace with the increasing volume of fieldwork undertaken.
- Enhance our sustainability and social value credentials.

Specific objectives for 2024/25 include:

- Implement a system for prioritising requests for unfunded outreach activities, including a mechanism to evaluate the impact of those activities.
- Refresh the content and design of our website. Launch a new website to showcase work delivered by OCA JV.
- Maintain the strong recent performance in the number of published peer reviewed monographs and journal papers.
- Develop our Digital Recording System that captures archaeological data digitally during fieldwork via improved performance and deployment of new features. Maintain the focus on staff training and software development.
- Build on our recent progress in the use of drones and laser scanners to collect archaeological data.
- Continue with initiatives to support the mental health of our staff, including managerial training in mental health recognition and promoting the greater visibility of our mental health first aiders.
- Implement actions in support of our social value agenda.
- Evaluate and implement actions in support of our Carbon Reduction Plan.
- Improve the management of our vehicle fleet including driver training.
- Install a Virtual Private Network (VPN) to create a more stable IT environment for staff who work outside of our offices.
- Install new firewalls and enhance our IT disaster recovery procedures.
- Implement enhanced purchasing and sub-contractor assessment processes and communicate our corporate values and key policies to our supply chain.

We wish to remain a leading supplier of professional heritage services in the UK and further consolidate our position and reputation within and outside the heritage sector. We have developed a strong reputation in public outreach and community engagement, and we will continue to invest in these activities. We also want to develop further partnerships with academic institutions to deliver high-quality synthesis and research projects.

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FINANCIAL AND OPERATIONAL REVIEW

Investigations of archaeological and heritage sites are largely funded by bodies which act in the role of developer, and it is normal practice for these bodies to engage our services through contract. We maintain a professional archaeological service to undertake this research. The major sources of this income derive from Government agencies, local authorities, landowners and commercial organisations. The Charity secured an income of £29,578,957 from its unrestricted activities to enable it to undertake its work (£24,135,650 in 2023). We registered an operational surplus (net incoming resources) for the year of £1,539,165 (£3,064,744 in 2023).

The Charity operates from four offices. We supplemented our original base in Cirencester by opening offices in Milton Keynes in 2011; Andover in 2012 and Suffolk in 2019. In addition to the delivery of project work, our offices function as hubs from which we can forge links with local stakeholders. The existence of these offices allows us to undertake investigations throughout the UK.

The amount of heritage work undertaken in the UK is closely tied to the health of the construction and development industries. We were able to maintain a strong work programme throughout the year, despite high interest rates discouraging activity in some construction sectors. Trustees consider that the Charity has sufficient reserves to withstand any short-term diminution in the demand for its services caused by deterioration in the volume of construction activity.

The Charity maintains close control of its finances. A budget is adopted by the Board for each forthcoming financial year, and performance is measured against this. Key performance indicators are monitored monthly by the Senior Management Team, and the quarterly management profit and loss account and balance sheet are reviewed by either the Full Board or the Finance, People and Culture Committee. If significant variation to the budget is anticipated, a revised budget is prepared for Board approval. The Charity implements rigorous credit control procedures to ensure the timely payment of bills and the maintenance of liquidity and cash flow.

Pension Schemes

The Charity operates two pension schemes, one defined contribution scheme (administered by Royal London) and a defined benefit scheme administered through the Gloucestershire County Council Pension Fund. The defined contribution schemes are open to all employees whilst the defined benefit scheme was closed to new entrants in 2007. Our individual fund within the Gloucestershire County Council pension fund was £1.466m in surplus at 31 March 2023, a position which improved to £2.493m at 31 March 2024, resulting in a positive contribution on the balance sheet of £1.027m. This improvement can be attributed to investment performance returns typically being higher than assumed in last year's accounting discount rate assumption. A higher than assumed investment return will lead to a positive return on assets in the balance sheet. Employer contribution rates are currently fixed until 31 March 2026.

Trustees have paid close attention to the implications of the pension valuation on the operations of the Charity over many years and are familiar with the volatile nature of the FRS102 calculation. Experience suggests that positive movements in our funding position are frequently counteracted by negative movements in subsequent years. The funding position does not pose any short-term risk to the Charity, but Trustees remain mindful of the long-term implications. A designated fund was created in 2014 within our unrestricted funds to cover any pension deficit at the point the Charity finally leaves the scheme. Trustees consider it prudent to both maintain this fund and increase its value as finances allow.

Reserves Policy

The Reserves Policy received its annual review. Trustees consider it important to build up sufficient free unrestricted reserves not designated for other purposes to finance our planned programme of research for the foreseeable future. The Trustees consider that we should aim to sustain free reserves equivalent to between three- and six-months' working capital to allow normal business activities to be undertaken without major financial risk, and to mitigate the risks to the Charity of a shortfall in budgeted income.

At 31 March 2024 the Charity had free reserves of £9.1m. Trustees are very mindful of the volatile fluctuations in the valuation of our defined benefit pension fund and that the current positive funding position may not persist in future years. They are content that the Charity has an appropriate level of reserves to support our research and education activities over the coming years.

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Investment Policy

The Charity has built up funds from its trading operations which are held as unrestricted reserves. Part of these funds is retained in cash deposits to support day-to-day cash flow requirements and the remainder is available for investment. The sums required or available in both categories fluctuate according to trading conditions, so flexibility is an important consideration. We aim to preserve the value of our invested funds against inflation and to achieve modest capital growth by means of prudent placements in a diversified range of investments with a low level of risk. Diversity is sought both in terms of the range of placements and length of commitment. Within this policy, the Trustees have delegated responsibility for investments to the Finance, People and Culture Committee which comprises both Trustees and professionally qualified staff. The Finance, People and Culture Committee undertakes on an annual basis a financial health check of the investment portfolio. This investment policy is itself subject to annual review.

Principal Risks and Uncertainties

The Trustees identify and review the risks to which the Charity is exposed. We have a risk management policy which sets out procedures and systems to mitigate those risks. Risk is assessed as part of the ISO 9001: 2015 quality management system which is subject to annual external audit. The Senior Management Team maintains a Risk Register which is regularly updated, with the major risks reviewed by Trustees at every Full Board meeting. The risks that score highest in the risk matrix are:

Operational Risks

- Failure to find senior managers with sufficient skills to successfully lead and manage a company of our size.
- Disruption to operations, financial liabilities, loss of income and damage to reputation caused by a serious health and safety incident.
- Difficulties in recruiting enough Archaeologists with appropriate competencies/experience to service major labour-intensive contracts.
- Disruption to business activities brought about by shortages and price rises because of issues with global supply chains and political situations.
- Cuts in Government spending result in reduced opportunities to win work on major public infrastructure projects and thus less demand for our services overall.
- Recession in UK economy leads to less demand for our services from private sector clients, especially residential house builders.

Financial Risks

- Inadequate commercial awareness (and confidence) leading to overly risky contracts and poor client communications during their execution.
- Rising supply costs cannot be fully passed on to customers leading to reduced profitability.

Trustees are satisfied that appropriate contingency measures are in place to mitigate these risks. The Charity also maintains a Business Continuity Plan which is reviewed as part of the ISO 9001: 2015 system.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cotswold Archaeology Limited is registered as a Charity. It is also incorporated as a Company, limited by guarantee and without share capital. The Charity is run in accordance with its Articles of Association which were last revised in 2021. The Articles state that the Board of Directors, who are also Charity Trustees, shall not be less than five or more than twelve. Directors are appointed for a three-year term and retire at the end of this period. A retiring Director is eligible for re-election. Many of our projects are of a lengthy duration, often in the order of five to ten years, and accordingly the Board considers that continuity and experience amongst the trustee cohort to be beneficial. Six Trustees have served on the Board for in excess of nine years: Mr A. Chater to assist with long-term business continuity and on account of his special experience with financial management; Mr P. Cullen on account of his long-term experience of working with commercial development companies; Prof. T. Darvill on account of his especial expertise and experience in the heritage sector; Ms V. Fenner given her experience in outreach and community activities; Ms S. Parsons on account of her accountancy and charity governance experience, and Mr K. Winmill on account of his local knowledge and contacts in one of our core operating areas. Mr K. Winmill will retire from the Board at the 2024 AGM. The Chair, Vice Chair and Committee Chairs are elected for three-year terms, at the conclusion of which they are eligible for re-election.

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Trustees are satisfied that the Board contains a good mix of skills and attitudes. There is diversity of opinion and a culture/willingness to challenge views expressed by fellow Trustees and the executive when appropriate. A Trustee training session on contract awareness was delivered during the year.

The Charity aligns with the Charity Governance Code for England and Wales. During the year an updated Code of Governance was adopted that included new policies and procedures on Serious Incident Reporting; Trustee Expenses; Campaigns and Political Activity and Engaging External Speakers at Charity Events. Delegated authorities to management are granted via a power of attorney and a schedule of delegated financial authority. Both documents were reviewed and refreshed during the year.

Potential new Trustees are identified through advertisement or informal contact. During the recruitment process Trustees are mindful of their wish to promote equality, diversity and inclusion in the composition of the Board. Candidates receive a programme of induction from the Chief Executive to fully inform them of the workings of the Charity and the responsibilities attached to trusteeship. They are issued with an induction pack and briefed on the organisation of archaeology in the UK and the objectives, opportunities and challenges facing the Charity. Candidates' CVs and supporting information are presented to the Board for consideration. Members of the Board are reimbursed for out-of-pocket expenses, such as transport costs to attend meetings and visit projects but are otherwise not remunerated.

The Full Board normally meets twice per year, plus an Annual General Meeting, while its two committees (Archaeology and Public Engagement, and Finance, People and Culture) each meet on at least a further two occasions. Trustees are required to declare any interests at the commencement of each meeting. Full Board attendance during the year was 84% (2023: 85%). Reports from the committees are presented to the Full Board. The Chief Executive has responsibility for appraising Trustees of new legislation, guidance and statements of good practice to enable them to effectively discharge their responsibilities.

The management of the Charity is regulated by a Code of Governance and our strategic direction is guided by a Strategic Plan. The current Plan covers the period to the end of 2025.

The Board of Trustees reviews the success of the Charity in meeting its stated aims and objectives at Full Board meetings. It benchmarks progress against 36 targets set out in the Strategic Plan which underpin the six strategic goals which form our Corporate Vision. The Board also receives reports from the Archaeology and Public Engagement Committee which acts as custodian of academic and professional standards and reviews the effectiveness of our outreach and community engagement activities. A panel of Specialist Academic Advisors assists the Trustees in validating and assuring the quality of our projects and publications.

To meet our charitable objectives, the Board appoints salaried staff to undertake projects under the leadership of a Chief Executive. The Chief Executive is supported in operational management by a Senior Management Team comprising the Commercial Director & Director of Fieldwork; Finance Director; Director of Heritage Consultancy; People Director, and Director of Research and Engagement. The Commercial Director is tasked with responsibility for the oversight and financial control of our trading operations, including management of contract risk. To allow the Charity to respond to the demands for its services a staff of around 312 (279 in 2023) is maintained. The Full Board approves the annual staff pay award, following prior consideration by the Finance, People and Culture Committee. The pay and remuneration packages of the Senior Management Team are set by the Full Board with reference to the salaries offered for comparable posts, and local employment conditions.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 31st MARCH 2024

Status and Administration

The Directors, who are also Charity Trustees, and who served during the year were:

Professor T C Darvill (Chair) OBE
Mr A M Chater
Mr P P J Cullen
Dr L H Evis (Vice Chair)
Ms V E P Fenner
Professor C M Gerrard
Ms K A Josephides
Ms C Kirk
Ms S B Parsons
Mr K P Winmill
Dr C J Young

Taxation Status

The company is a registered Charity within the terms of the Income and Corporation Taxes Act 2007.

Address: Building 11
Cotswold Business Park
Cirencester
Gloucestershire
GL7 6BQ

Bankers: CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Auditors: Wenn Townsend
Gosditch House
5 Gosditch Street
Cirencester
Gloucestershire
GL7 2AG

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 31st MARCH 2024

Directors Responsibilities

The Directors are responsible for preparing the Trustees' Annual Report (including the Strategic 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 Directors to prepare financial statements for each financial year, which 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in operation.

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

In so far as the Directors are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Wenn Townsend having expressed their willingness to continue in office, will be deemed to be reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives notice under section 488(1) of the Companies Act 2006.

By Order of the Directors



K A Josephides
CHAIR OF THE FINANCE, PEOPLE AND CULTURE COMMITTEE

Date: 31st July 2024

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

We have audited the financial statements of Cotswold Archaeology Ltd (the 'Charitable Company') for the year ended 31st March 2024 which comprise the Statement of Financial Activities, Balance Sheet and Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Opinion on financial statements:

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31st March 2024, 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 requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material inconsistencies, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 12, the Trustees (who are also the directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charitable Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charitable Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charitable Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

Use of our report

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



S J Bates FCA
Senior Statutory Auditor
For and on behalf of Wenn Townsend, Statutory Auditor
5 Gosditch Street
Cirencester
Gloucestershire

Date: 1st August 2024

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2024

	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Fund</u> £	<u>2024</u> <u>Total</u> £	<u>2023</u> <u>Total</u> £
Income					
Donations and Legacies:					
Income from charitable activities:					
Archaeological projects		29,243,958	-	29,243,958	24,043,642
Book sales		945	-	945	642
Donations		-	52,883	52,883	24,774
Investment income		319,554	-	319,554	85,116
Surplus on fixed assets disposals		14,500	-	14,500	6,250
		-----	-----	-----	-----
Total Incoming Resources		29,578,957	52,883	29,631,840	24,160,424
		-----	-----	-----	-----
Expenditure					
Expenditure and charitable activities:					
Archaeological projects		27,406,093	90,550	27,496,643	20,567,336
Other support costs		601,140	-	601,140	498,686
		-----	-----	-----	-----
Total Resources Expended	4	28,007,233	90,550	28,097,783	21,066,022
		-----	-----	-----	-----
		1,571,724	(37,667)	1,534,057	3,094,402
Unrealised surplus/(loss) on investments		5,108	-	5,108	(29,658)
		-----	-----	-----	-----
Net Incoming Resources for the year		1,576,832	(37,667)	1,539,165	3,064,744
Actuarial (loss)/gain on defined benefit pension scheme		1,027,000	-	1,027,000	2,498,000
		-----	-----	-----	-----
Net Movement on Funds		2,603,832	(37,667)	2,566,165	5,562,744
Fund Balances brought forward		12,781,640	43,470	12,825,110	7,262,366
		-----	-----	-----	-----
Fund Balances carried forward	12	15,385,472	5,803	15,391,275	12,825,110
		-----	-----	-----	-----

The notes on pages 22-32 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2024

Analysis of prior year figures

	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Fund</u> £	<u>2023</u> <u>Total</u> £
Income			
Donations and Legacies:			
Income from charitable activities:			
Archaeological projects	24,043,642	-	24,043,642
Book sales	642	-	642
Donations	-	24,774	24,774
Government grants	-	-	-
Investment income	85,116	-	85,116
Surplus on fixed assets disposals	6,250	-	6,250
	<hr/>	<hr/>	<hr/>
Total Incoming Resources	24,135,650	24,774	24,160,424
	<hr/>	<hr/>	<hr/>
Expenditure			
Expenditure and charitable activities:			
Archaeological projects	20,522,551	44,785	20,567,336
Other support costs	498,686	-	498,686
	<hr/>	<hr/>	<hr/>
Total Resources Expended	21,021,237	44,785	21,066,022
	<hr/>	<hr/>	<hr/>
	3,114,413	(20,011)	3,094,402
Unrealised surplus/(loss) on investments	(29,658)	-	(29,658)
	<hr/>	<hr/>	<hr/>
Net Incoming Resources for the year	3,084,755	(20,011)	3,064,744
Actuarial (loss)/gain on defined benefit pension scheme	2,498,000	-	2,498,000
	<hr/>	<hr/>	<hr/>
Net Movement on Funds	5,582,755	(20,011)	5,562,744
Fund Balances brought forward	7,198,885	63,481	7,262,366
	<hr/>	<hr/>	<hr/>
Fund Balances carried forward	12,781,640	43,470	12,825,110
	<hr/>	<hr/>	<hr/>

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

BALANCE SHEET
31st MARCH 2024

	<u>Note</u>		<u>2024</u>	<u>2023</u>
		£	£	£
<u>Fixed Assets</u>				
Tangible Fixed Assets	5	544,829	484,097	
Investments	6	430,808	411,745	
		975,637	895,842	
<u>Current Assets</u>				
Debtors	7	6,062,550	4,560,723	
Cash at Bank and in Hand		12,677,725	11,073,366	
		18,740,275	15,634,089	
Deduct: <u>Creditors</u> (Amounts falling due within one year)	8	6,817,637	5,170,821	
		11,922,638	10,463,268	
<u>Total Net Assets before Pension Liability</u>		12,898,275	11,359,110	
Defined benefit pension scheme asset/(liability)	13	2,493,000	1,466,000	
		15,391,275	12,825,110	
Total assets less current liabilities		15,391,275	12,825,110	
Financed by:				
<u>Unrestricted Funds:</u>	11			
General		12,110,472	9,831,640	
Designated		3,275,000	2,950,000	
		15,385,472	12,781,640	
<u>Restricted Fund</u>	10	5,803	43,470	
		15,391,275	12,825,110	

These financial statements were approved by the Finance, People and Culture Committee and signed on 31st July 2024 behalf of the Committee on



K A Josephides
CHAIR OF THE FINANCE, PEOPLE AND CULTURE COMMITTEE

The notes on pages 22-32 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH 2024

	<u>2024</u> £	<u>2023</u> £
CASH USED IN OPERATING ACTIVITIES	1,566,119	4,808,060
CASHFLOW FROM INVESTING ACTIVITIES		
Interest received	319,554	85,116
Payments to acquire tangible fixed assets	(281,819)	(183,576)
Receipts from disposal of tangible fixed assets	14,500	6,250
	-----	-----
Cash provided by (used in) investing activities	-	4,715,850
Sale of fixed asset investments	-	100,000
Cashflow from financial activities	(13,995)	(8,071)
	-----	-----
INCREASE IN CASH	1,604,359	4,807,779
	-----	-----
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR	11,073,366	6,265,587
	-----	-----
TOTAL CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	12,677,725	11,073,366
	-----	-----

The notes on pages 22-32 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH 2024

RECONCILIATION OF OPERATING SURPLUS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	2024	2023
	£	£
Net Incoming/(outgoing) resources	2,566,205	5,562,744
Depreciation	221,087	228,442
(Profit)/loss on disposal of fixed assets	(14,500)	(6,250)
Actuarial loss/(profit) on defined benefit pension scheme	(1,027,000)	(2,498,000)
Unrealised (profit)/loss on investments	(5,108)	29,658
Interest received	(319,554)	(85,116)
(Increase)/Decrease in debtors	(1,501,827)	2,450,974
Increase/(Decrease) in creditors	1,646,816	(874,392)
	<hr/>	<hr/>
Net cash inflow from operating activities	1,566,119	4,808,060
	<hr/>	<hr/>

ANALYSIS OF CHANGES IN NET FUNDS

	1st Apr 2023	Cash flow	Other non-Cash Changes	31st Mar 2024
	£	£	£	£
Cash at bank and in hand	11,073,366	1,604,359	-	12,677,725
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 22-32 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2024

General information

The Company is a private company limited by guarantee, registered and incorporated in England and Wales. The address of the registered office is Building 11, Cotswold Business Park, Cirencester, Gloucestershire GL7 6BQ

Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

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 (FRS102) (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cotswold Archaeology Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Depreciation

Depreciation is provided using the following rates and bases which reflect the anticipated useful lives of the assets and their residual value:

Plant and Equipment	25% straight line
Improvements to Leasehold Property	5 years (Term of Lease)

Revenue Recognition

The Company's primary source of income derives from archaeological project contracts. Income from these contracts is recognised when receivable. Incoming resources from grants and donations are included when receivable. In respect of long-term contracts and contracts for ongoing services, turnover represents the value of work done in the year, including estimates based on time costs and actual expenditure costs for amounts not yet invoiced. All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

Interest Income

Interest income is recognised when it is received.

Resources Expenditure

Expenditure is recognised in the period in which they are incurred and include attributable VAT which cannot be recovered.

- Charitable expenditure comprises costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both direct and indirect costs whose charges is necessary to support them.
- Support costs include those costs associated with meeting the constitutional and statutory requirements at the Charity including audit fees and administrative labour.

Investments

Investments held as fixed assets are revalued at market value of the balance sheet date and the gain or loss taken to the SOFA.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2024

Accounting Policies (continued)

Pensions

The Company operates a pension scheme providing benefits based on pensionable pay which was closed to new members in 2007. The assets of the scheme are held and managed separately from those of the Company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Company. The contributions are determined by a qualified actuary on the basis of triennial valuations.

The scheme is being accounted for under FRS102, with the annually calculated notional surplus or deficit on the funding of the scheme is shown in the accounts as a designated pension scheme fund entitled "Pension Reserve", which is deducted from unrestricted funds in the balance sheet. The directors believe that the scheme currently meets statutory minimum funding requirements. The directors note that the calculated notional deficit or surplus calculated under FRS102 can vary greatly from year to year depending on the assumptions made at the valuation date, but with little or no effect on short term cash flows.

The employees not entitled to be part of the above scheme are entitled to be members of a defined contribution scheme. The costs charged in the financial statements represent the contribution payable by the Company during the year.

Operating Leases

The Charity classifies the lease of property and motor vehicles as operating leases; the title to the equipment remains with the lessor and the equipment is replaced before the end of its economic life. Rental charges are charged on a straight-line basis over the term of the lease.

Debtors

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

Creditors and provisions

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

Funds

The Company's funds consist of unrestricted and restricted amounts. The Company may use unrestricted amounts at its discretion. Restricted funds represent income, which is restricted to a particular purpose, in accordance with the donor's wishes. Designated funds are unrestricted funds set aside by the Directors out of unrestricted general funds for specific future purposes or projects.

2. Surplus on Ordinary Activities

	<u>2024</u>	<u>2023</u>
	£	£
The surplus is stated after charging:		
Auditors Remuneration	10,700	9,600
Depreciation	221,087	228,442
(Loss)/Profit on disposal of fixed asset	14,500	6,250
	<u> </u>	<u> </u>

3. Taxation

As a Charity Cotswold Archaeology Limited is exempt from tax on income and gains falling within the Income Taxes Act 2007 Section 524 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2024

4. Total Resources Expended

	<u>Staff Costs</u>	<u>Depreciation</u>	<u>Other Costs</u>	<u>Total</u> <u>2024</u> £	<u>Total</u> <u>2023</u> £
Archaeological Projects	11,221,976	221,087	16,053,580	27,496,643	20,567,336
Management and Administration	590,440	-	10,700	601,140	498,686
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	11,812,416	221,087	16,064,280	28,097,783	21,066,022
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
				<u>2024</u>	<u>2023</u>
Other Support Costs					
Salaries				590,440	489,086
Audit and Accountancy Fees				10,700	9,600
				<hr/>	<hr/>
				601,140	498,686
				<hr/>	<hr/>
				<u>2024</u>	<u>2023</u>
Staff Costs					
Wages and Salaries				9,987,156	8,310,222
Social Security Costs				994,462	854,148
Pension Costs				830,798	586,235
				<hr/>	<hr/>
				11,812,416	9,750,605
				<hr/>	<hr/>
Employees benefits		£ 70,001 - £ 80,000	5		
		£ 110,000 - £ 120,000	1		

The total pension costs for the employees is £108,366 all of whom are members of one of the company's pension schemes

The average number of employees analysed by function, was:

Archaeological Projects	297	264
Management and Administration	15	15
	<hr/>	<hr/>
	312	279
	<hr/>	<hr/>

The Directors received no remuneration during the year. Total expenses reimbursed to Directors during the year amounted to £2,846 (2023 £1,990).

The total amount of employee benefits received by key management personnel is £648,877 (2023 £561,358). The Charity considers its senior management team key personnel.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2024

5. Tangible Fixed Assets

	<u>Short Leasehold Improvements</u> £	<u>Plant and Machinery</u> £	<u>Total</u> £
<u>Cost</u>			
At 1st April 2023	270,482	1,541,177	1,811,659
Additions in Year	39,608	242,211	281,819
Disposals	(-)	(37,538)	(37,538)
	-----	-----	-----
At 31st March 2024	310,090	1,745,850	2,055,940
	-----	-----	-----
<u>Depreciation</u>			
At 1st April 2023	259,661	1,067,901	1,327,562
Charge for the Year	16,420	204,667	221,087
Disposals	(-)	(37,538)	(37,538)
	-----	-----	-----
At 31st March 2024	276,081	1,235,030	1,511,111
	-----	-----	-----
<u>Net Book Value</u>			
At 31st March 2024	34,009	510,820	544,829
	-----	-----	-----
At 31st March 2023	10,821	473,276	484,097
	-----	-----	-----

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2024

6. Investments	<u>2024</u> £	<u>2023</u> £
Market value		
Balance b/fwd	411,745	533,331
Disposals	(-)	(100,000)
Accumulated interest	13,955	8,072
Unrealised gains/(loss) on investments	5,108	(29,658)
Realised gain on investments	-	-
	<hr/>	<hr/>
	430,808	411,745
	<hr/>	<hr/>

The investments were held M & G Investments Charibond Charities Fixed Interest Common Investment Fund, Accumulation Shares of £ 430,808 (2023 £411,745). The market value of investments was valued at mid-market price as at 31st March 2024.

	<u>2024</u> £	<u>2023</u> £
Investments in subsidiary	1	1
	<hr/>	<hr/>
Subsidiary		
Cost	1	1
	<hr/>	<hr/>

The share is held in Suffolk Archaeology Limited. The company is dormant.

7. Debtors	<u>2024</u> £	<u>2023</u> £
Trade Debtors	5,474,190	3,696,327
Other Debtors	116,596	141,640
Amounts Recoverable on Contracts	471,764	722,756
	<hr/>	<hr/>
	6,062,550	4,560,723
	<hr/>	<hr/>

8. Creditors (Amounts falling due within one year)	<u>2024</u> £	<u>2023</u> £
Trade Creditors	1,161,174	847,240
Taxation and Social Security Costs	1,196,577	609,962
Other Creditors	249,213	103,261
Deferred Income	4,210,673	3,610,358
	<hr/>	<hr/>
	6,817,637	5,170,821
	<hr/>	<hr/>

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2024

Deferred Income relates to archaeological project contract income received in advance and relates wholly to the year under review.

9. Share Capital

The Company is limited by guarantee and does not have a Share Capital. In accordance with the Company's Memorandum and Articles of Association the members' liability, in the event of the Company being wound up, is limited to £1.

10. Analysis of Net Assets by Fund

	<u>< - Unrestricted Funds -></u>		<u>Restricted</u>	<u>Total</u>	<u>Total</u>
	<u>General</u>	<u>Designated</u>	<u>Fund</u>	<u>2024</u>	<u>2023</u>
	£	£	£	£	£
Fixed Assets	544,829	-	-	544,829	484,097
Investments	430,808	-	-	430,808	411,745
Current Assets	15,459,472	3,275,000	5,803	18,740,275	15,634,089
Current Liabilities	(6,817,637)	-	-	(6,817,637)	(5,170,821)
Pension Scheme					
Funding Surplus/(Deficit)	2,493,000	-	-	2,493,000	1,466,000
	<u>12,110,472</u>	<u>3,275,000</u>	<u>5,803</u>	<u>15,391,275</u>	<u>12,825,110</u>

The restricted fund current assets are comprised as follows:

	<u>2024</u>		<u>2023</u>	
	£	£	£	£
Cash at Bank	5,803		43,470	
	<u>5,803</u>		<u>43,470</u>	

	<u>Historic</u>	<u>Roman CBM</u>	<u>Community</u>	<u>Total</u>
	<u>England</u>	<u>PhD Fund</u>	<u>Research</u>	<u>Total</u>
	£	£	<u>Fund</u>	£
			£	
As at 1st April 2023	13,400	18,178	11,892	43,470
Income in year	-	7,737	45,146	52,883
Expenditure in year	(13,400)	(20,112)	(57,038)	(90,550)
	<u>-</u>	<u>5,803</u>	<u>-</u>	<u>5,803</u>
As at 31st March 2024	-	5,803	-	5,803

Historic England:

Grants provided by Historic England restricted to supporting the publication of Historic England sponsored books.

Roman Ceramic Building Material (CBM) PhD Fund:

Donations to support a funded PhD student researching Roman ceramic building material at the University of Kent.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2024

Community Research Fund:

Donations to support fieldwork and post-excavation analysis of a community research project in Wiltshire.

11. Unrestricted Funds

	<u>General</u> £	<u>Designated</u> £	<u>Total</u> £
As at 1st April 2023	9,831,640	2,950,000	12,781,640
(Deficit)/Surplus for the year	3,613,832	(1,010,000)	2,603,832
Transfers between Funds	(1,335,000)	1,335,000	-
	12,110,472	3,275,000	15,385,472

The designated funds are listed below. These funds are earmarked and exist to enable the Charity to continue to provide archaeological services to a high standard on an ongoing basis.

	<u>Dissemination and Archiving</u> £	<u>Public Engagement And Social Value</u> £	<u>New Technology</u> £	<u>Premises</u> £	<u>Pension Fund</u> £	<u>Total</u> £
1st April 2023	350,000	300,000	300,000	250,000	1,750,000	2,950,000
Expenditure	(405,000)	(270,000)	(235,000)	(100,000)	-	(1,010,000)
Transfer	505,000	295,000	385,000	150,000	-	1,335,000
	450,000	325,000	450,000	300,000	1,750,000	3,275,000

Funds have been designated by the Directors for the following purposes:

Dissemination and Archiving:

The Charity makes it work widely and freely available to advance the education of the public. It strives to research the results of its most significant investigations even when this is over and above the contractual requirement with those who commissioned the work in the first place. It ensures that the finds and archives resulting from investigations are deposited with publicly accessible repositories wherever possible. This fund finances such work where this is not covered within pre-existing contracts, and supports the maintenance of the Reports Online facility on our website that provides free access to our unpublished fieldwork reports.

Public Engagement and Social Value:

Work associated with the wider dissemination of the results of our projects to a broad range of individuals, social media posts, website stories, in-person events and talks, and providing opportunities to volunteer. Activities that support access to, and preparedness for, employment in our sector.

New Technology:

Maintenance and upgrading of computer infrastructure to maintain contemporary standards of functionality, resilience and security. Investment in the capture archaeological data in a born digital format, especially that arising from archaeological fieldwork investigations. Investment in digital survey (geomatics).

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2024

Premises: Future premises requirements, including dilapidations at the end of lease terms.

Defined Benefit Pension Scheme: Provision for liabilities arising from the Company's defined benefit pension scheme operated by Gloucestershire County Council and provision for any final cessation payment.

12. Movement of Funds 31st March

	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>2024</u> £	<u>Total</u> <u>2023</u> £
Balance B/Fwd	12,781,640	43,470	12,825,110	7,262,366
Surplus/(Loss) for the Year	2,603,832	(37,667)	2,566,165	5,562,744
	<hr/>	<hr/>	<hr/>	<hr/>
	15,385,472	5,803	15,391,275	12,825,110
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>2023</u> £	
Balance B/Fwd	7,198,885	63,481	7,262,366	
Surplus/(Loss) for the Year	5,582,755	(20,011)	5,562,744	
	<hr/>	<hr/>	<hr/>	
	12,781,640	43,470	12,825,110	
	<hr/>	<hr/>	<hr/>	

13. Defined Benefit Pension Scheme

By the end of the year, 11 (2022 - 14) employees were members of the Gloucestershire Local Government Pension Scheme (GLGPS). The Company contributed £149,000 (2023 - £159,000) to the scheme on behalf of its employees during the year. The Company has 19 deferred pensioners and 10 pensioners.

The assets of the defined benefits scheme for staff are held separately from those of the Charity. The Scheme is funded by contributions from the employees and employer in accordance with the recommendations of independent qualified actuaries on the basis of triennial formal valuations. The most recent of these formal valuations was made on 31st March 2022, using the revised actuarial assumptions of the Pensions Act 1995, and reported a deficit of £2,744,000 which is being funded by employer's contributions of 29.8% per annum and employees' contributions on average of 7.9% of pensionable pay to 31st March 2023.

Significant assumptions used are as follows:

	31st March 2024 % p.a.	31st March 2023 % p.a.
Inflation/Pension Increase Rate	2.95%	2.95%
Salary Increase Rate	3.45%	3.45%
Discount Rate	4.75%	4.75%

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2024

Major categories of plan asset

Year ended	31st Mar 2024 %	31st Mar 2023 %
Equities	65	66
Bonds	21	21
Property	12	12
Cash	2	1
	-----	-----
	100	100
	-----	-----

Balance Sheet

Year ended:	31st Mar 2024 £ (000)	31st Mar 2023 £ (000)
Fair value of employer assets	8,545	7,418
Present value of funded liabilities	(6,052)	(5,952)
	-----	-----
Net (under)/overfunding in funded plans	2,493	1,466
Present value of unfunded liabilities	-	-
Unrecognised past service cost	-	-
	-----	-----
Net asset / (Liability)	2,493	1,466
	-----	-----

The defined benefit obligation is split £3,773,000, £1,473,000 and £806,000 between active members, deferred members and pensioner members respectively as at 31st March 2024

The liabilities as at 31st March 2024 are based on the current benefit structure of the GLGPS.

Reconciliation of defined benefit obligation

Year ended:	31st Mar 2024 £ (000)	31st Mar 2023 £ (000)
Opening defined benefit obligation	5,952	8,476
Current service cost	139	228
Interest cost	285	236
Contributions by members	45	43
Actuarial losses / (gains)	(-)	(-)
Past service costs / (gains)/losses	-	-
Losses/ (gains) on curtailments	-	-
Changes in financial assumptions	(412)	(3,454)
Changes in demographic assumptions	(33)	(211)
Other expenses	149	680
Estimated unfunded benefits paid	-	-
Benefits paid	(73)	(46)
	-----	-----
Closing defined benefit obligation	6,052	5,952
	-----	-----

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2024

Reconciliation of fair value of employer assets

Year ended:	31st Mar 2024	31st Mar 2023
	£ (000)	£ (000)
Opening fair value of employer assets	7,418	7,444
Net interest	359	207
Contributions by members	45	43
Contributions by the employer	304	159
Return on assets excluding amounts included in interest	(492)	(345)
Assets distributed on settlements	-	-
Other expenses	(-)	(44)
Benefits paid	(73)	(46)
	<hr/>	<hr/>
Closing fair value of employer assets	8,545	7,418
	<hr/>	<hr/>

Investment returns

The return on the Fund in market value terms for the period to 31st March 2024 is estimated based on actual Fund returns as provided by the Administering Authority and index returns where necessary. Details are given below:

Actual Returns from 1st April 2023 to 31st March 2024	11.3%
Total Returns from 1st April 2023 to 31st March 2024	11.3%

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31st March 2024:	Approximate % increase to Defined Benefit Obligation	Approximate monetary Amount (£ 000)
0.1% decrease in Real Discount Rate	2%	126
1 year increase in member life expectancy	4%	242
0.1% increase in the Salary Increase Rate	0%	19
0.1% increase in the Pension Increase Rate	2%	109

Analysis of projected amount to be charged to operating profit for the year to 31st March 2024

Year ended:	31st March 2025	% of Pay
	£ (000)	
Projected current service cost	(128)	(23.4)
Interest including plan assets	420	76.6
Interest cost on defined benefit obligation	(295)	(53.8)
Past service cost including curtailments	125	22.8
Effect of settlements	-	-
	<hr/>	<hr/>
	(3)	(0.6)
	<hr/>	<hr/>

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2024

The actuary estimates that the Employer's contributions for the year to 31st March 2025 will be approximately £305,000.

14. Defined Contribution Scheme

The Company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the Company and amounted to £525,039 (2023 £427,029).

15. Related Party Transactions

There were no related party transaction during the year or prior year.

16. Contingent Liabilities

The Company's leasehold premises have had alterations made that may require rectification at the end of the lease. The costs relating to this are not known. A provision of funds over the period of the lease will be made through the designated premises reserve to cover anticipated future costs.

17. Capital Commitments

There were no capital commitments at the year end.

18. Controlling Parties

The Charitable Company has no ultimate controlling party.

19. Going Concern

The Charity has no going concern issues.

20. Operating Leases

Total future minimum lease payments under non-cancellable leases are as follows:

Leases on Buildings	<u>2024</u> £	<u>2023</u> £
Within 1 year	233,308	226,852
More than 1 year	302,450	387,258
Other		
Less than 1 year	93,765	134,573
More than 1 year	10,980	59,663

21. Government Grants

The Charity received none during the last two financial years.

COTSWOLD ARCHAEOLOGY LTD

England & Wales - Charity number 1001653

Accounts

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st MARCH 2023

COMPANY REGISTRATION NUMBER - 2362531
CHARITY NUMBER - 1001653

OBJECTIVES AND ACTIVITIES

Objectives

The object of the Charity is to advance the education of the public in the subject of archaeology and the appreciation and understanding of the historic environment in the United Kingdom and other parts of the world. We achieve this by creating knowledge which is gathered from archaeological investigations and other research.

Cotswold Archaeology strongly supports a sustainable approach to our cultural heritage, and we utilise our professional expertise to balance the preservation of the most important aspects of our heritage with society's current and future needs. We adhere to the principle that significant heritage assets and their settings should be preserved, but where this is not possible ensure that such assets are recorded to the highest standards, and the results of this work are widely disseminated. As a Registered Organisation with the Chartered Institute for Archaeologists (CIfA) we signify our commitment to the maintenance and development of the highest professional standards.

The Charity has adopted a Strategic Plan to guide its activities until the end of 2025, developmental work on the next Plan will commence during the year.

Mission

Cotswold Archaeology exists to increase public awareness and appreciation of the past. We create and communicate knowledge so that it can be valued and enjoyed by present and future generations. We are a leading supplier of professional heritage services who provides high-quality expertise and advice to our customers. We continually aim to improve our service so that we maintain our market-leading reputation.

Values

Our Guiding Principles are:

- We use our research to make the past relevant, interesting and enjoyable to a broad spectrum of beneficiaries;
- Developing knowledge of the past amongst stakeholders increases community cohesion and identity, and furthers an overall appreciation of the world we live in;
- Engagement with heritage activities, either directly or indirectly, benefits individual wellbeing;
- We commit to the maintenance and development of the highest professional standards in our activities;
- We always strive to meet the needs and aspirations of our customers; and
- We want to be a great company to work for.

We link our activities to our Mission and Values through a performance chain that measures our efficiency and effectiveness.

Vision / Strategic Goals

We have defined six objectives for the period to 2025:

- Objective 1:* Increase society's understanding and appreciation of the past through improved awareness and knowledge of archaeology.
- Objective 2:* Enhance our reputation as a high performing and innovative Charity that produces excellent work.
- Objective 3:* Commitment to the health, safety, wellbeing and safeguarding of our staff.
- Objective 4:* Remain a top tier provider of professional heritage services in the UK.
- Objective 5:* Be a resilient, secure and stable Charity that can adapt to changing circumstances and is well prepared for unexpected events.
- Objective 6:* A great employer. Be one of the best companies in our sector to work for.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

Public Benefit

Our Mission, Values and Vision all combine towards the delivery of a public benefit, which Trustees keep under regular review by reference to the guidance on public benefit published by the Charity Commission following the Charities Act 2011. This requires an identifiable benefit or benefits to arise from the work of charities, and such benefits to be available to the public or a section of the public. The activities of Cotswold Archaeology meet that test.

STRATEGIC REPORT

Achievements and Performance

In this section we report on our performance during the year in delivering the objectives set out in the previous section. We evaluate our activities under the headings of *Knowledge Creation; Facilitating Access to Knowledge* (which collectively address Objectives 1 and 2); and *Developing our Company and Caring for our People* (which address Objectives 3 and 6). The Financial and Operational Review in the next section details our progress with Objectives 4 and 5. In financial year 2022/23 the Charity maintained the high level of income and staff deployment experienced in 2021/22 due to our involvement in a wide range of fieldwork projects, some of very large size. This funding allowed us to undertake more research and reach a greater number of individuals through our outreach and engagement activities than has previously been possible.

Knowledge Creation

Archaeological investigations are an important means by which knowledge about the past is created. The frequency and scale of these projects is closely tied to the level of construction activity in the UK. There was a high demand for our services throughout the calendar year of 2022.

Demand for our fieldwork services was driven in large measure by projects associated with energy security, residential development and transport infrastructure. Demand for post-excavation and consultancy services was also strong. Many new projects commenced during the year, alongside continuing work on those initiated previously.

The five largest projects undertaken during the year were field investigations in Buckinghamshire, Leicestershire, West Northamptonshire and Suffolk (x 2). We also devoted considerable resources to post-excavation analysis and report production, desk-based research and projects associated with historic buildings. Field projects conducted during the year which will have a high research impact when the results have been fully analysed and disseminated include:

- *Finchingfield, Essex*. A 12th to 14th-century medieval tile kiln associated with a roadside settlement.
- *South Cerney, Gloucestershire*. Six Late Bronze Age to Early Iron Age roundhouses and two rectangular structures. A Middle Bronze Age spearhead was a notable find.
- *Winchcombe, Gloucestershire*. Eleven Roman inhumation burials and two possible deposits of cremation debris likely associated with a nearby Roman villa.
- *Basingstoke, Hampshire*. Three pits containing well-preserved Bronze Age urns that may have been inserted into a barrow that has been removed by subsequent landscaping.
- *Hearne Bay, Kent*. Bronze Age through to Anglo-Saxon activity and a medieval enclosure. A remarkably well-preserved medieval worked bone flute had been skillfully fashioned from a sheep's tibia.
- *Oadby, Leicestershire*. Iron Age settlement with associated enclosures and a pit alignment. Four roundhouses were present.
- *Harpole, West Northamptonshire*. Excavation on both sides of a small brook. On one side Iron Age settlement overlooked rectilinear enclosures, likely for stock rearing, and a droveway. Over 20 cremation burials were separated from the other activity by an alignment of over 60 pits that followed the edge of the flood plain. The pit alignment was replaced by a large enclosure. A large and very well-preserved limekiln is undated, but most likely Roman in date. Another Iron Age pit alignment was found on the other side of the brook. It was superseded by Iron Age enclosures containing roundhouses.
- *Sizewell, Suffolk*. A Roman saltern comprising a hearth pit and associated clay-lined settling tank.
- *Lotmead, Swindon*. A woodland environment represented by over 1,000 tree-throw holes which was cleared when the nearby Roman small town of Wanborough was established. Other Roman features included a large pond, two inhumation and 31 cremation burials and two ring-ditches, one of which enclosed a large sarsen stone.
- *Netherhampton, Wiltshire*. A Bronze Age barrow cemetery. Of the three barrows explored so far, two have double ditches. The westernmost had no central burial, but a satellite crouched burial just outside it. There was a juvenile burial in the inner ditch of the central barrow and a central burial pit that contained five individuals, a mix of adults and juveniles.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

Work on historic buildings was in many cases associated with schemes which aim to provide sympathetic new uses for old buildings which no longer serve their original function. We also produced conservation management plans for a variety of historic sites which will assist in securing a sustainable future for these important places.

Partnerships, Collaborations, and Professional Citizenship

The Board believes that benefits accrue from working in partnership with other organisations (both within and outside of the heritage sector) that share similar values and objectives to us. In some situations, partnerships with other archaeological organisations allow us to work on larger projects without exposing ourselves to excessive risk.

During the year we worked with Oxford Archaeology Ltd (a registered charity) as a Joint Venture known as Oxford Cotswold Archaeology (OCA) on major fieldwork investigations associated with the Sizewell C development in Suffolk and the Lower Thames Crossing in Essex and Kent. OCA also commenced fieldwork on the A417 Missing Link trunk road scheme in Gloucestershire. Post-excavation analysis by OCA continued on a prehistoric causewayed camp at Thame, Oxfordshire, and a site within the Redcliffe suburb of medieval Bristol. A Joint Venture with Oxford Archaeology and Pre-Construct Archaeology Ltd (COPA) completed the post-excavation assessment work of our investigations associated with the London to Birmingham section of the HS2 railway. COPA also worked in association with MoLA-Headland Infrastructure on post-excavation analysis of archaeological investigations associated with the upgrade of the A14 trunk road in Cambridgeshire.

Cotswold Archaeology collaborates with academic institutions on a variety of research projects. During the year we worked on projects including: *Feed the birds/do not feed the animals* (Exeter University); *Tales of trauma: life and violence in Roman Gloucester* (Exeter University); *Bio-cultural impacts on British biodiversity, AD 0-1000* (NERC funded PhD studentship, Exeter University); *Rewilding later prehistory* (Oxford University); *Radiocarbon dating of lipids in early Neolithic pottery* (PhD, studentship, Bristol University); *Compound-specific radiocarbon dating of lipid residues in pottery* (Bristol University); *One thousand genomes* (an ancient DNA study run by the Francis Crick Institute), *Early medieval population transformations in Britain* (an ancient DNA study with the Max Planck Institute) and projects run from the Molecular Population Genetics Lab, Trinity College Dublin. The Charity also continues to sponsor a student undertaking a PhD researching Roman ceramic building materials at the University of Kent.

Cotswold Archaeology plays an active role in furthering the discipline and practice of archaeology and helps lead improvement and innovation in our sector. This is achieved through staff participation in a wide range of professional citizenship activities both within the UK and internationally.

Service Development and Innovation

Knowledge creation is served by the existence of a strong heritage sector, a well-trained work force, and a corporate commitment to innovation and service development. Cotswold Archaeology is accredited under the ISO 9001: 2015 quality management scheme. As such we commit to continuous improvement. We have identified a number of specific areas where we will focus our energies to improve our service. We are committed to developing our staff to their maximum potential and continue to invest in an award-winning graduate training programme. During the year we increased the on-site training support available to our Trainee Archaeologists. We also believe that the future health of field archaeology will rest upon the ability of our sector to recruit and train more non-graduates as field archaeologists. We recruited our second cohort of Level 3 Archaeological Technician apprentices in the autumn of 2022.

A newly-appointed Geomatics Manager has reviewed our survey methodology and management of digital data. Changes have been made to our survey methods, and we have formulated plans to upskill our capability to collect more archaeological data using Unmanned Aerial Systems (drones). This capability will be progressively rolled out during 2023.

Cotswold Archaeology is the joint owner with Oxford Archaeology of a software system that allows us to capture digital archaeological data in the field. The two Charities have committed to the future development of the system and will launch the next upgrade to the system in 2023. We have designed a comprehensive staff training programme for the digital recording system that will be implemented throughout 2023.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

Facilitating Access to Knowledge

Dissemination of Research

Cotswold Archaeology is committed to high standards in research and prides itself on the academic quality of its research publications. Our activities deliver a public benefit as we make the results of our work widely available to our beneficiaries at little or no cost. Our monographs and journal articles are widely available either through public lending libraries or as free downloads from our website. Our online library of grey literature reports which allows visitors to download for free digital versions of our unpublished fieldwork reports continues to be a very popular and well-used resource. All our out-of-print monographs are available as pdf downloads from our website, along with an increasing number of reports published in journals and periodicals.

One monograph was published during the year concerning excavations at Flixton Quarry in Suffolk and 15 other reports were published in a variety of academic journals on projects in Bath & NE Somerset, Buckinghamshire, Devon, Gloucestershire, Hampshire, Powys, South Gloucestershire, Surrey, West Berkshire and Wiltshire. These journals are widely distributed, both in the UK and internationally, and can be obtained from public libraries and, increasingly, online. Much preparatory work was undertaken on reports on other projects which will be published in the next few years.

Our unpublished reports are available either via our website or at publicly accessible archives. The Reports Online section of our website now hosts 5,131 fieldwork reports (4,475 in 2022), and the number continues to grow steadily. The reports can be searched via keyword and map-based interfaces and downloaded at no cost. This section of the website attracted 34,368 visits and downloads during the year. Some 2,816 (2,256 in 2022) of these reports are also freely available online via the Library of Unpublished Fieldwork Reports hosted by the Archaeology Data Service.

Social Value and Community Engagement

Alongside our publications that are aimed primarily at the research end of the educational spectrum, we are also committed to communicating our work to a wide range of other beneficiaries, including people of all ages and varying levels of prior knowledge of archaeology. Our beneficiaries range from school children to retired people and from those with a well-developed passion for the past to those with a more casual interest in the history of their community and local area. We strive to develop and tailor our offerings to appeal to traditionally under-served groups in our society.

We place considerable importance on our educational and outreach activities, and during 2022/23 we delivered a comprehensive and impactful programme of activities. Our investment in digital engagement continues to pay dividends. Particular achievements include:

- Minety (Wiltshire): we commenced a research project investigating an important Roman tile industry. A community-based investigation of a kiln took place in the summer of 2022 with spectacular results. We communicated our findings to a well-attended open day in the village hall. A second season of investigation will take place in the summer of 2023.
- Kelmscott Manor (Oxfordshire): three test pitting weekends, school involvement and geophysical survey in conjunction with local archaeology groups.
- Great Yarmouth (Norfolk): a test pitting weekend utilising local volunteers, Young Archaeologists Club and school children.
- A417 Missing Link (Gloucestershire): local primary school workshops communicating the results of our investigations on behalf of National Highways.
- Rendlesham (Suffolk): we contributed to the community research excavation and outreach programmes for school and community groups during the second year of a project supported by the Heritage Lottery Fund.
- Eight webinars using our Zoom package including our Annual Lecture.
- 16 work experience placement weeks.
- 45 in-person or online talks.

The Charity actively encourages and supports public participation in archaeology as this can support individual well-being and provides opportunities for volunteering where this is appropriate and in line with our adopted policies. In-person volunteering opportunities totalled 606 days of engagement and involved 278 separate individuals.

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REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

Web presence is a valuable means of communicating with a wider audience. Our website received over 78,000 visits during the year, although the number is most likely much higher as a cookie plugin prevented some of the tracking. We released 58 stories, just over one per week, and further developed the catalogue of our virtual museum, launched in May 2022, which now hosts over 100 free-to-view artefacts, the majority with 3D models.

Our Social Media programme continues to educate additional audiences and demographics to those traditionally targeted by our academic publications; our analytics software reports that we outstrip other similar providers with our content quantity, quality, and engagement. Our social profiles achieved combined impressions of over 5.5 million in the year, and we are engaging daily with individuals from all over the world: most countries in Europe, but also North America, Australasia, Asia, and even people in Africa and South America. These numbers don't simply reflect passive onlookers – our core followers, now numbering close to 39,000 (an increase of 6,000 from 2021/22), interact with our discoveries at a rate regarded by industry experts as 'very highly engaged'. Our audiences are taking the opportunity to learn directly from us about archaeology and our discoveries. Across Facebook, Instagram, Twitter, and LinkedIn we generated nearly 2,500 conversations in 2022/23. Our social platforms have also acted as a successful communication tool for engaging wider news and media outlets, including *Current Archaeology Magazine*, ITV and the BBC.

In combination, our websites and social platforms allow us to share the full story of a site, driving rich engagement and a deeper understanding of the archaeology, as we have done with our community archaeology project at Minety. Utilising on-site videos, live Q&As, extended web articles, visual storyboards, and social media posts, this project alone has generated 2,000 webpage views and 15,400 social media engagements, and prompted multiple associated lectures and open days, greatly developing public understanding of Roman Britain.

Our community engagement activities are one facet of our overarching objective of delivering public benefit and social value. During the year we developed our social value agenda and defined the specific measures where we will concentrate attention. These support the social value themes of promoting local skills and employment, supporting the growth of responsible regional businesses and supporting healthier, safer and more resilient communities.

The activities of the Charity have had a considerable impact on the various constituencies (public; professional; academic) interested in the archaeology and history of the United Kingdom, and our work has furthered public knowledge and understanding of the historic environment.

Developing our Company and Caring for our People

The Charity cannot deliver its objectives without an expert, well-trained and motivated work force. Recruitment of adequate numbers of professional archaeologists with appropriate skills and experience is a challenge across the heritage sector, and for that reason we place great emphasis on the recruitment and retention of talented individuals. The Charity has heightened its focus on people-related matters in recent years, and from 2023 onwards Trustees will receive an annual People Report. The Charity continues to invest in a variety of training initiatives. We place considerable emphasis on staff well-being and have introduced measures to provide greater support for mental health in the workplace to better reflect the core standards recommended in the 'Thriving at Work' report published by the Department of Work and Pensions. We continually seek improvements to our company working culture so that colleagues can be open about their mental health and will be supported if they do so. The Charity is committed to the Equality, Diversity and Inclusion (EDI) and organises workplace sessions to raise awareness of these issues.

We strive to set and maintain exemplary standards of health and safety performance to ensure the health, safety and well-being of our staff and all others affected by our work. A safe working culture in which no one is harmed is fundamental to the success of our Charity. The Trustees approved an updated Health and Safety Policy and Procedures in March 2023, and receive an annual health, safety and welfare report. Whilst overall responsibility for policy and implementation rests with the Board, it has delegated to the Chief Executive authority for policy provision, safety management systems and legal compliance. We are accredited under the ISO 45001: 2018 standard which covers occupational health and safety.

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FOR THE YEAR ENDED 31st MARCH 2023

Safeguarding, including the well-being of the recipients of our digital communications, is of the utmost importance to the Charity. An updated and enhanced Safeguarding Policy will be adopted in 2023. Trustees will also be offered additional training in the oversight of safeguarding procedures, including written risk and escalation procedures and a responsibility matrix.

We publish our Gender Pay Gap report in line with Government requirements. Our pay gap has reduced over the last few years but there is more we want to do to reduce the imbalance. For instance, women are under-represented at managerial level in some parts of the Charity and we will encourage and support females to be able to better compete for these roles. We encourage and support female managers to serve as visible role models and mentors for their junior colleagues.

As the Charity grows, we devote greater resources to communication with our colleagues. During the year we implemented online staff 'Town hall meetings' where colleagues received updates on the performance of the Charity and were able to ask questions. Our internal staff newsletter is also well received. Management continues to focus on the identification of activities to help foster staff engagement and alignment with the Charity's values. We undertake an annual staff survey and formulate an action plan to react to the key trends.

Sustainability and Environment

Cotswold Archaeology is committed to initiatives that advance environmental, economic, and social sustainability for current and future generations. We support the principle of sustainable development and our Corporate Mission and Objectives directly align with United Nations Sustainable Development Goal 11.4: *Strengthen efforts to protect and safeguard the world's cultural and natural heritage*. We are members of the Climate Heritage Network through which we work collaboratively with our peers and stakeholders to develop, implement and enhance the climate action agenda in the heritage sector.

We adopted a Sustainability Policy in 2022 to guide our activities and the Board receives an annual Sustainability Report. We have stated our ambition to achieve Net Zero Carbon by 2050 at the latest. The Policy concentrates on the areas where Cotswold Archaeology can make the most positive contributions to environmental, economic and social sustainability, and is supported by an Action Plan. During the year we commenced work on a Carbon Reduction Plan which we will complete and adopt by the end of 2023. We also have an Environmental Management system which is independently certified as compliant with ISO 14001: 2015.

Company Infrastructure

The Charity operates from four offices. We supplemented our original base in Cirencester by opening offices in Milton Keynes in 2011; Andover in 2012 and Suffolk in 2019. In addition to the delivery of project work, our offices function as hubs from which we can forge links with local stakeholders. The existence of these offices allows us to undertake investigations throughout the UK.

The main focus of our activity during the year has been the replacement and expansion of our Virtual Desktop Infrastructure IT network to provide greater resource and flexibility. Our landline phone systems were also migrated into the Cloud. Work commenced on upgrading from our current Cyber Essentials standard to the more advanced Cyber Essentials Plus accreditation which we will achieve before the end of 2023. We have also improved the organisation and working methods of our geomatics department, investing in up-to-date equipment including a new Robotic Total Station.

Future Plans

Despite the uncertainties caused by a high level of price inflation in the UK, the Charity has a strong order book of projects for 2023 and the Trustees believe it is well placed to achieve its income targets and budgets for 2023/24.

We have defined five priorities for investment and focus over the next few years:

- Upskilling our expertise and capability in digital data management to make us more efficient and technologically proficient.
- Improving our skills development, CPD and training offer so that employees develop to their full potential quicker.
- Building workplace culture as an effective recruitment and retention tool.
- Growing our post-excavation analysis and publication capability so that it keeps pace with the increasing volume of fieldwork undertaken.
- Enhancing our sustainability and social value offering.

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FOR THE YEAR ENDED 31st MARCH 2023

Specific objectives for 2023/24 include:

- Adopt an updated Safeguarding Policy.
- Implement our Social Value objectives and Outreach Action Plan.
- Implement our Sustainability Action Plan and adopt a Carbon Reduction Plan.
- Increase the number of peer reviewed academic publications issued during the year.
- Further develop our Digital Recording System that captures archaeological data digitally during fieldwork. Focus on staff training and software development.
- Improve our use of Unmanned Aerial Systems (drones) to collect archaeological data.
- Refresh the content and design of our website.
- Implement actions to support a workplace culture that promotes Fairness, Inclusion and Respect.
- Implement actions to reduce our Gender Pay Gap.
- Improve internal company communications to engender greater cohesiveness and sense of belonging amongst staff.
- Obtain Cyber Essentials Plus accreditation.
- Adopt a range of new policies and procedures in anticipation of the refreshed Charities Annual Return.

We wish to remain a leading supplier of professional heritage services in the UK and will work to further consolidate our position and reputation within and outside the heritage sector. We have developed a strong reputation in public outreach and community engagement and will continue to invest in these activities. We also want to develop further partnerships with academic institutions to deliver high-quality synthesis and research projects.

FINANCIAL AND OPERATIONAL REVIEW

Investigations of archaeological and heritage sites are largely funded by bodies which act in the role of developer, and it is normal practice for these bodies to engage our services through contract. We maintain a professional archaeological service to undertake this research. The major sources of this income derive from Government agencies, local authorities, landowners and commercial organisations. The Charity secured an income of £24,135,650 from its unrestricted activities to enable it to undertake its work (£25,219,073 in 2022). We registered an operational surplus (net incoming resources) for the year of £3,064,744 (£1,856,226 in 2022).

The amount of heritage work undertaken in the UK is closely tied to the health of the construction and development industries. Whilst rising inflation and interest rates adversely affected some development sectors, Trustees consider that the charity is sufficiently robust financially to withstand a short-term diminution in the demand for its services caused by any deterioration in the volume of construction activity.

The Charity maintains close control of its finances. A budget is adopted by the Board for each forthcoming financial year, and performance is measured against this. Key performance indicators are monitored monthly by the Senior Management Team, and the quarterly management profit and loss account and balance sheet are reviewed by either the Finance, People and Resources Committee or Full Board. If significant variation to budget is anticipated, a revised budget is prepared for Board approval. The Charity implements rigorous credit control procedures to ensure the timely payment of bills and the maintenance of liquidity and cash flow. During the year we undertook a thorough review of our internal financial controls and Trustees adopted an enhanced Anti-Fraud Policy and Procedures.

Pension Schemes

The Charity operates two pension schemes, one defined contribution scheme (administered by Royal London) and a defined benefit scheme administered through the Gloucestershire County Council Pension Fund. The defined contribution schemes are open to all employees whilst the defined benefit scheme was closed to new entrants in 2007. Our individual fund within the Gloucestershire County Council pension fund was £1.032m in deficit at 31st March 2022, but at the 31st March 2023 was £1.466m in surplus, resulting in a positive contribution on the balance sheet of £2.498m. This dramatic change in valuation is due in large measure to changing financial assumptions adopted by the scheme actuary following the completion of the most recent triennial valuation in 2022. Employer contribution rates are currently fixed until 31st March 2026.

Trustees have paid close attention to the implications of the pension valuation on the operations of the Charity over many years. They do not consider that the funding position poses any short-term risk to the Charity, although they remain mindful of the long-term implications. Experience suggests that positive movements in our funding position in a given year are frequently counteracted by a negative movement in the year after. Accordingly, a fund designated to cover any pension deficit at the point the Charity finally leaves the scheme was created in 2014 within our unrestricted funds, and the Charity will increase the value of this fund as finances allow.

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REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

Reserves Policy

The Reserves Policy received its annual review. Trustees consider it important to build-up sufficient free unrestricted reserves not designated for other purposes to finance our planned programme of research for the foreseeable future. The Trustees consider that we should aim to have available sufficient finance to fund between three- and six-months' working capital to allow normal business activities to be undertaken without major financial risk, and to mitigate the risks to the Charity of a shortfall in budgeted income.

At 31st March 2023 the Charity had free reserves of £7,881,543.

Investment Policy

The Charity has built up funds from its trading operations which are held as unrestricted reserves. Part of these funds is retained in cash deposits to support day-to-day cash flow requirements and the remainder is available for investment. The sums required or available in both categories fluctuate according to trading conditions, so flexibility is an important consideration. We aim to preserve the value of our invested funds against inflation and to achieve modest capital growth by means of prudent placements in a diversified range of investments with a low level of risk. Diversity is sought both in terms of the range of placements and length of commitment. Within this policy, the Trustees have delegated responsibility for investments to the Finance, People and Resources Committee which comprises both Trustees and professionally qualified staff. The Finance, People and Resources Committee undertakes on an annual basis a financial health check of the investment portfolio. This investment policy is itself subject to annual review.

Principal Risks and Uncertainties

The Trustees identify and review the risks to which the Charity is exposed. We have a risk management policy which sets out procedures and systems to mitigate those risks. Risk is assessed as part of the ISO 9001: 2015 quality management system which is subject to annual external audit. The Senior Management Team maintains a Risk Register which is regularly updated, with the major risks reviewed by Trustees at every Full Board meeting. The risks that score highest in the risk matrix are:

Operational Risks

- Difficulties in recruiting sufficient numbers of Archaeologists with appropriate competencies/experience to service major labour-intensive contracts.
- Disruption to business activities brought about by shortages and price rises because of issues with global supply chains and political situations.
- Cuts in Government spending result in reduced opportunities to win work on major public infrastructure projects and thus less demand for our services overall.
- Recession in UK economy leads to less demand for our services from private sector clients, especially residential house builders.
- Potential disruption to power supplies.
- Disruption to operations, financial liabilities, loss of income and damage to reputation caused by a serious health and safety incident.

Financial Risks

- Inadequate commercial awareness leading to overly risky contracts and poor client communications during their execution.
- Rising supplier costs that cannot be fully passed on to customers leading to reduced profitability.

Trustees are satisfied that appropriate contingency measures are in place to mitigate these risks. The Charity also maintains a Business Continuity Plan which is reviewed as part of the ISO 9001: 2015 system.

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REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cotswold Archaeology Limited is registered as a Charity. It is also incorporated as a Company, limited by guarantee and without share capital. The Charity is run in accordance with its Articles of Association which were last revised in 2021. The Articles state that the Board of Directors, who are also Charity Trustees, shall not be less than five or more than twelve. Directors are appointed for a three-year term and retire at the end of this period. A retiring Director is eligible for re-election. Many of our projects are of a lengthy duration, often in the order of five to ten years, and accordingly the Board considers that continuity and experience amongst the trustee cohort to be beneficial. Five Trustees have served on the Board for in excess of nine years: Mr A. Chater to assist with long-term business continuity and on account of his special experience with financial management; Mr P. Cullen on account of his long-term experience of working with commercial development companies; Prof. T. Darvill on account of his especial expertise and experience in the heritage sector; Ms V.Fenner given her experience in outreach and community activities, and Mr K. Winmill on account of his local knowledge and contacts in one of our core operating areas. The Chairman and Committee Chairs are elected for three-year terms, at the conclusion of which they are eligible for re-election.

Trustees completed a skills audit during the year. They were content that the Board contains a good mix of skills and attitudes. There is diversity of opinion and a culture/willingness to challenge views expressed by fellow Trustees and the executive when appropriate. Trustee training needs were identified and will be implemented.

The Charity aligns with the Charity Governance Code for England and Wales, and during the year reviewed those sections of the Code refreshed in 2020 (Integrity and Equality Diversity and Inclusion). Minor amendments will be made to the Code of Governance following the review. Delegated authorities to management are granted via a power of attorney and a schedule of delegated financial authority. Both documents were reviewed and refreshed during the year.

Potential new Trustees are identified through advertisement or informal contact. During the recruitment process Trustees are mindful of their duty to promote Equality, Diversity and Inclusion in the composition of the Board. Candidates receive a programme of induction from the Chief Executive to fully inform them of the workings of the Charity and the responsibilities attached to trusteeship. They are issued with an induction pack and briefed on the organisation of archaeology in the UK and the objectives, opportunities and challenges facing the Charity. Candidates' CVs and supporting information are presented to the Board for consideration. Members of the Board are reimbursed for out-of-pocket expenses, such as transport costs to attend meetings and visit projects but are otherwise not remunerated.

The Full Board normally meets twice per year, plus an Annual General Meeting, while its two committees (Finance, People and Resources, and Archaeology) each meet on at least a further two occasions. Trustees are required to declare any interests at the commencement of each meeting. Full Board attendance during the year was 85% (2022 92%). Reports from the committees are presented to the Full Board. The Chief Executive has responsibility for appraising Trustees of new legislation, guidance and statements of good practice to enable them to effectively discharge their responsibilities.

The management of the Charity is regulated by a Code of Governance and our strategic direction is guided by a Strategic Plan. The current Plan covers the period to the end of 2025.

The Board of Trustees reviews the success of the Charity in meeting its stated aims and objectives at Full Board meetings. It benchmarks progress against 36 specific targets set out in the Strategic Plan which underpin the six strategic goals which form our Corporate Vision. The Board also receives reports from the Archaeology Committee which acts as custodian of academic and professional standards and also reviews the effectiveness of our outreach and community engagement activities. A panel of Specialist Academic Advisors assists the Trustees in validating and assuring the quality of our projects and publications.

To meet our charitable objectives, the Board appoints salaried staff to undertake projects under the leadership of a Chief Executive. The Chief Executive is supported in operational management by a Senior Management Team comprising the Commercial Director & Director of Fieldwork; Finance Director; Director of Heritage Consultancy; People Director, and Director of Research and Engagement. The Commercial Director is tasked with responsibility for the oversight and financial control of our trading operations, including management of contract risk. To allow the Charity to respond to the demands for its services a staff of around 279 (290 in 2022) is maintained. The Full Board approves the annual staff pay award, following prior consideration by the Finance, People and Resources Committee. The pay and remuneration packages of the Senior Management Team are set by the Full Board with reference to the salaries offered for comparable posts, and local employment conditions.

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REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

Status and Administration

The Directors, who are also Charity Trustees, and who served during the year were:

Professor T C Darvill (Chairman) OBE
Mr A M Chater
Mr P P J Cullen
Dr L H Evis (Vice Chair)
Ms V E P Fenner
Professor C M Gerrard
Ms K A Josephides
Ms C Kirk
Ms S B Parsons
Mr K R Wade (resigned 7th September 2022)
Mr K P Winmill
Dr C J Young

Address: Building 11
Cotswold Business Park
Cirencester
Gloucestershire
GL7 6BQ

Bankers: CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Auditors: Wenn Townsend
Gosditch House
5 Gosditch Street
Cirencester
Gloucestershire
GL7 2AG

Taxation Status

The Company is a registered Charity within the terms of the Income and Corporation Taxes Act 2007.

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REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

Directors Responsibilities

The Directors are responsible for preparing the Trustees' Annual Report (including the Strategic 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 Directors to prepare financial statements for each financial year, which 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in operation.

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

In so far as the Directors are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Wenn Townsend having expressed their willingness to continue in office, will be deemed to be reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives notice under section 488(1) of the Companies Act 2006.

By Order of the Directors



K A Josephides
CHAIR OF THE FINANCE, PEOPLE AND RESOURCES COMMITTEE

Date: 26th July 2023

COTSWOLD ARCHAEOLOGY LIMITED
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INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

We have audited the financial statements of Cotswold Archaeology Ltd (the 'Charitable Company') for the year ended 31st March 2023 which comprise the Statement of Financial Activities, Balance Sheet and Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Opinion on financial statements:

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31st March 2023, 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 requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material inconsistencies, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 11, the Trustees (who are also the directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

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INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charitable Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charitable Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charitable Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

Use of our report

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



S J Bates FCA
Senior Statutory Auditor
For and on behalf of Wenn Townsend, Statutory Auditor
5 Gosditch Street
Cirencester
Gloucestershire

Date: 27th July 2023

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2023

	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Fund</u> £	<u>2023</u> <u>Total</u> £	<u>2022</u> <u>Total</u> £
Income					
Donations and Legacies:					
Income from charitable activities:					
Archaeological projects		24,043,642	-	24,043,642	25,209,932
Book sales		642	-	642	1,325
Donations		-	24,774	24,774	12,118
Investment income		85,116	-	85,116	7,816
Surplus on fixed assets disposals		6,250	-	6,250	-
		_____	_____	_____	_____
Total Incoming Resources		24,135,650	24,774	24,160,424	25,231,191
		_____	_____	_____	_____
Expenditure					
Expenditure and charitable activities:					
Archaeological projects		20,522,551	44,785	20,567,336	22,904,846
Other support costs		498,686	-	498,686	452,065
		_____	_____	_____	_____
Total Resources Expended	4	21,021,237	44,785	21,066,022	23,356,911
		_____	_____	_____	_____
		3,114,413	(20,011)	3,094,402	1,874,280
Unrealised surplus/(loss) on investments		(29,658)	-	(29,658)	(18,054)
		_____	_____	_____	_____
Net Incoming Resources for the year		3,084,755	(20,011)	3,064,744	1,856,226
Actuarial (loss)/gain on defined benefit pension scheme		2,498,000	-	2,498,000	928,000
		_____	_____	_____	_____
Net Movement on Funds		5,582,755	(20,011)	5,562,744	2,784,226
Fund Balances brought forward		7,198,885	63,481	7,262,366	4,478,140
		_____	_____	_____	_____
Fund Balances carried forward	12	12,781,640	43,470	12,825,110	7,262,366
		_____	_____	_____	_____

The notes on pages 21-32 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2023

	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Fund</u> £	<u>2022</u> <u>Total</u> £
Income			
Donations and Legacies:			
Income from charitable activities:			
Archaeological projects	25,209,932	-	25,209,932
Book sales	1,325	-	1,325
Donations	-	12,118	12,118
Government grants	-	-	-
Investment income	7,816	-	7,816
Surplus on fixed assets disposals	-	-	-
	-----	-----	-----
Total Incoming Resources	25,219,073	12,118	25,231,191
	-----	-----	-----
Expenditure			
Expenditure and charitable activities:			
Archaeological projects	22,886,324	18,522	22,904,846
Other support costs	452,065	-	452,065
	-----	-----	-----
Total Resources Expended	23,338,389	18,522	23,356,911
	-----	-----	-----
	1,880,684	(6,404)	1,874,280
Unrealised surplus/(loss) on investments	(18,054)	-	(18,054)
	-----	-----	-----
Net Incoming Resources for the year	1,862,630	(6,404)	1,856,226
Actuarial (loss)/gain on defined benefit pension scheme	928,000	-	928,000
	-----	-----	-----
Net Movement on Funds	2,790,630	(6,404)	2,784,226
Fund Balances brought forward	4,408,255	69,885	4,478,140
	-----	-----	-----
Fund Balances carried forward	7,198,885	63,481	7,262,366
	-----	-----	-----

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

BALANCE SHEET
31st MARCH 2023

	<u>Note</u>	£	<u>2023</u> £	£	<u>2022</u> £
<u>Fixed Assets</u>					
Tangible Fixed Assets	5	484,097		528,963	
Investments	6	411,745		533,332	
		_____		_____	
			895,842		1,062,295
<u>Current Assets</u>					
Debtors	7	4,560,723		7,011,697	
Cash at Bank and in Hand		11,073,366		6,265,587	
		_____		_____	
		15,634,089		13,277,284	
Deduct: Creditors (Amounts falling due within one year)	8	5,170,821		6,045,213	
		_____		_____	
<u>Net Current Assets</u>			10,463,268		7,232,071
			_____		_____
<u>Total Net Assets before Pension Liability</u>					
Defined benefit pension scheme asset/(liability)	13		11,359,110		8,294,366
			1,466,000		(1,032,000)
			_____		_____
Total assets less current liabilities			12,825,110		7,262,366
			_____		_____
Financed by:					
<u>Unrestricted Funds:</u>					
General	11	9,831,640		5,048,885	
Designated		2,950,000		2,150,000	
		_____		_____	
			12,781,640		7,198,885
<u>Restricted Fund</u>	10		43,470		63,481
			_____		_____
			12,825,110		7,262,366
			_____		_____

These financial statements were approved by the Finance, People and Resources Committee and signed on behalf of the Committee on 26th July 2023



K A Josephides
CHAIR OF THE FINANCE, PEOPLE AND RESOURCES COMMITTEE

The notes on pages 21-32 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH 2023

	<u>2023</u> £	<u>2022</u> £
CASH USED IN OPERATING ACTIVITIES	4,808,060	2,980,435
CASHFLOW FROM INVESTING ACTIVITIES		
Interest received	85,116	7,816
Payments to acquire tangible fixed assets	(183,576)	(384,478)
Receipts from disposal of tangible fixed assets	6,250	2,800
	_____	_____
Cash provided by (used in) investing activities	4,715,850	2,606,573
Sale of fixed asset investments	100,000	-
Cashflow from financial activities	(8,071)	(6,561)
	_____	_____
INCREASE IN CASH	4,807,779	2,600,012
	_____	_____
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR	6,265,587	3,665,575
	_____	_____
TOTAL CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	11,073,366	6,265,587
	_____	_____

The notes on pages 21-32 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH 2023

RECONCILIATION OF OPERATING SURPLUS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	2023	2022
	£	£
Net Incoming/(outgoing) resources	5,562,744	2,784,226
Depreciation	228,442	210,169
(Profit)/loss on disposal of fixed assets	(6,250)	3,693
Actuarial loss/(profit) on defined benefit pension scheme	(2,498,000)	(928,000)
Unrealised (profit)/loss on investments	29,658	18,054
Interest received	(85,116)	(7,816)
(Increase)/Decrease in debtors	2,450,974	88,365
Increase/(Decrease) in creditors	(874,392)	811,744
	<hr/>	<hr/>
Net cash inflow from operating activities	4,808,060	2,980,435
	<hr/>	<hr/>

ANALYSIS OF CHANGES IN NET FUNDS

	1st Apr 2022	Cash flow	Other non-Cash Changes	31st Mar 2023
	£	£	£	£
Cash at bank and in hand	6,265,587	4,807,779	-	11,073,366
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 21-32 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2023

General information

The Company is a private company limited by guarantee, registered and incorporated in England and Wales. The address of the registered office is Building 11, Cotswold Business Park, Cirencester, Gloucestershire GL7 6BQ

Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

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 (FRS102) (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cotswold Archaeology Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Depreciation

Depreciation is provided using the following rates and bases which reflect the anticipated useful lives of the assets and their residual value:

Plant and Equipment	25% straight line
Improvements to Leasehold Property	5 years (Term of Lease)

Revenue Recognition

The Company's primary source of income derives from archaeological project contracts. Income from these contracts is recognised when receivable. Incoming resources from grants and donations are included when receivable. In respect of long-term contracts and contracts for ongoing services, turnover represents the value of work done in the year, including estimates based on time costs and actual expenditure costs for amounts not yet invoiced. All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

Interest Income

Interest income is recognised when it is received.

Resources Expenditure

Expenditure is recognised in the period in which they are incurred and include attributable VAT which cannot be recovered.

- Charitable expenditure comprises costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both direct and indirect costs whose charges is necessary to support them.
- Support costs include those costs associated with meeting the constitutional and statutory requirements at the Charity including audit fees and administrative labour.

Investments

Investments held as fixed assets are revalued at market value of the balance sheet date and the gain or loss taken to the SOFA.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

Accounting Policies (continued)

Pensions

The Company operates a pension scheme providing benefits based on pensionable pay which was closed to new members in 2007. The assets of the scheme are held and managed separately from those of the Company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Company. The contributions are determined by a qualified actuary on the basis of triennial valuations.

The scheme is being accounted for under FRS102, with the annually calculated notional surplus or deficit on the funding of the scheme is shown in the accounts as a designated pension scheme fund entitled "Pension Reserve", which is deducted from unrestricted funds in the balance sheet. The directors believe that the scheme currently meets statutory minimum funding requirements. The directors note that the calculated notional deficit or surplus calculated under FRS102 can vary greatly from year to year depending on the assumptions made at the valuation date, but with little or no effect on short term cash flows.

The employees not entitled to be part of the above scheme are entitled to be members of a defined contribution scheme. The costs charged in the financial statements represent the contribution payable by the Company during the year.

Operating Leases

The Charity classifies the lease of property and motor vehicles as operating leases; the title to the equipment remains with the lessor and the equipment is replaced before the end of its economic life. Rental charges are charged on a straight-line basis over the term of the lease.

Debtors

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

Creditors and provisions

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

Funds

The Company's funds consist of unrestricted and restricted amounts. The Company may use unrestricted amounts at its discretion. Restricted funds represent income, which is restricted to a particular purpose, in accordance with the donor's wishes. Designated funds are unrestricted funds set aside by the Directors out of unrestricted general funds for specific future purposes or projects.

2. Surplus on Ordinary Activities

	<u>2023</u>	<u>2022</u>
	£	£
The surplus is stated after charging:		
Auditors Remuneration	9,600	9,200
Depreciation	228,442	210,169
(Loss)/Profit on disposal of fixed asset	6,250	(3,693)
	<u> </u>	<u> </u>

3. Taxation

As a Charity Cotswold Archaeology Limited is exempt from tax on income and gains falling within the Income Taxes Act 2007 Section 524 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

4. Total Resources Expended

	<u>Staff Costs</u>	<u>Depreciation</u>	<u>Other Costs</u>	<u>Total</u> <u>2023</u> £	<u>Total</u> <u>2022</u> £
Archaeological Projects	9,261,519	228,442	11,077,375	20,567,336	22,904,846
Management and Administration	489,086	-	9,600	498,686	452,065
	<u>9,750,605</u>	<u>228,442</u>	<u>11,086,975</u>	<u>21,066,022</u>	<u>23,356,911</u>
				<u>2023</u>	<u>2022</u>
Other Support Costs					
Salaries				489,086	442,865
Audit and Accountancy Fees				9,600	9,200
				<u>498,686</u>	<u>452,065</u>
				<u>2023</u>	<u>2022</u>
Staff Costs					
Wages and Salaries				8,310,222	8,038,356
Social Security Costs				854,148	760,593
Pension Costs				586,235	558,720
				<u>9,750,605</u>	<u>9,357,669</u>
Employees benefits		£ 60,001 - £ 70,000	2		
		£ 71,000 - £ 80,000	2		
		£100,001 - £110,000	1		

The total pension costs for the employees is £76,013 all of whom are members of one of the company's pension schemes

The average number of employees analysed by function, was:

Archaeological Projects	264	276
Management and Administration	15	14
	<u>279</u>	<u>290</u>

The Directors received no remuneration during the year. Total expenses reimbursed to Directors during the year amounted to £1,990 (2022 £434).

The total amount of employee benefits received by key management personnel is £561,358 (2021 £532,337). The Charity considers its senior management team key personnel.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

5. Tangible Fixed Assets

	<u>Short Leasehold Improvements</u> £	<u>Plant and Machinery</u> £	<u>Total</u> £
<u>Cost</u>			
At 1st April 2022	260,061	1,422,236	1,682,297
Additions in Year	10,421	173,155	183,576
Disposals	(-)	(54,214)	(54,214)
	-----	-----	-----
At 31st March 2023	270,482	1,541,177	1,811,659
	-----	-----	-----
<u>Depreciation</u>			
At 1st April 2022	239,584	913,750	1,153,334
Charge for the Year	20,077	208,365	228,442
Disposals	(-)	(54,214)	(54,214)
	-----	-----	-----
At 31st March 2023	259,661	1,067,901	1,327,562
	-----	-----	-----
<u>Net Book Value</u>			
At 31st March 2023	10,821	473,276	484,097
	-----	-----	-----
At 31st March 2022	20,477	508,486	528,963
	-----	-----	-----

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

6. Investments	<u>2023</u>	<u>2022</u>
	£	£
Market value		
Balance b/fwd	533,331	544,826
Disposals	(100,000)	-
Accumulated interest	8,072	6,559
Unrealised gains/(loss) on investments	(29,658)	(18,054)
Realised gain on investments	-	-
	<hr/>	<hr/>
	411,745	533,331
	<hr/>	<hr/>

The investments were held in the Swanbrook Bank CAF Fund Bank Statement Issue 1 and were disposed in year value at 31st March 2023 £nil (2022 £100,000) and in M & G Investments Charibond Charities Fixed Interest Common Investment Fund, Accumulation Shares of £ 411,745 (2022 £433,331). The market value of investments was valued at mid-market price as at 31st March 2023.

	<u>2023</u>	<u>2022</u>
	£	£
Investments in subsidiary	1	1
	<hr/>	<hr/>
Subsidiary		
Cost	1	1
	<hr/>	<hr/>

The share is held in Suffolk Archaeology Limited. The company is dormant.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

7. Debtors	<u>2023</u> £	<u>2022</u> £
Trade Debtors	3,696,327	6,116,506
Other Debtors	141,640	111,905
Amounts Recoverable on Contracts	722,756	783,286
	-----	-----
	4,560,723	7,011,697
	-----	-----
8. Creditors (Amounts falling due within one year)	<u>2023</u> £	<u>2022</u> £
Trade Creditors	847,240	1,030,182
Taxation and Social Security Costs	609,962	651,046
Other Creditors	103,261	181,569
Deferred Income	3,610,358	4,182,416
	-----	-----
	5,170,821	6,045,213
	-----	-----

Deferred Income relates to archaeological project contract income received in advance and relates wholly to the year under review.

9. Share Capital

The Company is limited by guarantee and does not have a Share Capital. In accordance with the Company's Memorandum and Articles of Association the members' liability, in the event of the Company being wound up, is limited to £1.

10. Analysis of Net Assets by Fund

	<u>< - Unrestricted Funds - ></u>		<u>Restricted</u> <u>Fund</u>	<u>Total</u> <u>2023</u>	<u>Total</u> <u>2022</u>
	<u>General</u>	<u>Designated</u>			
	£	£	£	£	£
Fixed Assets	484,097	-	-	484,097	528,963
Investments	411,745	-	-	411,745	533,332
Current Assets	12,640,619	2,950,000	43,470	15,634,089	13,277,284
Current Liabilities	(5,170,821)	-	-	(5,170,821)	(6,045,213)
Pension Scheme					
Funding Surplus/(Deficit)	1,466,000	-	-	1,466,000	(1,032,000)
	-----	-----	-----	-----	-----
	9,831,640	2,950,000	43,470	12,825,110	7,262,366
	-----	-----	-----	-----	-----

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

The restricted fund current assets are comprised as follows:

	<u>2023</u> £		<u>2022</u> £	
Cash at Bank	43,470		63,481	
	_____		_____	
	<u>Historic</u> <u>England</u> £	<u>Roman CBM</u> <u>PhD Fund</u> £	<u>Community</u> <u>Research</u> <u>Fund</u> £	<u>Total</u> £
As at 1st April 2022	13,400	38,078	12,003	63,481
Income in year	-	-	24,774	24,774
Expenditure in year	-	(19,900)	(24,885)	(44,785)
	_____	_____	_____	_____
As at 31st March 2023	13,400	18,178	11,892	43,470
	_____	_____	_____	_____

Historic England:

Grants provided by Historic England restricted to supporting the publication of Historic England sponsored books.

Roman Ceramic Building Material (CBM) PhD Fund:

Donations to support a funded PhD student researching Roman ceramic building material at the University of Kent.

Community Research Fund:

Donations to support fieldwork and post-excavation analysis of a community research project in Wiltshire.

11. Unrestricted Funds

	<u>General</u> £	<u>Designated</u> £	<u>Total</u> £
As at 1st April 2022	5,048,885	2,150,000	7,198,885
(Deficit)/Surplus for the year	6,288,755	(706,000)	5,582,755
Transfers between Funds	(1,506,000)	1,506,000	-
	_____	_____	_____
	9,831,640	2,950,000	12,781,640
	_____	_____	_____

The designated funds are listed below. These funds are earmarked and exist to enable the Charity to continue to provide archaeological services to a high standard on an ongoing basis.

	<u>Report</u> <u>Archiving</u> £	<u>Outreach</u> £	<u>New</u> <u>Technology</u> £	<u>Premises</u> £	<u>Pension</u> <u>Fund</u> £	<u>Total</u> £
1st April 2022	150,000	150,000	300,000	150,000	1,400,000	2,150,000
Expenditure	(310,000)	(196,000)	(163,000)	(37,000)	-	(706,000)
Transfer	510,000	346,000	163,000	137,000	350,000	1,506,000
	_____	_____	_____	_____	_____	_____
31st March 2023	350,000	300,000	300,000	250,000	1,750,000	2,950,000
	_____	_____	_____	_____	_____	_____

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

Funds have been designated by the Directors for the following purposes:

Completion of Reports and Archiving: The Charity wishes to ensure that the results of its work are made widely and freely available in order to advance the education of the general public. It strives to publish the results of its most significant investigations even when this is over and above the contractual requirement with those who commissioned the work in the first place. It also ensures that the finds and archives resulting from investigations are deposited with publicly accessible museums. This fund has been created to finance such work where this is not covered within pre-existing contracts.

Outreach and Research Projects: Work associated with the wider dissemination of the results of our projects to a broad range of individuals, including popular publications and the updating of our website, lectures, talks and facilitating work experience. We have made a large number of our unpublished fieldwork reports freely available for download from our website.

New Technology: Purchase and updating of ICT requirements and digital survey.

Premises: Future premises requirements, including dilapidations.

Pension Deficit: Liabilities arising from the Company's defined benefit pension scheme operated by Gloucestershire County Council and provision for any additional cessation payments.

12. Movement of Funds 31st March

	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>2023</u> £	<u>Total</u> <u>2022</u> £
Balance B/Fwd	7,198,885	63,481	7,262,366	4,478,140
Surplus/(Loss) for the Year	5,582,755	(20,011)	5,562,744	2,784,226
	—————	—————	—————	—————
	12,781,640	43,470	12,825,110	7,262,366
	—————	—————	—————	—————
	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>2022</u> £	
Balance B/Fwd	4,408,255	69,885	4,478,140	
Surplus/(Loss) for the Year	2,790,630	(6,404)	2,784,226	
	—————	—————	—————	
	7,198,885	63,481	7,262,366	
	—————	—————	—————	

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

13. Defined Benefit Pension Scheme

By the end of the year, 11 (2022 - 14) employees were members of the Gloucestershire Local Government Pension Scheme (GLGPS). The Company contributed £159,000 (2022 - £156,000) to the scheme on behalf of its employees during the year. The Company has 19 deferred pensioners and 10 pensioners.

The assets of the defined benefits scheme for staff are held separately from those of the Charity. The Scheme is funded by contributions from the employees and employer in accordance with the recommendations of independent qualified actuaries on the basis of triennial formal valuations. The most recent of these formal valuations was made on 31st March 2022, using the revised actuarial assumptions of the Pensions Act 1995, and reported a deficit of £2,744,000 which is being funded by employer's contributions of 29.8% per annum and employees' contributions on average of 7.9% of pensionable pay to 31st March 2023.

Significant assumptions used are as follows:

	31st March 2023 % p.a.	31st March 2022 % p.a.
Inflation/Pension Increase Rate	2.95%	3.15%
Salary Increase Rate	3.45%	3.45%
Discount Rate	4.75%	2.75%

Major categories of plan asset

Year ended	31st Mar 2023 %	31st Mar 2022 %
Equities	66	71
Bonds	21	19
Property	12	9
Cash	1	3
	<hr/> 100 <hr/>	<hr/> 100 <hr/>

Balance Sheet

Year ended:	31st Mar 2023 £ (000)	31st Mar 2022 £ (000)
Fair value of employer assets	7,418	7,444
Present value of funded liabilities	(5,952)	(8,476)
	<hr/>	<hr/>
Net (under)/overfunding in funded plans	1,466	(1,032)
Present value of unfunded liabilities	-	-
Unrecognised past service cost	-	-
	<hr/>	<hr/>
Net asset / (Liability)	1,466	(1,032)
	<hr/>	<hr/>

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

The defined benefit obligation is split £3,640,000, £1,493,000 and £819,000 between active members, deferred members and pensioner members respectively as at 31st March 2023.

The liabilities as at 31st March 2023 are based on the current benefit structure of the GLGPS.

Reconciliation of defined benefit obligation

Year ended:	31st Mar 2023	31st Mar 2022
	£ (000)	£ (000)
Opening defined benefit obligation	8,476	8,813
Current service cost	228	244
Interest cost	236	183
Contributions by members	43	41
Actuarial losses / (gains)	(-)	(718)
Past service costs / (gains)/losses	-	-
Losses/ (gains) on curtailments	-	-
Changes in financial assumptions	(3,454)	-
Changes in demographic assumptions	(211)	-
Other expenses	680	-
Estimated unfounded benefits paid	-	-
Benefits paid	(46)	(87)
	<hr/>	<hr/>
Closing defined benefit obligation	5,952	8,476
	<hr/>	<hr/>

Reconciliation of fair value of employer assets

Year ended:	31st Mar 2023	31st Mar 2022
	£ (000)	£ (000)
Opening fair value of employer assets	7,444	6,853
Net interest	207	142
Contributions by members	43	41
Contributions by the employer	159	156
Return on assets excluding amounts included in interest	(345)	339
Assets distributed on settlements	-	-
Other expenses	(44)	-
Benefits paid	(46)	(87)
	<hr/>	<hr/>
Closing fair value of employer assets	7,418	7,444
	<hr/>	<hr/>

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

Investment returns

The return on the Fund in market value terms for the period to 31st March 2023 is estimated based on actual Fund returns as provided by the Administering Authority and index returns where necessary. Details are given below:

Actual Returns from 1st April 2022 to 31st March 2023	1.8%
Total Returns from 1st April 2022 to 31st March 2023	1.8%

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31st March 2023:	Approximate % increase to Defined Benefit Obligation	Approximate monetary Amount (£ 000)
0.1% decrease in Real Discount Rate	2%	123
1 year increase in member life expectancy	4%	238
0.1% increase in the Salary Increase Rate	0%	20
0.1% increase in the Pension Increase Rate	2%	105

Analysis of projected amount to be charged to operating profit for the year to 31st March 2024

Year ended:	31st March 2024 £ (000)	% of Pay
Projected current service cost	(135)	(25.4)
Interest including plan assets	359	67.4
Interest cost on defined benefit obligation	(285)	(53.5)
Past service cost including curtailments	-	-
Effect of settlements	-	-
	<hr/>	<hr/>
	(61)	(11.5)
	<hr/>	<hr/>

The actuary estimates that the Employer's contributions for the year to 31st March 2023 will be approximately £159,000.

COTSWOLD ARCHAEOLOGY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2023

14. Defined Contribution Scheme

The Company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the Company and amounted to £427,029 (2022 £402,585).

15. Related Party Transactions

There were no related party transaction during the year or prior year.

16. Contingent Liabilities

The Company's leasehold premises have had alterations made that may require rectification at the end of the lease. The costs relating to this are not known. A provision of funds over the period of the lease will be made through the designated premises reserve to cover anticipated future costs.

17. Capital Commitments

There were no capital commitments at the year end.

18. Controlling Parties

The Charitable Company has no ultimate controlling party.

19. Going Concern

The Charity has no going concern issues.

20. Operating Leases

Total future minimum lease payments under non-cancellable leases are as follows:

Leases on Buildings	<u>2023</u> £	<u>2022</u> £
Within 1 year	226,852	117,282
More than 1 year	387,258	270,435
Other		
Less than 1 year	134,573	155,761
More than 1 year	59,663	168,401

21. Government Grants

The Charity received none during the last two financial years.

COTSWOLD ARCHAEOLOGY LTD

England & Wales - Charity number 1001653

Accounts

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st MARCH 2022

COMPANY REGISTRATION NUMBER - 2362531
CHARITY NUMBER - 1001653

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31st MARCH 2022

OBJECTIVES AND ACTIVITIES

Objectives

The object of the Charity is to advance the education of the public in the subject of archaeology and the appreciation and understanding of the historic environment in the United Kingdom and other parts of the world. We achieve this by creating knowledge which is gathered from archaeological investigations and other research.

Cotswold Archaeology strongly supports a sustainable approach to our cultural heritage, and we utilise our professional expertise to balance the preservation of the most important aspects of our heritage with society's current and future needs. Within this framework of environmental sustainability, we adhere to the principle that significant heritage assets and their settings should be preserved, but where this is not possible ensure that such assets are recorded to the highest standards, and the results of this work are widely disseminated. As a Registered Organisation with the Chartered Institute for Archaeologists (CIfA) we signify our commitment to the maintenance and development of the highest professional standards.

The Charity has adopted a Strategic Plan to guide its activities until the end of 2025.

Mission

Cotswold Archaeology exists to increase public awareness and appreciation of the past. We create and communicate knowledge so that it can be valued and enjoyed by present and future generations. We are a leading supplier of professional heritage services who provides high-quality expertise and advice to our customers. We continually aim to improve our service so that we maintain our market-leading reputation.

Values

Our Guiding Principles are:

- We use our research to make the past relevant, interesting and enjoyable to a broad spectrum of beneficiaries;
- Developing knowledge of the past amongst stakeholders increases community cohesion and identity, and furthers an overall appreciation of the world we live in;
- Engagement with heritage activities, either directly or indirectly, benefits individual wellbeing;
- We commit to the maintenance and development of the highest professional standards in our activities;
- We always strive to meet the needs and aspirations of our customers; and
- We want to be a great company to work for.

We link our activities to our Mission and Values through a performance chain that measures our efficiency and effectiveness.

Vision / Strategic Goals

We have defined six objectives for the period to 2025:

Objective 1: Increase society's understanding and appreciation of the past through improved awareness and knowledge of archaeology.

Objective 2: Enhance our reputation as a high performing and innovative Charity that produces excellent work.

Objective 3: Commitment to the health, safety, wellbeing and safeguarding of our staff.

Objective 4: Remain a top tier provider of professional heritage services in the UK.

Objective 5: Be a resilient, secure and stable Charity that can adapt to changing circumstances and is well prepared for unexpected events.

Objective 6: A great employer. Be one of the best companies in our sector to work for.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

Public Benefit

Our Mission, Values and Vision all combine towards the delivery of a public benefit, which Trustees keep under regular review by reference to the guidance on public benefit published by the Charity Commission following the Charities Act 2011. This requires an identifiable benefit or benefits to arise from the work of charities, and such benefits to be available to the public or a section of the public. The activities of Cotswold Archaeology meet that test.

STRATEGIC REPORT

Achievements and Performance

In this section we report on our performance during the year in delivering the objectives set out in the previous section. We evaluate our activities under the headings of *Knowledge Creation*; *Facilitating Access to Knowledge* (which collectively address Objectives 1 and 2); and *Developing our Company and Caring for our People* (which address Objectives 3 and 6). The Financial and Operational Review in the next section details our progress with Objectives 4 and 5. In financial year 2021/22 the Charity recorded its highest ever income and employed more staff than previously due to our involvement in a wide range of fieldwork projects, some of very large size.

Knowledge Creation

Archaeological investigations are an important means by which knowledge about the past is created. The frequency and scale of these projects is closely tied to the level of construction activity in the UK. There was a high demand for our services throughout the calendar year of 2021 as the impact of restrictions associated with the Covid-19 pandemic eased.

Demand for our fieldwork services was driven in large measure by projects associated with residential development, transport infrastructure and energy schemes. Demand for post-excavation and consultancy services was also strong. Many new projects commenced during the year, alongside continuing work on those initiated previously.

The five largest projects undertaken during the year were field investigations in Buckinghamshire (x 3), Essex and Oxfordshire. We also devoted considerable resources to post-excavation analysis and report production, desk-based research and projects associated with historic buildings. Field projects conducted during the year which will have a high research impact when the results have been fully analysed and disseminated include:

- *Walton, near Felixstowe, Suffolk.* Early Neolithic pits containing pottery and flints; Beaker pits; six Bronze Age barrows; a Middle Bronze Age field system, and cremation burials ranging in date from the Early Bronze Age to the Early Iron Age.
- *Eckington, Worcs.* Middle to Late Iron Age enclosure ditches associated with settlement that continued in use into the early Roman period. Romano-British inhumation burials.
- *Bicester, Oxon.* A site 600m north of the Roman town of Alchester and adjacent to a Roman road junction. Middle to Late Iron Age settlement was superseded by Romano-British driveways, enclosures, drainage channels, wells and waterholes. Iron Age and Roman burials. Roman roadside settlement included a stone-built roundhouse. Two portable Roman stone altars were notable finds.
- *Near Buckingham.* A Late Iron Age agricultural settlement superseded in the early Roman period by a masonry house. A corn drier, water cistern and an aisled barn were associated. The focus of activity shifted in the mid Roman period to a new building, plus associated corn drier, water tank and barn replicating the earlier arrangement. The new building was constructed on grander scale than the earlier one, with plastered walls, a tessellated floor and a hypocaust.
- *Gloucester.* Suburban Roman activity outside the Roman town wall and remains of the medieval Whitefriars religious house.
- *Whitminster, Glos.* Previous evaluation had located stone wall foundations and mosaic and *opus signinum* floors of a previously known Roman villa, set within a rectangular ditched enclosure. Excavation just outside the enclosure revealed an associated field system and burials.
- *Ipswich, Suffolk.* A further 150 graves associated with the previously known Anglo-Saxon cemetery, along with a (presumably) prehistoric ring-ditch.
- *Near Winslow, Bucks.* A medieval village abandoned in the late 15th century. The site included the remains of house platforms, associated land plots, ditches, paths and ponds.
- *Chelmondiston, Suffolk.* A complex system of intercutting enclosures dating to the Late Bronze Age and a medieval field system containing a 14th-century pottery kiln.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

Work on historic buildings was in many cases associated with schemes which aim to provide sympathetic new uses for old buildings which no longer serve their original function. We also produced conservation management plans for a variety of historic sites which will assist in securing a sustainable future for these important places.

Over the last decade the Charity has striven to diversify its activities, both by increasing the geographic spread of its projects and expanding the range of services which it can provide. To this end we supplemented our original office in Cirencester by opening further offices in Milton Keynes in 2011; Andover in 2012 and Suffolk in 2019. In addition to the delivery of project work, our offices function as hubs from which we can forge links with local stakeholders. The existence of these offices allowed us to undertake investigations in many parts of England and Wales during the year.

Collaborations and Partnerships

The Board believes that benefits accrue from working in partnership with other organisations (both within and outside of the heritage sector) that share similar values and objectives to us. In some situations, partnerships with other archaeological organisations allow us to work on larger projects without exposing ourselves to excessive risk.

During the year we worked with Oxford Archaeology Ltd (a registered charity) on a major fieldwork investigation in Essex and Kent, and on the post-excavation analysis of a prehistoric causewayed camp at Thame, Oxfordshire, and a site within the Redcliffe suburb of medieval Bristol. A Joint Venture with Oxford Archaeology and Pre-Construct Archaeology Ltd (COPA) allowed us to participate in the HS2 railway project without undue financial risk or resource requirements. COPA also worked in association with MoLA-Headland Infrastructure on post-excavation analysis of archaeological investigations associated with the upgrade of the A14 trunk road in Cambridgeshire.

We are partners with the University of Exeter on three separate projects: *From 'Feed the Birds' to 'Do Not Feed the Animals'* funded by the Wellcome Trust; *Tales from Trauma: Life and Violence in the Roman Colonia of Gloucester?* funded by the Roman Research Trust, and a NERC-funded PhD entitled *Assessing Bio-Cultural Impacts on British Biodiversity, AD 0 – 1000*.

The Charity continues to sponsor a student undertaking a PhD researching Roman ceramic building materials at the University of Kent. We have also commenced a research project looking at the Roman tile industry at Minety, Wiltshire. A community-based investigation of a potential kiln site is planned for summer 2022.

Innovation and Professional Citizenship

Knowledge creation is served by the existence of a strong heritage sector, a well-trained work force, and a corporate commitment to innovation and service development. Cotswold Archaeology is accredited under the ISO 9001: 2015 quality management scheme. As such we commit to continuous improvement. We have identified a number of specific areas where we will focus our energies to improve our service. We are committed to developing our staff to their maximum potential and have already invested heavily in a sector-leading and award-winning graduate training programme. We also believe that the future health of field archaeology will rest upon the ability of our sector to recruit and train more non-graduates as field archaeologists. Charity staff play an active role in the professional development of the heritage sector, sitting on numerous committees and working groups, both within the UK and internationally.

During the year the charity became the joint owner with Oxford Archaeology of a software system that allows us to capture archaeological data digitally in the field. The two charities have committed to the future development of the system, and an updated version with greater functionality will be launched in 2022.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

Facilitating Access to Knowledge

Dissemination of Research

Cotswold Archaeology is committed to high standards in research and sets great store by the academic quality of its research publications. Our activities deliver a public benefit as we make the results of our work widely available to our beneficiaries at little or no cost. Our monographs and journal articles are widely available either through public lending libraries or as free downloads from our website. Our online library of grey literature reports which allows visitors to download for free digital versions of our unpublished fieldwork reports continues to be a very popular and well-used resource. All our out-of-print monographs are available as pdf downloads from our website, along with an increasing number of reports published in journals and periodicals.

One monograph was published during the year entitled *Studies in the Roman and Medieval Archaeology of Exeter*. Thirteen other reports were published in a variety of academic journals on projects in Bath & NE Somerset, Cambridgeshire, Cornwall, Devon, Gloucestershire, Hampshire, Milton Keynes, Somerset and Wiltshire. These journals are widely distributed, both in the UK and internationally, and can be obtained from public libraries and, increasingly, online. Much preparatory work was undertaken on reports on other projects which will appear in the next few years.

Our unpublished reports are available either via our website or at publicly accessible archives. The Reports Online section of our website now hosts 4,475 fieldwork reports (4,370 in 2021), and the number continues to grow steadily. The reports can be searched via keyword and map-based interfaces and downloaded at no cost. This section of the website attracted 29,155 report views/downloads during the year (up from 28,371 in 2021). Some 2,256 (1,877 in 2021) of these reports are also freely available online via the Library of Unpublished Fieldwork Reports hosted by the Archaeology Data service.

Outreach and Community Engagement

Alongside our publications that are aimed primarily at the research end of the educational spectrum, we are also committed to communicating our work to a wide range of other beneficiaries, including people of all ages and varying levels of prior knowledge of archaeology. Our beneficiaries range from school children to retired people and from those with a well-developed passion for the past to those with a more casual interest in the history of their community and local area. We strive to develop and tailor our offerings to appeal to traditionally under-served groups in our society.

The Charity's educational and outreach activities recovered well during the year from the disruption in the previous 12 months brought about by the Covid-19 pandemic. Our investment in digital engagement has in particular paid dividends. Achievements during the year included:

- HS2 (Bucks): presented a series of school workshops on the results of the project.
- Clare Castle (Suffolk): delivered outreach to schools and an open day during the final year of a community project funded by the Heritage Lottery Fund.
- Rendlesham (Suffolk): delivered outreach to schools and community groups during the first year of a project supported by the Heritage Lottery Fund.
- Little Hadnam (Herts): open day marked the culmination of a project associated with a new bypass.
- Six webinars using our Zoom package included our Annual Lecture in May 2021, the first time this has been presented exclusively online.
- Re-commenced in-person volunteering opportunities.
- Re-commenced work experience placements
- Kelmscott Manor (Oxon.): preparatory work for the delivery of a public engagement project in spring and summer 2022.
- Great Yarmouth Heritage Action Zone (Norfolk): preparatory work for the delivery of a public engagement project in spring and summer 2022.
- Minety (Wilts.): preparatory work for a community excavation in summer 2022.
- Achieved our first accredited STEM ambassador and developed plans to engage more fully with this programme in 2022.

COTSWOLD ARCHAEOLOGY LIMITED
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REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

The Charity actively encourages and supports public participation in archaeology as this can support individual well-being and provides opportunities for volunteering where this is appropriate and in line with our adopted policies.

Our website is a valuable means of communicating with a wider audience. In the year 2021/22 we had at least 57,500 visits, although the number is most likely much higher as a cookie plugin prevented some of the tracking. We released 57 stories, just over one per week, and worked on the virtual museum which was launched in May 2022.

Our Social Media programme continues to educate additional audiences and demographics to those traditionally targeted by our academic publications, and our analytics software reports that we outstrip other similar providers with our content quantity, quality, and engagement. Our profiles achieved combined impressions of over 4.5 million in the year and we are engaging on a daily basis with individuals from all over the world: most countries in Europe, but also North America, Australasia, Asia, and even people in Africa and South America. These numbers don't reflect passive onlookers – our core followers, now numbering well over 33,000 (an increase of 6000 from 2020/21), interact with our discoveries at a rate that industry experts term 'very highly engaged'.

Our YouTube account has enabled us to continue sharing lectures with the public during the pandemic restrictions, but also brought them to new audiences. In combination, our videos – including the hosting of the Roman Research Trust (registered charity) Joan Pye lecture, our annual lecture, and a Christmas campaign – received close to 150,000 views. Audiences are also taking the opportunity to learn directly from us about archaeology and our recent discoveries. Across our Facebook, Instagram, Twitter, and LinkedIn platforms we generated nearly 1,500 conversations in 2021/22. Our social platforms have also acted successfully as a communication tool for other news and media outlets.

In summary, the activities of the Charity have had a considerable impact on the various constituencies (public; professional; academic) interested in the archaeology and history of the United Kingdom, and our work has furthered public knowledge and understanding of the historic environment.

Developing our Company and Caring for our People

The Charity cannot deliver its objectives without an expert, well-trained and motivated work force. Recruitment of adequate numbers of professional archaeologists with appropriate skills and experience is a challenge across the heritage sector, and for that reason we place great emphasis on the recruitment and retention of talented individuals. The Charity continues to invest in a variety of staff training and well-being initiatives. We have introduced measures to provide greater support for mental health in the workplace over the last couple of years, and during the year we updated our Mental Health policy to better reflect the core standards recommended in the 'Thriving at Work' report published by the Department of Work and Pensions. We continue to seek improvements to our company working culture so that it is clearer to colleagues that they can be open about their mental health and will be supported if they do so.

As the Charity grows, we devote greater resources to communication with our colleagues. Our internal staff newsletter is well received, and we are planning a greater range of activities to help foster staff engagement and alignment with the Charity's values. We undertake an annual staff survey and formulate an action plan to react to the key trends identified in the survey results.

The Charity places emphasis on the Equality, Diversity and Inclusion (EDI) of its workforce. During the year management staff attended sessions to raise awareness of EDI matters, with further sessions designed that can be rolled out to all colleagues.

The Charity has published its Gender Pay Gap report in line with Government requirements. Whilst our pay gap has reduced over the last few years there is more we want to do to reduce the imbalance. We recognize that women are under-represented at managerial level and want to encourage and support females to be able to better compete for these roles. We believe that the implementation, where possible, of flexible and hybrid working arrangements can support these objectives. We are also encouraging and supporting female managers to serve as more visible role models and mentors for more junior colleagues.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

The Charity strives to set and maintain exemplary standards of health and safety performance to ensure the health, safety and well-being of our staff and all others affected by our work. We recognise that a safe working culture in which no one is harmed is fundamental to the success of our Charity. The Trustees approved updated Health and Safety Policy and Procedures in March 2022, and receive an annual health, safety and welfare report. Whilst overall responsibility for policy and implementation rests with the Board, it has delegated to the Chief Executive authority for policy provision, safety management systems and legal compliance. A particular achievement during the year was our accreditation under the ISO 45001: 2018 standard which covers occupational health and safety.

Sustainability and Environment

Cotswold Archaeology is committed to initiatives that advance environmental, economic, and social sustainability for current and future generations. We support the principle of sustainable development and our Corporate Mission and Objectives directly align with United Nations Sustainable Development Goal 11.4: *Strengthen efforts to protect and safeguard the world's cultural and natural heritage.*

It is our ambition to achieve Net Zero Carbon by 2050 at the latest. During the year we joined the Climate Heritage Network through which we work collaboratively with our peers and stakeholders to develop, implement and enhance the climate action agenda in the heritage sector.

The Charity adopted a Sustainability Policy during the year that concentrates on the areas where Cotswold Archaeology can make the most positive contributions to environmental, economic and social sustainability. We have developed a Sustainability Action Plan and intend to measure and certify our performance within the framework of our Environmental Management system which is independently certified as compliant with ISO 14001: 2015 and underwent external audit in 2022.

Company Infrastructure

Our principal focus during the year was the replacement of network infrastructure components reaching end of life status. In particular we invested in the expansion of our Virtual Desktop Infrastructure to support both the growth of the company overall, and specifically the increased use of hybrid working arrangements amongst our staff. We also put in place the necessary infrastructure to support the implementation of a Digital Recording System to capture born digital data in the field. A new lease was also secured on our Cirencester premises.

Future Plans

Despite the uncertainties generated by the war in Ukraine, rising energy prices and disruption to global supply chains, as well as any future impacts from the Covid-19 pandemic, the Charity has a strong order book of projects for 2022 and the Trustees believe it is well placed to achieve its income targets and budgets for 2022/23.

Objectives for 2022/23 include:

- Complete a Trustees skills audit;
- Adopt an enhanced Anti-Fraud policy and undertake a thorough review of our internal financial controls;
- Improve internal company communications to engender greater cohesiveness and sense of belonging amongst staff;
- Implement actions to support a workplace culture that promotes Fairness, Inclusion and Respect;
- Implement actions to support our objective to reduce our Gender Pay Gap;
- Implement our Sustainability Action Plan;
- Implement our Outreach Action Plan;
- Refresh the content and design of our website, incorporating a cookie-less analytics system for more accurate visit tracking;
- Obtain Cyber Essentials Plus accreditation;
- Continue to develop the functionality and efficiency of our Digital Recording System that captures archaeological data digitally during fieldwork;
- Grow our expertise in a wider range of disciplines, including geoarchaeology;
- Increase the size and breadth of expertise within the Publications department so that our output of publications grows in line with the growth of fieldwork activity; and
- Improve the rate of deposition of archaeological archives with recognised repositories.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

We wish to remain a leading supplier of professional heritage services in the UK and will work to further consolidate our position and reputation within and outside the heritage sector. This will mostly be achieved through the delivery of our existing services, although we also hope to develop further partnerships with academic institutions to deliver high-quality synthesis and research projects. We continue to build on our expertise and track record in public outreach and community engagement and will continue to invest in these activities.

FINANCIAL AND OPERATIONAL REVIEW

Investigations of archaeological and heritage sites are largely funded by bodies which act in the role of developer, and it is normal practice for these bodies to engage our services through contract. We maintain a professional archaeological service to undertake this research. The major sources of this income derive from Government agencies, local authorities, landowners and commercial organisations. The Charity secured an income of £25,219,073 from its unrestricted activities to enable it to undertake its work (£19,048,339 in 2021). We registered an operational surplus (net incoming resources) for the year of £1,856,226 (£1,493,615 in 2021). All VAT payments that had been deferred in financial year 2020/21 as a consequence of the pandemic were paid in full during 2021/22. The Charity did not make use of the Coronavirus Job Retention Scheme during the year.

The Charity was the victim of a fraud involving the illegal misuse of company fuel cards between December 2021 and January 2022. The Police were informed, and the Trustees submitted a Serious Incident Report to the Charity Commission on 1 February 2022. The total loss to the charity is £3,711. The Commission was content that the Trustees were handling the matter appropriately and responsibly.

The amount of heritage work undertaken in the UK is closely tied to the health of the construction and development industries. Whilst the economic outlook for the UK is particularly uncertain in 2022, the Trustees consider that the charity is sufficiently robust financially to withstand a short-term diminution in the demand for its services caused by any deterioration in the volume of construction activity.

The Charity maintains close control of its finances. A budget is adopted by the Board for each forthcoming financial year, and performance is measured against this. Key financial indicators are monitored monthly by the Senior Management Team, and the quarterly management profit and loss account and balance sheet are reviewed by either the Finance, People and Resources Committee or Full Board. If significant variation to budget is anticipated, a revised budget is prepared for Board approval during the year. The Charity implements rigorous credit control procedures to ensure the timely payment of bills and the maintenance of liquidity and cash flow.

Pension Schemes

The Charity operates two pension schemes, one defined contribution scheme (administered by Royal London) and a defined benefit scheme administered through the Gloucestershire County Council Pension Fund. The defined contribution schemes are open to all employees whilst the defined benefit scheme was closed to new entrants in 2007. The deficit on our individual fund within the Gloucestershire County Council pension fund decreased during the year and stood at £1,032,000 on 31 March 2022. Employer contribution rates are currently fixed until 31 March 2023.

Trustees have paid close attention to the implications of the pension deficit on the operations of the Charity over many years. Whilst they consider that the deficit poses no short-term risk to the Charity, they remain mindful of the long-term implications. Accordingly, a fund designated against our pension deficit was created in 2014 within our unrestricted funds, and the Charity intends to increase the value of this fund as finances allow.

Reserves Policy

The Reserves Policy was reviewed and revised during the year. Trustees consider it important to build-up sufficient free unrestricted reserves not designated for other purposes to finance our planned programme of research for the foreseeable future. The Trustees consider that we should aim to have available sufficient finance to fund between three- and six-months' working capital to allow normal business activities to be undertaken without major financial risk, and to mitigate the risks to the Charity of a shortfall in budgeted income.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

Investment Policy

The Charity has built up funds from its trading operations which are held as unrestricted reserves. Part of these funds is retained in cash deposits to support day-to-day cash flow requirements and the remainder is available for investment. The sums required or available in both categories fluctuate according to trading conditions, so flexibility is an important consideration. We aim to preserve the value of our invested funds against inflation and to achieve modest capital growth by means of prudent placements in a diversified range of investments with a low level of risk. Diversity is sought both in terms of the range of placements and length of commitment. Within this policy, the Trustees have delegated responsibility for investments to the Finance, People and Resources Committee which comprises both Trustees and professionally qualified staff. The Finance, People and Resources Committee undertakes on an annual basis a financial health check of the investment portfolio. This investment policy is itself subject to annual review.

Principal Risks and Uncertainties

The Trustees have identified and reviewed the risks to which the Charity is exposed and approved a risk management policy which sets out procedures and systems to mitigate those risks. Risk is assessed as part of the ISO 9001: 2015 quality management system and is subject to annual external audit. The Senior Management Team maintains a Risk Register which is subject to regular updating, and this is reviewed by Trustees at every Full Board meeting. The principal risks, defined as those which score highest in the risk matrix, are:

Operational Risks

- Disruption to business activities brought about by shortages and price rises as a consequence of issues with global supply chains and political situations.
- Economic downturn leads to reduced demand for our services.
- Disruption to operations, financial liabilities, loss of income and damage to reputation caused by a serious health and safety incident.
- Difficulties in recruiting sufficient numbers of Archaeologists with appropriate competencies/experience.

Financial Risks

- Inadequate commercial awareness leads us to accept overly risky contracts.

Trustees are satisfied that appropriate contingency measures are in place to mitigate these risks.

The Charity maintains a Business Continuity Plan which is reviewed as part of the ISO 9001: 2015 system.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cotswold Archaeology Limited is registered as a Charity. It is also incorporated as a Company, limited by guarantee and without share capital. The Charity is run in accordance with its Articles of Association which were revised during the year. The Articles state that the Board of Directors, who are also Charity Trustees, shall not be less than five or more than twelve. Directors are appointed for a three-year term and retire at the end of this period. A retiring Director is eligible for re-election. Four Trustees have served on the Board for in excess of nine years: Mr A. Chater to assist with long-term business continuity and on account of his special experience with financial management; Mr P. Cullen on account of his long-term experience of working with commercial development companies; Prof. T. Darvill on account of his especial expertise and experience in the heritage sector, and Mr K. Winnill to assist with long term business continuity and on account of his local knowledge and contacts in one of our core operating areas. The Chairman and Committee Chairs are elected for three-year terms, at the conclusion of which they are eligible for re-election. During the year the Board completed a governance review which resulted in updated Articles of Association and a Code of Governance. The latter incorporates a new trustee Code of Conduct. Delegated authorities to management are granted via a power of attorney and a schedule of delegated financial authority. Both documents were reviewed and refreshed during the year.

Potential new Trustees are identified through advertisement or informal contact. During the recruitment process Trustees are mindful of their duty to promote Equality, Diversity and Inclusion in the composition of the Board. Candidates receive a programme of induction from the Chief Executive to fully inform them of the workings of the Charity and the responsibilities attached to trusteeship. They are issued with an induction pack and briefed on the organisation of archaeology in the UK and the objectives, opportunities and challenges facing the Charity. Candidates' CVs and supporting information are presented to the Board for consideration. Members of the Board are reimbursed for out-of-pocket expenses, such as transport costs to attend meetings and visit projects but are otherwise not remunerated.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

The Full Board normally meets twice per year, plus an Annual General Meeting, while its two committees (Finance, People and Resources, and Archaeology) each meet on at least a further two occasions. Trustees are required to declare any interests at the commencement of each meeting. Full Board attendance during the year was 92%. Reports from the committees are presented to the Full Board. The Chief Executive has responsibility for appraising Trustees of new legislation, guidance and statements of good practice to enable them to effectively discharge their responsibilities.

The management of the Charity is regulated by a Code of Governance and our strategic direction is guided by a Strategic Plan. The current Plan covers the period to the end of 2025.

The Board of Trustees reviews the success of the Charity in meeting its stated aims and objectives at Full Board meetings. It benchmarks progress against 36 specific targets set out in the Strategic Plan which underpin the six strategic goals which form our Corporate Vision. The Board also receives reports from the Archaeology Committee which acts as custodian of high academic and professional standards in the heritage services provided. That Committee also monitors and reviews the effectiveness of our outreach and community engagement activities. A panel of Specialist Academic Advisors assists the Trustees in validating and assuring the quality of our projects and publications. Membership of this panel was refreshed during the year.

To meet our charitable objectives, the Board appoints salaried staff to undertake projects under the leadership of a Chief Executive. The Chief Executive is supported in operational management by a Senior Management Team comprising the Commercial Director & Director of Fieldwork; Finance Director; Director of Heritage Consultancy; Director of HR and Facilities, and Director of Research and Engagement. The Commercial Director is tasked with responsibility for the oversight and financial control of our trading operations, including management of contract risk. To allow the Charity to respond to the demands for its services a staff of around 290 (266 in 2021) is maintained. The Full Board approves the annual staff pay award, following prior consideration by the Finance, People and Resources Committee. The pay and remuneration packages of the Senior Management Team are set by the Full Board with reference to the salaries offered for comparable posts, and local employment conditions.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

Status and Administration

The Directors, who are also Charity Trustees, and who served during the year were:

Professor T C Darvill (Chairman) OBE
Dr L H Evis (Vice Chair)
Mr A M Chater
Mr P P J Cullen
Ms V E P Fenner
Professor C M Gerrard
Ms K A Josephides
Ms C Kirk
Ms S B Parsons
Mr K R Wade
Mr K P Winmill
Dr C J Young

Address: Building 11
Cotswold Business Park
Cirencester
Gloucestershire
GL7 6BQ

Bankers: CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Auditors: Wenn Townsend
Gosditch House
5 Gosditch Street
Cirencester
Gloucestershire
GL7 2AG

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

Taxation Status

The Company is a registered Charity within the terms of the Income and Corporation Taxes Act 2007.

Directors Responsibilities

The Directors are responsible for preparing the Trustees' Annual Report (including the Strategic 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 Directors to prepare financial statements for each financial year, which 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in operation.

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

In so far as the Directors are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Wenn Townsend having expressed their willingness to continue in office, will be deemed to be reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives notice under section 488(1) of the Companies Act 2006.

By Order of the Directors



K A Josephides

CHAIR OF THE FINANCE, PEOPLE AND RESOURCES COMMITTEE

Date: 25th July 2022

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

We have audited the financial statements of Cotswold Archaeology Ltd (the 'Charitable Company') for the year ended 31st March 2022 which comprise the Statement of Financial Activities, Balance Sheet and Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Opinion on financial statements:

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31st March 2022, 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 requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

Other information

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material inconsistencies, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 11, the Trustees (who are also the directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charitable Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charitable Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charitable Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



Ruth Herbert FCCA
Senior Statutory Auditor
For and on behalf of Wenn Townsend, Statutory Auditor
5 Gosditch Street
Cirencester
Gloucestershire

Date: 26th July 2022

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2022

	<u>Note</u>	<u>Unrestricted Funds</u>	<u>Restricted Fund</u>	<u>2022 Total</u>	<u>2021 Total</u>
Income					
Donations and Legacies:					
Income from charitable activities:					
Archaeological projects		25,209,932	-	25,209,932	18,371,206
Book sales		1,325	-	1,325	984
Donations		-	12,118	12,118	26,992
Government grants		-	-	-	658,122
Investment income		7,816	-	7,816	11,927
Surplus on fixed assets disposals		-	-	-	6,100
		-----	-----	-----	-----
Total Incoming Resources		25,219,073	12,118	25,231,191	19,075,331
		-----	-----	-----	-----
Expenditure					
Expenditure and charitable activities:					
Archaeological projects		22,886,324	18,522	22,904,846	17,185,356
Other support costs		452,065	-	452,065	398,598
		-----	-----	-----	-----
Total Resources Expended	4	23,338,389	18,522	23,356,911	17,583,954
		-----	-----	-----	-----
		1,880,684	(6,404)	1,874,280	1,491,377
Unrealised surplus/(loss) on investments		(18,054)	-	(18,054)	2,238
		-----	-----	-----	-----
Net Incoming Resources for the year		1,862,630	(6,404)	1,856,226	1,493,615
Actuarial (loss)/gain on defined benefit pension scheme		928,000	-	928,000	(883,000)
		-----	-----	-----	-----
Net Movement on Funds		2,790,630	(6,404)	2,784,226	610,615
Fund Balances brought forward		4,408,255	69,885	4,478,140	3,867,525
		-----	-----	-----	-----
Fund Balances carried forward	12	£ 7,198,885	£ 63,481	£ 7,262,366	£ 4,478,140
		-----	-----	-----	-----

The notes on pages 20-31 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

BALANCE SHEET
31st MARCH 2022

	<u>Note</u>		<u>2022</u>	<u>2021</u>
<u>Fixed Assets</u>				
Tangible Fixed Assets	5	528,963	361,146	
Investments	6	533,332	544,826	
		_____	_____	
			1,062,295	905,972
<u>Current Assets</u>				
Debtors	7	7,011,697	7,100,062	
Cash at Bank and in Hand		6,265,587	3,665,575	
		_____	_____	
		13,277,284	10,765,637	
<u>Deduct: Creditors</u> (Amounts falling due within one year)	8	6,045,213	5,233,469	
		_____	_____	
<u>Net Current Assets</u>			7,232,071	5,532,168
			_____	_____
<u>Total Net Assets before Pension Liability</u>				
Defined benefit pension scheme liability	13		8,294,366	6,438,140
			(1,032,000)	(1,960,000)
			_____	_____
Total assets less current liabilities			£ 7,262,366	£ 4,478,140
			_____	_____
Financed by:				
<u>Unrestricted Funds:</u>				
General	11	5,048,885	2,668,255	
Designated		2,150,000	1,740,000	
		_____	_____	
			7,198,885	4,408,255
<u>Restricted Fund</u>	10		63,481	69,885
			_____	_____
			£ 7,262,366	£ 4,478,140
			_____	_____

These financial statements were approved by the Finance, People and Resources Committee and signed on 25th July 2022 behalf of the Committee on



K A Josephides
CHAIR OF THE FINANCE, PEOPLE AND RESOURCES COMMITTEE

The notes on pages 20-31 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH 2022

	<u>2022</u>	<u>2021</u>
CASH USED IN OPERATING ACTIVITIES	2,980,435	1,645,980
CASHFLOW FROM INVESTING ACTIVITIES		
Interest received	7,816	11,927
Payments to acquire tangible fixed assets	(384,478)	(108,037)
Receipts from disposal of tangible fixed assets	2,800	6,100
	<hr/>	<hr/>
Cash provided by (used in) investing activities	2,606,573	1,555,970
Purchase of fixed asset investments	-	-
Cashflow from financial activities	(6,561)	(13,869)
	<hr/>	<hr/>
INCREASE IN CASH	2,600,012	1,542,101
	<hr/>	<hr/>
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR	3,665,575	2,123,474
	<hr/>	<hr/>
TOTAL CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	£ 6,265,587	£ 3,665,575
	<hr/>	<hr/>

The notes on pages 20-31 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH 2022

RECONCILIATION OF OPERATING SURPLUS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	2022	2021
Net Incoming/(outgoing) resources	2,784,226	610,615
Depreciation	210,169	211,521
(Profit)/loss on disposal of fixed assets	3,693	(6,100)
Actuarial loss/(profit) on defined benefit pension scheme	(928,000)	883,000
Unrealised (profit)/loss on investments	18,054	2,238
Interest received	(7,816)	(11,927)
(Increase)/Decrease in debtors	88,365	(2,688,911)
Increase/(Decrease) in creditors	811,744	2,645,544
	<hr/>	<hr/>
Net cash inflow from operating activities	£ 2,980,435	£ 1,645,980
	<hr/>	<hr/>

ANALYSIS OF CHANGES IN NET FUNDS

	1st Apr 2021	Cash flow	Other non-Cash Changes	31st Mar 2022
Cash at bank and in hand	£ 3,665,575	£ 2,600,012	-	£ 6,265,587
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 20-31 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2022

General information

The Company is a private company limited by guarantee, registered and incorporated in England and Wales. The address of the registered office is Building 11, Cotswold Business Park, Cirencester, Gloucestershire GL7 6BQ

Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

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 (FRS102) (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cotswold Archaeology Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Depreciation

Depreciation is provided using the following rates and bases which reflect the anticipated useful lives of the assets and their residual value:

Plant and Equipment	25% straight line
Improvements to Leasehold Property	5 years (Term of Lease)

Revenue Recognition

The Company's primary source of income derives from archaeological project contracts. Income from these contracts is recognised when receivable. Incoming resources from grants and donations are included when receivable. In respect of long-term contracts and contracts for ongoing services, turnover represents the value of work done in the year, including estimates based on time costs and actual expenditure costs for amounts not yet invoiced. All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

Interest Income

Interest income is recognised when it is received.

Resources Expenditure

Expenditure is recognised in the period in which they are incurred and include attributable VAT which cannot be recovered.

- Charitable expenditure comprises costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both direct and indirect costs whose charges is necessary to support them.
- Support costs include those costs associated with meeting the constitutional and statutory requirements at the Charity including audit fees and administrative labour.

Investments

Investments held as fixed assets are revalued at market value of the balance sheet date and the gain or loss taken to the SOFA.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

Accounting Policies (continued)

Pensions

The Company operates a pension scheme providing benefits based on pensionable pay which was closed to new members in 2007. The assets of the scheme are held and managed separately from those of the Company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Company. The contributions are determined by a qualified actuary on the basis of triennial valuations.

The scheme is being accounted for under FRS102, with the annually calculated notional surplus or deficit on the funding of the scheme is shown in the accounts as a designated pension scheme fund entitled "Pension Reserve", which is deducted from unrestricted funds in the balance sheet. The directors believe that the scheme currently meets statutory minimum funding requirements. The directors note that the calculated notional deficit or surplus calculated under FRS102 can vary greatly from year to year depending on the assumptions made at the valuation date, but with little or no effect on short term cash flows.

The employees not entitled to be part of the above scheme are entitled to be members of a defined contribution scheme. The costs charged in the financial statements represent the contribution payable by the Company during the year.

Operating Leases

The Charity classifies the lease of property and motor vehicles as operating leases; the title to the equipment remains with the lessor and the equipment is replaced before the end of its economic life. Rental charges are charged on a straight-line basis over the term of the lease.

Debtors

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

Creditors and provisions

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

Funds

The Company's funds consist of unrestricted and restricted amounts. The Company may use unrestricted amounts at its discretion. Restricted funds represent income, which is restricted to a particular purpose, in accordance with the donor's wishes. Designated funds are unrestricted funds set aside by the Directors out of unrestricted general funds for specific future purposes or projects.

2.	Surplus on Ordinary Activities	<u>2022</u>	<u>2021</u>
	The surplus is stated after charging:		
	Auditors Remuneration	£ 9,200	£ 9,100
	Depreciation	£ 210,169	£ 211,521
	(Loss)/Profit on disposal of fixed asset	£ (3,693)	£ (6,100)
		_____	_____

3. **Taxation**

As a Charity Cotswold Archaeology Limited is exempt from tax on income and gains falling within the Income Taxes Act 2007 Section 524 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

4. Total Resources Expended

	<u>Staff Costs</u>	<u>Depreciation</u>	<u>Other Costs</u>	<u>Total 2022</u>	<u>Total 2021</u>
Archaeological Projects	8,914,804	210,169	13,779,873	22,904,846	17,185,356
Management and Administration	442,865	-	9,200	452,065	398,598
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	£ 9,357,669	£ 210,169	£ 13,789,073	£ 23,356,911	£ 17,583,954
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

	<u>2022</u>	<u>2021</u>
Other Support Costs		
Salaries	442,865	389,498
Audit and Accountancy Fees	9,200	9,100
	<hr/>	<hr/>
	£ 452,065	£ 398,598
	<hr/>	<hr/>

	<u>2022</u>	<u>2021</u>
Staff Costs		
Wages and Salaries	8,038,356	6,515,094
Social Security Costs	760,593	591,050
Pension Costs	558,720	492,706
	<hr/>	<hr/>
	£ 9,357,669	£ 7,598,850
	<hr/>	<hr/>

Employees benefits	£ 60,001 - £ 70,000	1
	£ 71,000 - £ 80,000	1
	£ 90,001 - £ 100,000	1

The total pension costs for the employees is £57,203 all of whom are members of one of the company's pension schemes

The average number of employees analysed by function, was:

Archaeological Projects	276	252
Management and Administration	14	14
	<hr/>	<hr/>
	290	266
	<hr/>	<hr/>

The Directors received no remuneration during the year. Total expenses reimbursed to Directors during the year amounted to £434 (2021 £185).

The total amount of employee benefits received by key management personnel is £532,337 (2021 £556,661). The Charity considers its senior management team key personnel.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

5. **Tangible Fixed Assets**

	<u>Short Leasehold Improvements</u>	<u>Plant and Machinery</u>	<u>Total</u>
<u>Cost</u>			
At 1st April 2021	274,958	1,049,029	1,323,987
Additions in Year	-	384,478	384,478
Disposals	(14,897)	(11,271)	(26,168)
	-----	-----	-----
At 31st March 2022	260,061	1,422,236	1,682,297
	-----	-----	-----
<u>Depreciation</u>			
At 1st April 2021	222,466	740,375	962,841
Charge for the Year	26,444	183,725	210,169
Disposals	(9,326)	(10,350)	(19,676)
	-----	-----	-----
At 31st March 2022	239,584	913,750	1,153,334
	-----	-----	-----
<u>Net Book Value</u>			
At 31st March 2022	£ 20,477	£ 508,486	£ 528,963
	-----	-----	-----
At 31st March 2021	£ 52,492	£ 308,654	£ 361,146
	-----	-----	-----

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

6. Investments	<u>2022</u>	<u>2021</u>
Market value		
Balance b/fwd	544,826	533,195
Additions	-	-
Accumulated interest	6,559	9,393
Unrealised gains/(loss) on investments	(18,054)	2,238
Realised gain on investments	-	-
	<hr/>	<hr/>
	£ 533,331	£ 544,826
	<hr/>	<hr/>

The investments were held in the Swanbrook Bank CAF Fund Bank Statement Issue 1 of £100,000 (2021 £100,000) and in M & G Investments Charibond Charities Fixed Interest Common Investment Fund, Accumulation Shares of £371,087 (2021 £371,087). The market value of investments was valued at mid-market price as at 31st March 2022.

	<u>2022</u>	<u>2021</u>
Investments in subsidiary	£1	£1
	<hr/>	<hr/>
Subsidiary		
Cost	£1	£1
	<hr/>	<hr/>

The share is held in Suffolk Archaeology Limited. The company is dormant

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

7. Debtors	<u>2022</u>	<u>2021</u>
Trade Debtors	6,116,506	6,179,711
Other Debtors	111,905	131,744
Amounts Recoverable on Contracts	783,286	788,607
	<hr/>	<hr/>
	£ 7,011,697	£ 7,100,062
	<hr/>	<hr/>
8. Creditors (Amounts falling due within one year)	<u>2022</u>	<u>2021</u>
Trade Creditors	1,030,182	426,626
Taxation and Social Security Costs	651,046	1,333,184
Other Creditors	181,569	948,501
Deferred Income	4,182,416	2,525,158
	<hr/>	<hr/>
	£ 6,045,213	£ 5,233,469
	<hr/>	<hr/>

Deferred Income relates to archaeological project contract income received in advance and relates wholly to the year under review.

9. **Share Capital**

The Company is limited by guarantee and does not have a Share Capital. In accordance with the Company's Memorandum and Articles of Association the members' liability, in the event of the Company being wound up, is limited to £1.

10. **Analysis of Net Assets by Fund**

	< - Unrestricted Funds - >		<u>Restricted</u>	<u>Total</u>	<u>Total</u>
	<u>General</u>	<u>Designated</u>	<u>Fund</u>	<u>2022</u>	<u>2021</u>
Fixed Assets	528,963	-	-	528,963	361,146
Investments	533,332	-	-	533,332	544,826
Current Assets	11,063,803	2,150,000	63,481	13,277,284	10,765,637
Current Liabilities	(6,045,213)	-	-	(6,045,213)	(5,233,469)
Pension Scheme					
Funding Deficit	(1,032,000)	-	-	(1,032,000)	(1,960,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	£ 5,048,885	£ 2,150,000	£ 63,481	£ 7,262,366	£ 4,478,140
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

The restricted fund current assets are comprised as follows:

	<u>2022</u>	<u>2021</u>
Cash at Bank	£ 63,481	£ 69,885
	<hr/>	<hr/>

	<u>Historic England</u>	<u>Roman CBM PhD Fund</u>	<u>Community Research Fund</u>	<u>Total</u>
As at 1st April 2021	13,400	56,485	-	69,885
Income in year	-	-	12,118	12,118
Expenditure in year	-	(18,407)	(115)	(18,522)
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31st March 2022	£ 13,400	£ 38,078	£ 12,003	£ 63,481
	<hr/>	<hr/>	<hr/>	<hr/>

11. Unrestricted Funds

	<u>General</u>	<u>Designated</u>	<u>Total</u>
As at 1st April 2021	2,668,255	1,740,000	4,408,255
(Deficit)/Surplus for the year	3,421,630	(631,000)	2,790,630
Transfers between Funds	(1,041,000)	1,041,000	-
	<hr/>	<hr/>	<hr/>
	£ 5,048,885	£ 2,150,000	£ 7,198,885
	<hr/>	<hr/>	<hr/>

The designated funds are listed below. These funds are earmarked and exist to enable the Charity to continue to provide archaeological services to a high standard on an ongoing basis.

	<u>Report Archiving</u>	<u>Outreach</u>	<u>New Technology</u>	<u>Premises</u>	<u>Pension Fund</u>	<u>Total</u>
1st April 2021	85,000	125,000	300,000	130,000	1,100,000	1,740,000
Expenditure	(57,000)	(157,000)	(372,000)	(45,000)	-	(631,000)
Transfer	122,000	182,000	372,000	65,000	300,000	1,041,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31st March 2022	£ 150,000	£ 150,000	£ 300,000	£ 150,000	£ 1,400,000	£ 2,150,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

Funds have been designated by the Directors for the following purposes:

Completion of Reports and Archiving: The Charity wishes to ensure that the results of its work are made widely and freely available in order to advance the education of the general public. It strives to publish the results of its most significant investigations even when this is over and above the contractual requirement with those who commissioned the work in the first place. It also ensures that the finds and archives resulting from investigations are deposited with publicly accessible museums. This fund has been created to finance such work where this is not covered within pre-existing contracts.

Outreach and Research Projects: Work associated with the wider dissemination of the results of our projects to a broad range of individuals, including popular publications and the updating of our website, lectures, talks and facilitating work experience. We have made a large number of our unpublished fieldwork reports freely available for download from our website.

New Technology: Purchase and updating of ICT requirements and digital survey.

Premises: Future premises requirements, including dilapidations.

Pension Deficit: Liabilities arising from the Company's defined benefit pension scheme operated by Gloucestershire County Council and provision for any additional cessation payments.

12. Movement of Members Funds

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 2022</u>	<u>Total 2021</u>
Balance B/Fwd	4,408,255	69,885	4,478,140	3,867,525
Surplus/(Loss) for the Year	2,790,630	(6,404)	2,784,226	610,615
	_____	_____	_____	_____
	£ 7,198,885	£ 63,481	£ 7,262,366	£ 4,478,140
	_____	_____	_____	_____

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

13. Defined Benefit Pension Scheme

By the end of the year 14 (2021 - 14) employees were members of the Gloucestershire Local Government Pension Scheme (GLGPS). The Company contributed £156,000 (2021 - £152,000) to the scheme on behalf of its employees during the year. The Company has 20 deferred pensioners and 6 pensioners.

The assets of the defined benefits scheme for staff are held separately from those of the Charity. The Scheme is funded by contributions from the employees and employer in accordance with the recommendations of independent qualified actuaries on the basis of triennial formal valuations. The most recent of these formal valuations was made on 31st March 2019, using the revised actuarial assumptions of the Pensions Act 1995, and reported a deficit of £2,744,000 which is being funded by employer's contributions of 29.8% per annum and employees' contributions on average of 7.7% of pensionable pay to 31st March 2021.

Significant assumptions used are as follows:

	31st March 2022 % p.a.	31st March 2021 % p.a.
Inflation/Pension Increase Rate	3.15%	2.8%
Salary Increase Rate	3.45%	3.1%
Discount Rate	2.75%	2.05%

Major categories of plan asset

Year ended	31st Mar 2022 %	31st Mar 2021 %
Equities	71	70
Bonds	19	20
Property	9	7
Cash	1	3
	<hr/>	<hr/>
	100	100
	<hr/>	<hr/>

Balance Sheet

Year ended:	31st Mar 2022 £ (000)	31st Mar 2021 £ (000)
Fair value of employer assets	7,444	6,853
Present value of funded liabilities	(8,476)	(8,813)
	<hr/>	<hr/>
Net (under)/overfunding in funded plans	(1,032)	(1,960)
Present value of unfunded liabilities	-	-
Unrecognised past service cost	-	-
	<hr/>	<hr/>
Net asset / (Liability)	(1,032)	(1,960)
	<hr/>	<hr/>

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

The defined benefit obligation is split £5,882,000, £1,838,000 and £756,000 between active members, deferred members and pensioner members respectively as at 31st March 2022.

The liabilities as at 31st March 2022 are based on the current benefit structure of the GLGPS.

Reconciliation of defined benefit obligation

Year ended:	31st Mar 2022	31st Mar 2021
	£ (000)	£ (000)
Opening defined benefit obligation	8,813	6,369
Current service cost	244	170
Interest cost	183	148
Contributions by members	41	39
Actuarial losses / (gains)	(718)	2,141
Past service costs / (gains)/losses	-	-
Losses/ (gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in business combination	-	-
Exchange differences	-	-
Estimated unfounded benefits paid	-	-
Benefits paid	(87)	(54)
	<hr/>	<hr/>
Closing defined benefit obligation	8,476	8,813
	<hr/>	<hr/>

Reconciliation of fair value of employer assets

Year ended:	31st Mar 2022	31st Mar 2021
	£ (000)	£ (000)
Opening fair value of employer assets	6,853	5,292
Net interest	142	123
Contributions by members	41	39
Contributions by the employer	156	152
Return on assets excluding amounts included in interest	339	1,301
Assets distributed on settlements	-	-
Exchange differences	-	-
Benefits paid	(87)	(54)
	<hr/>	<hr/>
Closing fair value of employer assets	7,444	6,853
	<hr/>	<hr/>

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

Investment returns

The return on the Fund in market value terms for the period to 31st March 2022 is estimated based on actual Fund returns as provided by the Administering Authority and index returns where necessary. Details are given below:

Actual Returns from 1st April 2021 to 31st March 2022	7.0%
Total Returns from 1st April 2021 to 31st March 2022	7.0%

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31st March 2022:	Approximate % increase to Defined Benefit Obligation	Approximate monetary Amount (£ 000)
0.1% decrease in Real Discount Rate	2%	190
1 year increase in member life expectancy	4%	339
0.1% increase in the Salary Increase Rate	0%	24
0.1% increase in the Pension Increase Rate	2%	164

Analysis of projected amount to be charged to operating profit for the year to 31st March 2023

Year ended:	31st March 2023 £ (000)	% of Pay
Projected current service cost	(222)	(42.8)
Interest including plan assets	206	39.6
Interest cost on defined benefit obligation	(235)	(45.2)
Past service cost including curtailments	-	-
Effect of settlements	-	-
	251	(48.4)

The actuary estimates that the Employer's contributions for the year to 31st March 2022 will be approximately £ 155,000.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2022

14. Defined Contribution Scheme

The Company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the Company and amounted to £402,585 (2021 £340,750).

15. Related Party Transactions

There were no related party transaction during the year or prior year.

16. Contingent Liabilities

The Company's leasehold premises have had alterations made that may require rectification at the end of the lease. The costs relating to this are not known. A provision of funds over the period of the lease will be made through the designated premises reserve to cover anticipated future costs.

17. Capital Commitments

There were no capital commitments at the year end.

18. Controlling Parties

The Charitable Company has no ultimate controlling party.

19. Going Concern

The Charity has no going concern issues.

20. Operating Leases

Total future minimum lease payments under non-cancellable leases are as follows:

Leases on Buildings	<u>2022</u>	<u>2021</u>
Within 1 year	£ 117,282	£ 164,388
More than 1 year	£ 270,435	£103,862
Other		
Less than 1 year	£ 155,761	£134,849
More than 1 year	£ 168,401	£ 71,627

21. Government Grants

The Charity received furlough payments of £nil (2021 £658,122) during the financial year.

COTSWOLD ARCHAEOLOGY LTD

England & Wales - Charity number 1001653

Accounts

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st MARCH 2021

COMPANY REGISTRATION NUMBER - 2362531
CHARITY NUMBER - 1001653

WENN TOWNSEND
CHARTERED ACCOUNTANTS

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31st MARCH 2021

OBJECTIVES AND ACTIVITIES

Objectives

The object of the Charity is to advance the education of the public in the subject of archaeology and the appreciation and understanding of the historic environment in the United Kingdom and other parts of the world. We achieve this by creating knowledge which is gathered from archaeological investigations and other research.

Cotswold Archaeology strongly supports a sustainable approach to our cultural heritage, and we utilise our professional expertise to balance the preservation of the most important aspects of our heritage with society's current and future needs. Within this framework of environmental sustainability, we adhere to the principle that significant heritage assets and their settings should be preserved, but where this is not possible ensure that such assets are recorded to the highest standards, and the results of this work are widely disseminated. As a Registered Organisation with the Chartered Institute for Archaeologists (CIfA) we signify our commitment to the maintenance and development of the highest professional standards.

During the year the Charity adopted a new Strategic Plan to guide its activities until the end of 2025.

Mission

Cotswold Archaeology exists to increase public awareness and appreciation of the past. We create and communicate knowledge so that it can be valued and enjoyed by present and future generations. We are a leading supplier of professional heritage services who provides high-quality expertise and advice to our customers. We continually aim to improve our service so that we maintain our market-leading reputation.

Values

Our Guiding Principles are:

- We use our research to make the past relevant, interesting and enjoyable to a broad spectrum of beneficiaries;
- Developing knowledge of the past amongst stakeholders increases community cohesion and identity, and furthers an overall appreciation of the world we live in;
- Engagement with heritage activities, either directly or indirectly, benefits individual wellbeing;
- We commit to the maintenance and development of the highest professional standards in our activities;
- We always strive to meet the needs and aspirations of our customers; and
- We want to be a great company to work for.

We link our activities to our Mission and Values through a performance chain that measures our efficiency and effectiveness.

Vision / Strategic Goals

We have defined six objectives for the period to 2025:

Objective 1: Increase society's understanding and appreciation of the past through improved awareness and knowledge of archaeology.

Objective 2: Enhance our reputation as a high performing and innovative Charity that produces excellent work.

Objective 3: Commitment to the health, safety wellbeing and safeguarding of our staff.

Objective 4: Remain a top tier provider of professional heritage services in the UK.

Objective 5: Be a resilient, secure and stable Charity that can adapt to changing circumstances and is well prepared for unexpected events.

Objective 6: A great employer. Be one of the best companies in our sector to work for.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

Public Benefit

Our Mission, Values and Vision all combine towards the delivery of a public benefit, which Trustees keep under regular review by reference to the guidance on public benefit published by the Charity Commission following the Charities Act 2011. This requires an identifiable benefit or benefits to arise from the work of charities, and such benefits to be available to the public or a section of the public. The activities of Cotswold Archaeology meet that test.

STRATEGIC REPORT

Achievements and Performance

In this section we report on our performance during the year in delivering the objectives set out in the previous section. We evaluate our activities under the headings of *Knowledge Creation*; *Facilitating Access to Knowledge* (which collectively address Objectives 1 and 2); *Developing and Caring for our People* (which addresses Objectives 3 and 6) and *Company Infrastructure*. The Financial and Operational Review in the next section details our progress with Objectives 4 and 5.

Knowledge Creation

Archaeological investigations are an important means by which knowledge about the past is created. The frequency and scale of these projects is closely tied to the level of construction activity in the UK. The Covid-19 pandemic seriously disrupted our activities in the spring of 2020 due to the Government's implementation of travel and social distancing measures on 23 March 2020. This had a profound and immediate effect upon our operations and many staff were put on to the Government's Coronavirus Job Retention Scheme ('furlough') from 1 April. The charity also availed itself of the facility to defer a VAT payment until February 2021. At its peak 64% of staff were on furlough; by 30 June 2020 this had reduced to 22% and by 30 September 4%. The total funds received from the Job Retention Scheme during the year amounted to £658k.

The disruption in demand for our fieldwork services, whilst severe, did abate as construction activity picked up in the summer of 2020, and the Charity had a very active fieldwork programme in the second half of the financial year. The demand for post-excavation work took longer to recover but we had a full order book by the end of the calendar year. Consultancy services experienced a slight lull in demand but recovered strongly. The four economic sectors which generated the most demand for our services in the year were: new transport projects; residential housebuilding; commercial developments, and energy/water schemes. Many new projects commenced during the year, alongside continuing work on those initiated previously.

The five largest projects undertaken during the year were field investigations in Bristol, Buckinghamshire, Essex, Oxfordshire and Suffolk. We also devoted considerable resources to post-excavation analysis and report production, desk-based research and projects associated with historic buildings. Field projects conducted during the year which will have a high research impact when the results have been fully analysed and disseminated include:

- *Burwell, Cambs.* Prehistoric and medieval exploitation of the fen edge including medieval buildings;
- *Clyst Honiton, Devon.* Bronze Age barrows, Roman and post-Roman settlement enclosures;
- *Harlow, Essex.* Bronze Age barrows, Early Iron Age settlement and a Roman cremation cemetery;
- *Bicester, Oxon.* Middle to Late Iron Age settlement superceded by Romano-British droveways, enclosures, drainage channels, wells, waterholes and cremation burials adjacent to the Roman town of Alchester;
- *Somerton, Somerset.* Late Iron Age to Late Roman sequence of a round house, enclosures, barn, smithy and lambing shed adjacent to a Roman villa;
- *Barnwood, Gloucester.* Mid to Late Roman enclosure, trackway, inhumation burials, ovens, and a lime kiln, the latter the first such structure of this date from Gloucestershire;
- *Houghton Regis, Central Beds.* Late prehistoric and Roman settlement and agricultural activity, including a cremation cemetery. Medieval roadside/back plot activity of 11th to 14th-century date;
- *Stowupland, Suffolk.* Prehistoric boundaries and a shrunken medieval hamlet;
- *Cambridge.* Structures associated with the medieval nunnery which preceded the foundation of Jesus College; and
- *Bristol.* Victorian workhouse cemetery containing several thousand burials.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

Work on historic buildings was in many cases associated with schemes which aim to provide sympathetic new uses for old buildings which no longer serve their original function. We also produced conservation management plans for a variety of historic sites which will assist in securing a sustainable future for these important places.

Over the last decade the Charity has actively striven to diversify its activities, both by increasing the geographic spread of its projects and expanding the range of services which it can provide. To this end we supplemented our original office in Cirencester by opening further offices in Milton Keynes in 2011; Andover in 2012; Exeter in 2015 and Suffolk in 2019. The decision was taken during the year to close the Exeter office. In addition to the delivery of project work, our offices function as hubs from which we can forge links with local stakeholders. The existence of these offices allowed us to undertake investigations in many parts of England and Wales during the year.

Collaborations and Partnerships

The Board believes that benefits accrue from working in partnership with other organisations (both within and outside of the heritage sector) that share similar values and objectives to us. In some situations, partnerships with other archaeological organisations allow us to work on larger projects without exposing ourselves to excessive risk.

During the year we worked with Oxford Archaeology Ltd (a registered charity) on a major fieldwork investigation in Essex and Kent, and on the post-excavation analysis of a prehistoric causewayed camp at Thame, Oxfordshire, and a site within the Redcliffe suburb of medieval Bristol. A Joint Venture with Oxford Archaeology and Pre-Construct Archaeology Ltd (COPA) allowed us to participate in the HS2 railway project without undue financial risk or resource requirements. COPA also worked in association with MoLA-Headland Infrastructure on post-excavation analysis of archaeological investigations associated with the upgrade of the A14 trunk road in Cambridgeshire.

Our collaboration with the Universities of Exeter and Reading on a major project examining the relationship between Roman and medieval Exeter and its hinterland culminated in 2021 in the publication of two substantial monographs and a magazine article showcasing the project. We plan to commence a new project in 2021 with the University of Exeter researching human remains from Roman Gloucester ('Tales from Trauma').

Thanks to the receipt of a generous grant, the Charity has been able to sponsor a student to undertake a PhD researching Roman ceramic building materials at the University of Kent.

Innovation and Professional Citizenship

Knowledge creation is served by the existence of a strong heritage sector, a well-trained work force; and a corporate commitment to innovation and service development. Cotswold Archaeology is accredited under the ISO 9001: 2015 quality management scheme. As such we commit to continuous improvement. We have identified a number of specific areas where we will focus our energies to improve our service. We are committed to developing our staff to their maximum potential and have already invested heavily in a sector-leading and award-winning graduate training programme. We also believe that the future health of field archaeology will rest upon the ability of our sector to recruit and train more non-graduates as field archaeologists. Charity staff play an active role in the professional development of the heritage sector, sitting on numerous committees and working groups, both within the UK and internationally.

During the year plans were developed to enhance our ability to capture archaeological data digitally in the field using a Digital Recording System developed by Oxford Archaeology.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

Facilitating Access to Knowledge

Dissemination of Research

Cotswold Archaeology is committed to high standards in research and sets great store by the academic quality of its research publications. Our activities deliver a public benefit as we make the results of our work widely available to our beneficiaries at little or no cost. Our monographs and journal articles are widely available either through public lending libraries or as free downloads from our website. Our online library of grey literature reports which allows visitors to download for free digital versions of our unpublished fieldwork reports continues to be a very popular and well-used resource. All our out-of-print monographs are available as pdf downloads from our website, along with an increasing number of reports published in journals and periodicals.

Two monographs were published during the year, one concerned with investigations associated with the construction of a gas pipeline in South Wales, the other entitled *Roman and Medieval Exeter and Their Hinterlands*. 24 other reports were published in a variety of academic journals on fieldwork projects in Berkshire, Buckinghamshire, Carmarthenshire, Devon, Gloucestershire, Hertfordshire, Leicestershire, Oxfordshire, Surrey, Wiltshire and Worcestershire. These journals are widely distributed, both in the UK and internationally, and can be obtained from public libraries and, increasingly, online. Much preparatory work was undertaken on reports on other projects which will appear in the next few years.

Our unpublished reports are available either via our website or at publicly accessible archives. The Reports Online section of our website now hosts 4,370 fieldwork reports (4,118 in 2020), and the number continues to grow steadily. The reports can be searched via a powerful keyword and map-based interface and downloaded at no cost. This section of the website attracted 28,371 report views/downloads during the year (up from an estimated 21,000 in 2019). Some 1,877 (1,778 in 2020) of these reports are also freely available via the OASIS website (<http://www.oasis.ac.uk>).

Outreach and Community Engagement

Alongside our publications that are aimed primarily at the research end of the educational spectrum, we are also committed to communicating our work to a wide range of other beneficiaries, including people of all ages and varying levels of prior knowledge of archaeology. Our beneficiaries range from school children to retired people and from those with a well-developed passion for the past to those with a more casual interest in the history of their community and local area.

The Charity's educational and outreach activities were seriously disrupted by the Covid-19 pandemic with all in-person events scheduled from April 2020 cancelled. The Charity therefore decided to concentrate efforts on improving our remote digital offering, facilitated by the appointment of an Outreach Officer in January 2021. An updated Outreach Action Plan was endorsed by trustees in March 2021. Much preparatory work was undertaken on projects scheduled for the summer of 2021 onwards, including three projects supported by the Heritage Lottery Fund in Suffolk, and another in partnership with the Society of Antiquaries of London in Oxfordshire. Our annual lecture took place as an online event in May 2021, our first substantial foray into this medium. The lecture proved to be a success and further online initiatives are planned.

The Charity actively encourages and supports public participation in archaeology as this can support individual well-being and looks forward to the resumption of in-person activities, including reviving opportunities for volunteers where this is appropriate and in line with our adopted policies.

Our website is a valuable means of communicating with a wide audience. Despite a dip in visitors due to the pandemic in the spring of 2020, interest recovered strongly from the summer onwards and the number of website sessions for 2020 (76,618) was a 17% increase on 2019. Website plans for the coming year include creating a finds gallery/virtual museum, developing and expanding our outreach section, and improving the Reports Online website and linkages to our Social Media.

COTSWOLD ARCHAEOLOGY LIMITED
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REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

Our Social Media programme continues to help us educate additional audiences and demographics to those traditionally targeted by our academic publications. Our performance in terms of engagements achieved is impressive, particularly on Instagram and Twitter. We will also continue to monitor new/alternative platforms. Our content generates many in-depth archaeological discussions and conversations, with and between our online community. We particularly value these interactions as they demonstrate that our online presence appeals to our followers for a multitude of reasons - amongst others, there are people from overseas who wish to connect with British history; those who use our work as material for home-schooling their children; and individuals who are unable to physically participate in fieldwork for a variety of reasons.

Across our five active platforms (Facebook; Twitter; Instagram; LinkedIn; YouTube) we have seen increases in the number of postings (circa 500 cross-channel posts between October 2020 to February 2021, compared to 361 posts for the same period the previous year) and in the number of followers (23,201 for 2020, compared to 19,238 for 2019 and 10,469 for 2018), and have consistently scored 'very high engagement rates' as rated by industry experts throughout 2020.

In summary, despite the impact of the pandemic, the activities of the Charity have had a considerable impact on the various constituencies (public; professional; academic) interested in the archaeology and history of the United Kingdom, and our work has furthered public knowledge and understanding of the historic environment.

Developing and Caring for our People

The Charity cannot deliver its objectives without an expert, well-trained and motivated work force. Recruitment of adequate numbers of professional archaeologists with appropriate skills and experience is a challenge across the heritage sector, and for that reason we place great emphasis on the recruitment and retention of talented individuals. The Charity continues to invest in a variety of staff training and well-being initiatives. Over the last couple of years we have introduced measures to provide greater support for mental health in the workplace.

We once again took part in the Mind Wellbeing Index at the end of 2020 and our overall score increased compared to that achieved in 2019. We retained our 'Bronze rating' which means that we have 'started the journey to better mental health at work by developing and implementing initiatives that promote positive mental health for staff'. We have made improvements in the procedures and structures supporting mental health and are continuing to seek improvements to our company working culture so that it is clearer to colleagues that they can be open about their mental health, and will be supported if they do so. With the interruptions to normal business caused by the outbreak of Covid-19, several actions identified in our Mental Health Action plan scheduled for 2020 have been delayed but will be implemented when operational requirements allow.

The Charity remains committed to reducing our gender pay gap and will continue to pursue measures to improve this imbalance.

The Charity strives to set and maintain exemplary standards of health and safety performance to ensure the health, safety and well-being of our staff and all others affected by our work. We recognise that a safe working culture in which no one is harmed is fundamental to the success of our Charity. The Trustees approved an updated Health and Safety Policy and Procedures in March 2021, and receive an annual health, safety and welfare report. Whilst overall responsibility for policy and implementation rests with the Board, it has delegated to the Chief Executive authority for policy provision, safety management systems and legal compliance. It is an objective for 2021/22 for the Charity to obtain accreditation under the ISO 45001: 2018 standard which covers occupational health and safety. Preparatory work to prepare for that accreditation commenced during the year.

Company Infrastructure

The need for enhanced levels of remote working at short notice was a challenge for our IT systems and capability, but one that we met successfully. Our principal investment during the year was the implementation of enhanced disaster recovery measures for our IT infrastructure via a cloud backup.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

The Trustees require that Cotswold Archaeology acts in an environmentally responsible fashion and actively works to minimise the environmental impact of its activities. The Charity's Environmental Management System is independently certified as compliant with ISO 14001: 2015 and underwent external audit in 2021.

Future Plans

At the time of writing the longer-term impacts of the Covid-19 pandemic are difficult to predict, but our experience over the last year gives us confidence that we can continue to operate effectively and in line with Government Covid-19 precautions. The Charity has a strong order book of projects for 2021 and the trustees currently believe that the Charity is well placed to achieve its income targets and budgets for 2021/22.

Objectives for 2021/22 include:

- Complete a review of our corporate alignment with the 2017 Charity Governance Code for England and Wales, and update our Code of Governance and other documentation accordingly;
- Explore our capacity to offer enhanced levels of home/hybrid working arrangements for some of our staff;
- Gain occupational health and safety management accreditation ISO 45001: 2018;
- Enhance our ability to capture archaeological data digitally during fieldwork via a Digital Recording System;
- Continue with staff training programmes to improve the financial control of projects and risk management;
- Implement a new Outreach Action Plan;
- Review and refresh our panel of Specialist Academic Advisors; and
- Consult with staff on the contents of the new Strategic Plan and the recommendations arising from the Mind mental health survey and our annual staff survey.

We wish to remain a leading supplier of professional heritage services in the UK and will work to further consolidate our position and reputation within and outside the heritage sector. This will mostly be achieved through the delivery of our existing services, although we also hope to develop further partnerships with academic institutions to deliver high-quality synthesis and research projects. We continue to develop our expertise and track record in public outreach and community engagement and will continue to invest in this as in-person activity restarts.

FINANCIAL AND OPERATIONAL REVIEW

Investigations of archaeological and heritage sites are largely funded by bodies which act in the role of developer, and it is normal practice for these bodies to engage our services through contract. We maintain a professional archaeological service to undertake this research. The major sources of this income derive from Government agencies, local authorities, landowners and commercial organisations. The Charity secured an income of £19,048,339 from its unrestricted activities to enable it to undertake its work (£12,799,324 in 2020). We registered a surplus for the year of £610,615 (£685,755 in 2020).

The amount of heritage work undertaken in the UK is closely tied to the health of the construction and development industries. Whilst the UK economic outlook remains uncertain as a consequence of the Covid-19 pandemic, the Trustees consider that the charity is sufficiently robust financially to withstand a short-term diminution in the demand for its services as a consequence of deterioration in construction activity.

The Charity maintains close control of its finances. A budget is adopted by the Board for each forthcoming financial year, and performance is measured against this. Key financial indicators are monitored by the Senior Management Team on a monthly basis, and the quarterly management profit and loss account and balance sheet are reviewed by either the Finance and Resources Committee or Full Board. If significant variation to budget is anticipated, a revised budget is prepared for Board approval during the year. The Charity implements rigorous credit control procedures to ensure the timely payment of bills and the maintenance of liquidity and cash flow.

COTSWOLD ARCHAEOLOGY LIMITED
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REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

Pension Schemes

The Charity operates two pension schemes, one defined contribution scheme (administered by Royal London) and a defined benefit scheme administered through the Gloucestershire County Council Pension Fund. The defined contribution schemes are open to all employees whilst the defined benefit scheme was closed to new entrants in 2007. The deficit on our individual fund within the Gloucestershire County Council pension fund increased during the year and stood at £1,960,000 on 31 March 2021. Employer contribution rates are currently fixed until 31 March 2023.

Trustees have paid close attention to the implications of the pension deficit on the operations of the Charity over many years. Whilst they consider that the deficit poses no short-term risk to the Charity, they remain mindful of the long-term implications. Accordingly, a fund designated against our pension deficit was created in 2014 within our unrestricted funds, and the Charity intends to increase the value of this fund as finances allow.

Reserves Policy

The Reserves Policy was reviewed and revised during the year. Trustees consider it important to build-up sufficient free unrestricted reserves not designated for other purposes to finance our planned programme of research for the foreseeable future. The Trustees consider that we should aim to have available sufficient finance to fund between three- and six-months' working capital to allow normal business activities to be undertaken without major financial risk, and to mitigate the risks to the Charity of a shortfall in budgeted income. The trustees intend to review this policy once market conditions become clearer as the impact of the Covid-19 pandemic eases.

Investment Policy

The Charity has built up funds from its trading operations which are held as unrestricted reserves. Part of these funds is retained in cash deposits to support day-to-day cash flow requirements and the remainder is available for investment. The sums required or available in both categories fluctuate according to trading conditions, so flexibility is an important consideration. We aim to preserve the value of our invested funds against inflation and to achieve modest capital growth by means of prudent placements in a diversified range of investments with a low level of risk. Diversity is sought both in terms of the range of placements and length of commitment. Within this policy, the Trustees have delegated responsibility for investments to the Finance and Resources Committee which comprises both Trustees and professionally qualified staff. The Finance and Resources Committee undertakes on an annual basis a financial health check of the investment portfolio. This investment policy is itself subject to annual review. No additional investments are anticipated in the short term.

Principal Risks and Uncertainties

The Trustees have identified and reviewed the risks to which the Charity is exposed and approved a risk management policy which sets out procedures and systems to mitigate those risks. Risk is assessed as part of the ISO 9001: 2015 quality management system and is subject to annual external audit. The Senior Management Team maintains a Risk Register which is subject to regular updating, and this is reviewed by Trustees at every Full Board meeting. The principal risks, defined as those which score highest in the risk matrix, are:

Operational Risks

- Competition for staff within the heritage sector creates pressure on staff numbers and skill levels;
- Maintenance of adequate provision of IT support to ensure smooth operation of systems; and
- Ramifications arising from a serious health and safety incident.

Financial Risks

- Disruption brought about as a consequence of the Covid-19 pandemic;
- Inadequate commercial awareness leads us to accept overly risky contracts; and
- Costs and time of transporting staff to work on projects at distance from their home bases not fully recovered in contract pricing.

Trustees are satisfied that appropriate contingency measures are in place to mitigate these risks.

The Charity maintains a Business Continuity Plan which is reviewed as part of the ISO 9001: 2015 system.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cotswold Archaeology Limited is registered as a Charity. It is also incorporated as a Company, limited by guarantee and without share capital. The Charity is run in accordance with its Articles of Association and Memorandum of Association, which were last revised in 2011. The Articles state that the Board of Directors, who are also Charity Trustees, shall not be less than five or more than twelve. One third of the Directors retire by rotation at the Annual General Meeting. The Directors to retire are those that have been longest in office since their last election or appointment. A retiring Director is eligible for re-election. Three trustees have served on the Board for in excess of nine years: Mr A. Chater to assist with long-term business continuity and on account of his special experience with financial management; Prof. T.C. Darvill on account of his especial expertise and experience in the heritage sector, and Mr K. Winmill to assist with long term business continuity and on account of his local knowledge and contacts in one of our core operating areas. The Chairman and Committee Chairs are elected on an annual basis. The Board has decided to review its alignment with the Charity Governance Code for England and Wales (2017) and will complete this task in 2021. The review will feed into a scheduled periodic review of the Charity's Code of Governance.

Potential new trustees are identified through advertisement or informal contact. During this process Trustees are mindful of their desire to consider Equality, Diversity and Inclusion in the composition of the Board. Candidates receive a programme of induction from the Chief Executive to fully inform them of the workings of the Charity and the responsibilities attached to trusteeship. They are issued with an induction pack and briefed on the organisation of archaeology in the UK and the objectives, opportunities and challenges facing the Charity. Candidates' CVs and supporting information are presented to the Board for consideration. Members of the Board are reimbursed for out-of-pocket expenses, such as transport costs to attend meetings and visit projects but are otherwise not remunerated.

The Full Board normally meets twice per year, while its two sub-committees (Finance and Resources and Archaeology) each meet on at least a further two occasions. Trustees are required to declare any interests at the commencement of each meeting. Full Board attendance during the year was 97%. Reports from the sub-committees are presented to the Full Board. The Chief Executive has responsibility for appraising Trustees of new legislation, guidance and statements of good practice to enable them to effectively discharge their responsibilities.

The management of the Charity is regulated by a Code of Governance and our strategic direction is guided by a Strategic Plan. A new Plan covering the period to the end of 2025 was adopted in March 2021.

The Board of Trustees measures the success of the Charity in meeting its stated aims and objectives at biannual Full Board meetings. It reviews progress against 36 specific targets set out in the Strategic Plan which underpin the six strategic goals which form our Corporate Vision. The Board also receives reports from the Archaeology Committee which acts as custodian of high academic and professional standards in the heritage services provided. That Committee also monitors and reviews the effectiveness of our outreach and community engagement activities. A panel of Specialist Academic Advisors assists the trustees in validating and assuring the quality of our projects and publications.

To meet our charitable objectives, the Board appoints salaried staff to undertake projects under the leadership of a Chief Executive. The Chief Executive is supported in operational management by a Senior Management Team, the structure of which was reviewed during the year. The Team comprises, in addition to the Chief Executive, Commercial Director and Director of Fieldwork; Finance Director; Director of Heritage Consultancy; Director of HR and Facilities, and Director of Research and Engagement. The Commercial Director is tasked with responsibility for the oversight and financial control of our trading operations, including management of contract risk. To allow the Charity to respond to the demands for its services a staff of around 266 (223 in 2020) is maintained. The Full Board approves the annual staff pay award, following prior consideration by the Finance and Resources Committee. The pay and remuneration packages of the Senior Management Team are set by the Full Board with reference to the salaries offered for comparable posts, and local employment conditions.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

Taxation Status

The Company is a registered Charity within the terms of the Income and Corporation Taxes Act 2007.

Directors Responsibilities

The Directors are responsible for preparing the Trustees' Annual Report (including the Strategic 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 Directors to prepare financial statements for each financial year, which 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in operation.

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

In so far as the Directors are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Wenn Townsend having expressed their willingness to continue in office, will be deemed to be reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives notice under section 488(1) of the Companies Act 2006.

By Order of the Directors



K A Josephides

CHAIR OF THE FINANCE AND RESOURCES COMMITTEE

Date: 4th August 2021

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

We have audited the financial statements of Cotswold Archaeology Ltd (the 'Charitable Company') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, Balance Sheet and Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Opinion on financial statements:

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31st March 2021, 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 requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

Other information

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material inconsistencies, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 10, the Trustees (who are also the directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF COTSWOLD ARCHAEOLOGY LIMITED

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charitable Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charitable Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charitable Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



Ruth Herbert FCCA
Senior Statutory Auditor
For and on behalf of Wenn Townsend, Statutory Auditor
5 Gosditch Street
Cirencester
Gloucestershire

Date: 4th August 2021

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2021

	<u>Note</u>	<u>Unrestricted Funds</u>	<u>Restricted Fund</u>	<u>2021 Total</u>	<u>2020 Total</u>
Income					
Donations and Legacies:					
Income from charitable activities:					
Archaeological projects		18,371,206	-	18,371,206	12,669,255
Book sales		984	-	984	1,410
Donations		-	26,992	26,992	122,670
Government grants		658,122	-	658,122	
Investment income		11,927	-	11,927	16,482
Surplus on fixed assets disposals		6,100	-	6,100	19,000
		-----	-----	-----	-----
Total Incoming Resources		19,048,339	26,992	19,075,331	12,828,817
		-----	-----	-----	-----
Expenditure					
Expenditure and charitable activities:					
Archaeological projects		17,185,356	-	17,185,356	11,886,806
Other support costs		398,598	-	398,598	446,716
		-----	-----	-----	-----
Total Resources Expended	4	17,583,954	-	17,583,954	12,333,522
		-----	-----	-----	-----
		1,464,385	26,992	1,491,377	495,295
Unrealised surplus/(loss) on investments		2,238	-	2,238	(540)
		-----	-----	-----	-----
Net Incoming Resources for the year		1,466,623	26,992	1,493,615	494,755
Actuarial (loss)/gain on defined benefit pension scheme		(883,000)	-	(883,000)	191,000
		-----	-----	-----	-----
Net Movement on Funds		583,623	26,992	610,615	685,755
Fund Balances brought forward		3,824,632	42,893	3,867,525	3,181,770
		-----	-----	-----	-----
Fund Balances carried forward	12	£ 4,408,255	£ 69,885	£ 4,478,140	£ 3,867,525
		-----	-----	-----	-----

The notes on pages 19-29 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

BALANCE SHEET
31st MARCH 2021

	<u>Note</u>		<u>2021</u>	<u>2020</u>
<u>Fixed Assets</u>				
Tangible Fixed Assets	5	361,146	464,630	
Investments	6	544,826	533,195	
		_____	_____	
			905,972	997,825
<u>Current Assets</u>				
Debtors	7	7,100,062	4,411,151	
Cash at Bank and in Hand		3,665,575	2,123,474	
		_____	_____	
		10,765,637	6,534,625	
Deduct: <u>Creditors</u> (Amounts falling due within one year)	8	5,233,469	2,587,925	
		_____	_____	
<u>Net Current Assets</u>			5,532,168	3,946,700
			_____	_____
<u>Total Net Assets before Pension Liability</u>				
Defined benefit pension scheme liability	13		6,438,140	4,944,525
			(1,960,000)	(1,077,000)
			_____	_____
Total assets less current liabilities			£ 4,478,140	£ 3,867,525
			_____	_____
Financed by:				
<u>Unrestricted Funds:</u>				
General	11	2,668,255	2,414,632	
Designated		1,740,000	1,410,000	
		_____	_____	
			4,408,255	3,824,632
<u>Restricted Fund</u>	10		69,885	42,893
			_____	_____
			£ 4,478,140	£ 3,867,525
			_____	_____

These financial statements were approved by the Finance and Resources Committee and signed on behalf of the Committee on 4th August 2021



K A Josephides
CHAIRMAN OF THE FINANCE AND RESOURCES COMMITTEE

The notes on pages 19-29 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH 2021

	<u>2021</u>	<u>2020</u>
CASH USED IN OPERATING ACTIVITIES	1,645,980	253,663
CASHFLOW FROM INVESTING ACTIVITIES		
Interest received	11,927	16,482
Payments to acquire tangible fixed assets	(108,037)	(197,522)
Receipts from disposal of tangible fixed assets	6,100	19,000
	<hr/>	<hr/>
Cash provided by (used in) investing activities	1,555,970	91,623
Purchase of fixed asset investments	-	-
Cashflow from financial activities	(13,869)	(8,628)
	<hr/>	<hr/>
INCREASE IN CASH	1,542,101	82,995
	<hr/>	<hr/>
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR	2,123,474	2,040,479
	<hr/>	<hr/>
TOTAL CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	£ 3,665,575	£ 2,123,474
	<hr/>	<hr/>

The notes on pages 19-29 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH 2021

RECONCILIATION OF OPERATING SURPLUS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	2021	2020
Net Incoming/(outgoing) resources	610,615	685,755
Depreciation	211,521	244,375
(Profit)/loss on disposal of fixed assets	(6,100)	(19,000)
Actuarial loss/(profit) on defined benefit pension scheme	883,000	(191,000)
Unrealised (profit)/loss on investments	2,238	(540)
Interest received	(11,927)	(16,482)
(Increase)/Decrease in debtors	(2,688,911)	(1,176,472)
Increase/(Decrease) in creditors	2,645,544	727,027
	<hr/>	<hr/>
Net cash inflow from operating activities	£ 1,645,980	£ 253,663
	<hr/>	<hr/>

ANALYSIS OF CHANGES IN NET FUNDS

	1st Apr 2020	Cash flow	Other non-Cash Changes	31st Mar 2021
Cash at bank and in hand	£ 2,123,474	£ 1,542,101	£ -	£ 3,665,575
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 19-29 form an integral part of these financial statements

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2021

General information

The Company is a private company limited by guarantee, registered and incorporated in England and Wales. The address of the registered office is Building 11, Cotswold Business Park, Cirencester, Gloucestershire GL7 6BQ

Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

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 (FRS102) (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cotswold Archaeology Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Depreciation

Depreciation is provided using the following rates and bases which reflect the anticipated useful lives of the assets and their residual value:

Plant and Equipment	25% straight line
Improvements to Leasehold Property	5 years (Term of Lease)

Revenue Recognition

The Company's primary source of income derives from archaeological project contracts. Income from these contracts is recognised when receivable. Incoming resources from grants and donations are included when receivable. In respect of long-term contracts and contracts for ongoing services, turnover represents the value of work done in the year, including estimates based on time costs and actual expenditure costs for amounts not yet invoiced. All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

Interest Income

Interest income is recognised when it is received.

Resources Expenditure

Expenditure is recognised in the period in which they are incurred and include attributable VAT which cannot be recovered.

- Charitable expenditure comprises costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both direct and indirect costs whose charges is necessary to support them.
- Support costs include those costs associated with meeting the constitutional and statutory requirements at the Charity including audit fees and administrative labour.

Investments

Investments held as fixed assets are revalued at market value of the balance sheet date and the gain or loss taken to the SOFA.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

Accounting Policies (continued)

Pensions

The Company operates a pension scheme providing benefits based on pensionable pay which was closed to new members in 2007. The assets of the scheme are held and managed separately from those of the Company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Company. The contributions are determined by a qualified actuary on the basis of triennial valuations.

The scheme is being accounted for under FRS102, with the annually calculated notional surplus or deficit on the funding of the scheme is shown in the accounts as a designated pension scheme fund entitled "Pension Reserve", which is deducted from unrestricted funds in the balance sheet. The directors believe that the scheme currently meets statutory minimum funding requirements. The directors note that the calculated notional deficit or surplus calculated under FRS102 can vary greatly from year to year depending on the assumptions made at the valuation date, but with little or no effect on short term cash flows.

The employees not entitled to be part of the above scheme are entitled to be members of a defined contribution scheme. The costs charged in the financial statements represent the contribution payable by the Company during the year.

Operating Leases

The Charity classifies the lease of property and motor vehicles as operating leases; the title to the equipment remains with the lessor and the equipment is replaced before the end of its economic life. Rental charges are charged on a straight-line basis over the term of the lease.

Debtors

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

Creditors and provisions

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

Funds

The Company's funds consist of unrestricted and restricted amounts. The Company may use unrestricted amounts at its discretion. Restricted funds represent income, which is restricted to a particular purpose, in accordance with the donor's wishes. Designated funds are unrestricted funds set aside by the Directors out of unrestricted general funds for specific future purposes or projects.

2. Surplus on Ordinary Activities

	<u>2021</u>	<u>2020</u>
The surplus is stated after charging:		
Auditors Remuneration	£ 9,100	£ 8,500
Depreciation	£ 211,521	£ 244,375
Profit on disposal of fixed asset	£ (6,100)	£ (19,000)
	<hr/>	<hr/>

3. Taxation

As a Charity Cotswold Archaeology Limited is exempt from tax on income and gains falling within the Income Taxes Act 2007 Section 524 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

GOTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

4. **Total Resources Expended**

	<u>Staff Costs</u>	<u>Depreciation</u>	<u>Other Costs</u>	<u>Total</u> <u>2021</u>	<u>Total</u> <u>2020</u>
Archaeological Projects	7,209,352	211,521	9,764,483	17,185,356	11,886,806
Management and Administration	389,498	-	9,100	398,598	446,716
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	£ 7,598,850	£ 211,521	£ 9,773,583	£ 17,583,954	£ 12,333,522
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

	<u>2021</u>	<u>2020</u>
Other Support Costs		
Salaries	389,498	438,216
Audit and Accountancy Fees	9,100	8,500
	<hr/>	<hr/>
	£ 398,598	£ 446,716
	<hr/>	<hr/>

	<u>2021</u>	<u>2020</u>
Staff Costs		
Wages and Salaries	6,515,094	6,107,315
Social Security Costs	591,050	560,811
Pension Costs	492,706	509,294
	<hr/>	<hr/>
	£ 7,598,850	£ 7,177,420
	<hr/>	<hr/>

Employees benefits	£ 60,001 - £ 70,000	2
	£ 81,000 - £ 90,000	1

The total pension costs for the employees is £51,275 all of whom are members of one of the company's pension schemes

The average number of employees analysed by function, was:

Archaeological Projects	252	209
Management and Administration	14	14
	<hr/>	<hr/>
	266	223
	<hr/>	<hr/>

The Directors received no remuneration during the year. Total expenses reimbursed to Directors during the year amounted to £185 (2020 £1,817).

The total amount of employee benefits received by key management personnel is £556,661 (2020 £620,134). The Charity considers its senior management team key personnel.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

5. Tangible Fixed Assets

	<u>Short Leasehold Improvements</u>	<u>Plant and Machinery</u>	<u>Total</u>
<u>Cost</u>			
At 1st April 2020	274,958	1,131,737	1,406,695
Additions in Year	-	108,037	108,037
Disposals	-	(190,745)	(190,745)
	<hr/>	<hr/>	<hr/>
At 31st March 2021	274,958	1,049,029	1,323,987
	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>			
At 1st April 2020	192,892	749,173	942,065
Charge for the Year	29,574	181,947	211,521
Disposals	-	(190,745)	(190,745)
	<hr/>	<hr/>	<hr/>
At 31st March 2021	222,466	740,375	962,841
	<hr/>	<hr/>	<hr/>
<u>Net Book Value</u>			
At 31st March 2021	£ 52,492	£ 308,654	£ 361,146
	<hr/>	<hr/>	<hr/>
At 31st March 2020	£ 82,066	£ 382,564	£ 464,630
	<hr/>	<hr/>	<hr/>

6. Investments

	<u>2021</u>	<u>2020</u>
Market value		
Balance b/fwd		
Additions	533,195	524,027
Accumulated interest	-	-
Unrealised gains/(loss) on investments	9,393	9,708
Realised gain on investments	2,238	(540)
	<hr/>	<hr/>
	£ 544,826	£ 533,195
	<hr/>	<hr/>

The investments were held in the Swanbrook Bank CAF Fund Bank Statement Issue 1 of £100,000 (2020 £100,000) and in M & G Investments Charibond Charities Fixed Interest Common Investment Fund, Accumulation Shares of £371,087 (2020 £371,087). The market value of investments was valued at mid-market price as at 31st March 2021.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

7. Debtors		<u>2021</u>	<u>2020</u>
Trade Debtors		6,179,711	3,736,659
Other Debtors		131,744	122,912
Amounts Recoverable on Contracts		788,607	551,580
		<hr/>	<hr/>
		£ 7,100,062	£ 4,411,151
		<hr/>	<hr/>
8. Creditors (Amounts falling due within one year)		<u>2021</u>	<u>2020</u>
Trade Creditors		426,626	703,322
Taxation and Social Security Costs		1,333,184	653,201
Other Creditors		948,501	138,487
Deferred Income		2,525,158	1,092,915
		<hr/>	<hr/>
		£ 5,233,469	£ 2,587,925
		<hr/>	<hr/>

Deferred Income relates to archaeological project contract income received in advance and relates wholly to the year under review.

9. Share Capital

The Company is limited by guarantee and does not have a Share Capital. In accordance with the Company's Memorandum and Articles of Association the members' liability, in the event of the Company being wound up, is limited to £1.

10. Analysis of Net Assets by Fund

	<u>< - Unrestricted Funds - ></u>		<u>Restricted Fund</u>	<u>Total 2021</u>	<u>Total 2020</u>
	<u>General</u>	<u>Designated</u>			
			-		
			<u>Publishing Account</u>		
Fixed Assets	361,146	-	-	361,146	464,630
Investments	544,826	-	-	544,826	533,195
Current Assets	8,955,752	1,740,000	69,885	10,765,637	6,534,625
Current Liabilities	(5,233,469)	-	-	(5,233,469)	(2,587,925)
Pension Scheme		-	-		
Funding Deficit	(1,960,000)	-	-	(1,960,000)	(1,077,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	£ 2,668,255	£ 1,740,000	£ 69,885	£ 4,478,140	£ 3,867,525
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

The restricted fund current assets are comprised as follows:

	<u>2021</u>	<u>2020</u>
Cash at Bank	£ 69,885	£ 42,893
	_____	_____

	<u>Historic England</u>	<u>Roman CBM PhD Fund</u>	<u>Total</u>
As at 1st April 2020	13,400	29,493	42,893
Income in year	-	26,992	26,992
Expenditure in year	-	-	-
	_____	_____	_____
As at 31st March 2021	£ 13,400	£ 56,485	£ 69,885
	_____	_____	_____

11. **Unrestricted Funds**

	<u>General</u>	<u>Designated</u>	<u>Total</u>
As at 1st April 2020	2,414,632	1,410,000	3,824,632
(Deficit)/Surplus for the year	763,423	(179,800)	583,623
Transfers between Funds	(509,800)	509,800	-
	_____	_____	_____
	£ 2,668,255	£ 1,740,000	£ 4,408,255
	_____	_____	_____

The designated funds are listed below. These funds are earmarked and exist to enable the Charity to continue to provide archaeological services to a high standard on an ongoing basis.

	<u>Report Archiving</u>	<u>Outreach</u>	<u>New Technology</u>	<u>Premises</u>	<u>Pension Fund</u>	<u>Total</u>
1st April 2020	60,000	100,000	300,000	100,000	850,000	1,410,000
Expenditure	(15,000)	(50,000)	(91,800)	(23,000)	-	(179,800)
Transfer	40,000	75,000	91,800	53,000	250,000	509,800
	_____	_____	_____	_____	_____	_____
31st March 2021	£ 85,000	£ 125,000	£ 300,000	£ 130,000	£ 1,100,000	£ 1,740,000
	_____	_____	_____	_____	_____	_____

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

Funds have been designated by the Directors for the following purposes:

- Completion of Reports and Archiving: The Charity wishes to ensure that the results of its work are made widely and freely available in order to advance the education of the general public. It strives to publish the results of its most significant investigations even when this is over and above the contractual requirement with those who commissioned the work in the first place. It also ensures that the finds and archives resulting from investigations are deposited with publicly accessible museums. This fund has been created to finance such work where this is not covered within pre-existing contracts.
- Outreach and Research Projects: Work associated with the wider dissemination of the results of our projects to a broad range of individuals, including popular publications and the updating of our website, lectures, talks and facilitating work experience. We have made a large number of our unpublished fieldwork reports freely available for download from our website.
- New Technology: Purchase and updating of ICT requirements and digital survey.
- Premises: Future premises requirements, including dilapidations.
- Pension Deficit: Liabilities arising from the Company's defined benefit pension scheme operated by Gloucestershire County Council and provision for any additional cessation payments.

12. Movement of Members Funds

	<u>Unrestricted Funds</u>	<u>Restricted Fund -Publishing Account</u>	<u>Total 2021</u>	<u>Total 2020</u>
Balance B/Fwd	3,824,632	42,893	3,867,525	3,181,770
Surplus for the Year	583,623	26,992	610,615	685,755
	-----	-----	-----	-----
	£ 4,408,255	£ 69,885	£ 4,478,140	£ 3,867,525
	-----	-----	-----	-----

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

13. Defined Benefit Pension Scheme

By the end of the year 14 (2020 - 14) employees were members of the Gloucestershire Local Government Pension Scheme (GLGPS). The Company contributed £152,000 (2020 - £173,000) to the scheme on behalf of its employees during the year. The Company has 20 deferred pensioners and 6 pensioners.

The assets of the defined benefits scheme for staff are held separately from those of the Charity. The Scheme is funded by contributions from the employees and employer in accordance with the recommendations of independent qualified actuaries on the basis of triennial formal valuations. The most recent of these formal valuations was made on 31st March 2019, using the revised actuarial assumptions of the Pensions Act 1995, and reported a deficit of £2,744,000 which is being funded by employer's contributions of 29.8% per annum and employees' contributions on average of 7.7% of pensionable pay to 31st March 2021.

Significant assumptions used are as follows:

	31st March 2021	31st March 2020
	% p.a.	% p.a.
Inflation/Pension Increase Rate	2.8%	1.8%
Salary Increase Rate	3.1%	2.1%
Discount Rate	2.05%	2.3%

Major categories of plan asset

Year ended	31st Mar 2021	31st Mar 2020
	%	%
Equities	70	64
Bonds	20	26
Property	7	9
Cash	3	1
	-----	-----
	100	100
	-----	-----

Balance Sheet

Year ended:	31st Mar 2021	31st Mar 2020
	£ (000)	£ (000)
Fair value of employer assets	6,853	5,292
Present value of funded liabilities	(8,813)	(6,369)
	-----	-----
Net (under)/overfunding in funded plans	(1,960)	(1,077)
Present value of unfounded liabilities	-	-
Unrecognised past service cost	-	-
	-----	-----
Net asset / (Liability)	(1,960)	(1,077)
	-----	-----

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

The defined benefit obligation is split £6,016,000, £1,992,000 and £805,000 between active members, deferred members and pensioner members respectively as at 31st March 2021.

The liabilities as at 31st March 2021 are based on the current benefit structure of the GLGPS.

Reconciliation of defined benefit obligation

Year ended:	31st Mar 2021	31st Mar 2020
	£ (000)	£ (000)
Opening defined benefit obligation	6,369	6,775
Current service cost	170	226
Interest cost	148	172
Contributions by members	39	41
Actuarial losses / (gains)	2,141	(761)
Past service costs / (gains)/losses	-	-
Losses/ (gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in business combination	-	-
Exchange differences	-	-
Estimated unfounded benefits paid	-	-
Benefits paid	(54)	(84)
Closing defined benefit obligation	8,813	6,369

Reconciliation of fair value of employer assets

Year ended:	31st Mar 2021	31st Mar 2020
	£ (000)	£ (000)
Opening fair value of employer assets	5,292	5,507
Net interest	123	139
Contributions by members	39	41
Contributions by the employer	152	161
Return on assets excluding amounts included in interest	1,301	(472)
Assets distributed on settlements	-	-
Exchange differences	-	-
Benefits paid	(54)	(84)
Closing fair value of employer assets	6,853	5,292

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

Investment returns

The return on the Fund in market value terms for the period to 31st March 2021 is estimated based on actual Fund returns as provided by the Administering Authority and index returns where necessary. Details are given below:

Actual Returns from 1st April 2020 to 31st March 2021	26.6%
Total Returns from 1st April 2020 to 31st March 2021	26.6%

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31st March 2021:	Approximate % increase to Defined Benefit Obligation	Approximate monetary Amount (£ 000)
0.5% decrease in Real Discount Rate	12	1,032
0.5% increase in the Salary Increase Rate	1	128
0.5% increase in the Pension Increase Rate	10	881

Analysis of projected amount to be charged to operating profit for the year to 31st March 2022

Year ended:	31st March 2022	% of Pay
	£ (000)	
Projected current service cost	(237)	(47.0)
Interest including plan assets	142	28.2
Interest cost on defined benefit obligation	(183)	(36.3)
Past service cost including curtailments	-	
Effect of settlements	-	
	<hr/>	
	(278)	(55.1%)
	<hr/>	

The actuary estimates that the Employer's contributions for the year to 31st March 2022 will be approximately £150,000.

COTSWOLD ARCHAEOLOGY LIMITED
(A Company Limited by Guarantee and not having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31st MARCH 2021

14. Defined Contribution Scheme

The Company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the Company and amounted to £340,750 (2020 £348,134).

15. Related Party Transactions

During the prior year the Trustee Professor Timothy Darvill OBE received £1,200 for editing Chapter 4: 'Earlier Prehistoric' of the Welsh Gas Pipeline Monograph.

16. Contingent Liabilities

The Company's leasehold premises have had alterations made that may require rectification at the end of the lease. The costs relating to this are not known. A provision of funds over the period of the lease will be made through the designated premises reserve to cover anticipated future costs.

17. Capital Commitments

There were no capital commitments at the year end.

18. Controlling Parties

The Charitable Company has no ultimate controlling party.

19. Going Concern

The Charity has no going concern issues.

20. Operating Leases

Total future minimum lease payments under non-cancellable leases are as follows:

Leases on Buildings	<u>2021</u>	<u>2020</u>
Within 1 year	£ 164,388	£ 210,025
More than 1 year	£103,862	£ 198,496
Other		
Less than 1 year	£134,849	£ 159,614
More than 1 year	£ 71,627	£ 97,048

21. Government Grants

The Charity received furlough payments of £658,122 (2020 £nil) during the financial year.