

Museum of London Archaeology

Report and Financial Statements

Year Ended

31 March 2021

Company Number 07751831

Charity number 1143574

Museum of London Archaeology

Report and financial statements for the year ended 31 March 2021

Contents

Page:

1	Charity information
2	Strategic Report
3	Directors Report
19	Independent auditor's report
23	Consolidated statement of financial activities
24	Consolidated balance sheet
25	Charity balance sheet
26	Consolidated statement of cash flows
27	Notes forming part of the financial statements

Museum of London Archaeology

Charity information for the year ended 31 March 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Board of Trustees and Directors

Sharon Ann Ament
Rosamund Blomfield-Smith (Chairman, MOLA and MOLA Northampton)
Alison Gowman (resigned 22 December 2020, appointed director of MOLA Northampton on 22 December 2020)
Victoria McGuinness
Graham Love
Will McKee
Paul Rodgers (resigned 22 December 2020, appointed director of MOLA Northampton on 22 December 2020)
Peter Stewart (resigned 22 December 2020, appointed director of MOLA Northampton on 22 December 2020)
Melvyn Ewell (appointed on 10 July 2020)
Dr Carol Bell (appointed on 10 July 2020)
Shahina Farid (appointed on 29 March 2021)
Professor Cyprrian Broodbank (appointed on 1 July 2021)

Interim Chief Executive

Stephen Parry

Registered Office

Mortimer Wheeler House, 46 Eagle Wharf Road, London N1 7ED

Company number

07751831

Charity number

1143574

Bankers

Lloyds Banking Group, 4th Floor, 25 Gresham Street, London EC2V 7HN

Auditors

BDO LLP, 55 Baker Street, London W1U 7EU

Museum of London Archaeology

Strategic Report for the year ended 31 March 2021

The Trustees present their Strategic Report for the year ended 31 March 2021.

Review of the business

Museum of London Archaeology ("the Charity") along with its subsidiary charity MOLA Northampton are hereafter referred to as "the Group". The principal activity of the Charity continued to be that of providing archaeological services in furtherance of its charitable objects which are to benefit the public through education in archaeology and the historic environment.

The Trustees adopted a new strategic plan in December 2020 to help achieve this overarching purpose. The strategy identifies three game-changing initiatives which have carried on into 2020/21 and beyond. These are supported by a new digital strategy, development and fundraising plan, Communications plan and Quality and Commercial plan. Performance against the Strategy and Budget is reported and scrutinised by the Board throughout the year using measures of financial performance, market success, process and systems efficiency, and people development.

After a challenging year to 31 March 2020, the Coronavirus pandemic has also had an impact on the business of the Group in 2020/21. As shown in the consolidated statement of financial activities on page 22, the Group recorded a deficit of £328,024 for the year ended 31 March 2021. Whilst a significant improvement on the deficit of £1,408,573 in the year to 31 March 2020, the first lockdown delayed many projects. The last quarter of the financial year was profitable however, with activity levels again increasing. This has continued into 2021/22 when the group has returned to profit and has begun to rebuild its retained reserves. The consolidated balance sheet on page 23 of the financial statements shows the group's financial position at the year end. Net assets have decreased to £2,873,045 in 2021. However, the Group recorded a net cash inflow over the year of £1,382,826 aided by a Coronavirus Business Interruption Loan of £1,250,000. This inflow provided the group with additional working capital to support the anticipated continued expansion during 2021/22.

Our activity levels in the final quarter of the financial year increased and it was expected that this would continue throughout 2021/22 as the wider economy continued to recover from the Coronavirus pandemic.

The group continues to work with a set of key performance indicators which include regular review of chargeability, project margins and key business estimates including project forecasts. This helps to ensure reliable financial information and business improvement.

Principal risks and uncertainties

The Group and charity are subject to various risks and uncertainties during the ordinary course of its business, many of which result from factors outside of its control. The group's risk management framework provides reasonable (but cannot provide absolute) assurance that significant risks are identified and addressed.

An active risk management process identifies, assesses, mitigates, and reports on all aspects of risk. Key risks and the implemented appropriate controls and risk governance techniques are discussed on pages 15 and 16 of this Annual Report and Accounts.

On behalf of the Directors


Rosamund Blomfield-Smith
Chairman

Date

26.1.22.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021

The Directors, who are also Trustees for the purposes of the Charities Act 2011, present their report of the Directors and the audited financial statements for the year ended 31 March 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity, Museum of London Archaeology (MOLA) is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association. The Charity was incorporated on 24 August 2011 and registered with the Charity Commission on 30 August 2011. The Charity began operating on 1 November 2011. This was the effective date of transfer of the assets and undertakings relating to a former division of the Museum of London (registered charity number 1139250), into the new Charity; this transfer was governed by the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).

The Charity has an active, subsidiary company limited by guarantee, MOLA Northampton Limited, in which it is the sole shareholder. MOLA Northampton Limited was incorporated on 10 October 2013 and registered with the Charity Commission on 6 January 2014. This subsidiary, which is also a Charity registered in England and Wales (company number 8727508, charity number 1155198), has identical charitable objects to those of MOLA. It began operating on 20 January 2014 which was the effective date of transfer of the Northamptonshire Archaeology business unit of Northamptonshire County Council, which had operated for some 38 years, into MOLA Northampton Limited. This transfer under TUPE of assets and undertakings, including 50 staff, followed a competitive bid process wherein MOLA was selected by the County Council as the preferred partner to acquire the unit. The Charity MOLA Northampton Limited is an integral part of the Charity's overall group activities; its Statutory Accounts and Directors' Report for the period ending 31 March 2021 have been filed separately with Companies House and the Charity Commission.

The Charity also has a subsidiary company MetroMOLA Limited, which transferred to MOLA from the Museum of London as part of the TUPE transfer in 2011. This subsidiary, originally established to represent MOLA's regional UK activities, has ceased to trade, and the company is maintained as dormant.

The Charity and its subsidiaries are collectively referred to as Group within the Report and Financial Statements.

It is the intention of the Group to transfer the assets, liabilities and business of MOLA Northampton into the Museum of London Archaeology to simplify the Group's operations. It is anticipated that this will occur as at 31 March 2022.

Governance

The Charity is governed by a Board of Trustees who are also Directors of the charitable company. A range of business, financial and communications skills is ensured at Board level. The MOLA Articles stipulate that the Board shall comprise not less than three and not more than twelve Trustees. Trustees may be appointed either by Ordinary Resolution or by a decision of the Trustees and hold office for a term of three years. Retiring Trustees may be re-appointed but not for more than three consecutive terms of office. General meetings are required to pass a resolution to remove a Trustee. Ordinary resolutions can be passed by a simple majority and special resolutions, which require filing at Companies House, require at least 75 per cent of those eligible to vote in favour.

Members of the Board are reimbursed for out-of-pocket expenses, such as transport costs to attend Board meetings, but are otherwise not remunerated.

New Trustees (Directors) sign a Declaration of Eligibility statement which includes confirmation that they have read and understood the HMRC Guidance The 'Fit and Proper Persons test', a basic guide for charity managers. An induction is arranged for each new Trustee, which includes relevant briefing documentation and familiarisation meetings.

The Trustees and Executive Team maintain and update an Induction and Board Operations Manual (IBOM) which brings together key induction information; the Group's policy statements and principles of financial and risk management; the current Strategic Plan; procedures relating to the appointment of Trustee, the operation of the Board and its Committees; the Board Code of Conduct; and delegated authorities granted via Powers of Attorney and the Group Authority Matrix. There is an annual evaluation of Board performance and the IBOM is reviewed and updated annually.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

Directors who served the Charity during the period were as follows:

- Sharon Ann Ament
- Rosamund Blomfield-Smith (Chairman MOLA and MOLA Northampton)
- Alison Gowman (resigned 22 December 2020)
- Victoria McGuinness
- Graham Love
- Will McKee
- Paul Rodgers (resigned 22 December 2020)
- Peter Stewart (resigned 22 December 2020)
- Dr Carol Bell (appointed 10 July 2020)
- Melvyn Ewell (appointed 10 July 2020)
- Shahina Farid (appointed 29 March 2021)

As part of its governance the Charity uses a Board Committee structure which during 2020/21 incorporated six standing sub-committees:

- Remuneration Committee overseeing remuneration for members of the Executive team;
- Finance and General Purposes Committee overseeing operations and business performance;
- Audit and Risk Committee (formerly Audit and Governance) to support the Board in areas including risk, internal control and governance;
- Developer Services Committee overseeing client, commercial and business activities including fieldwork delivery;
- Research and Engagement Committee overseeing research and engagement in delivering our charitable objectives;
- Property Group Committee overseeing matters related to MOLA operational premises and exploring the feasibility of establishing a Centre for Archaeology.

During the year, the remit of the Finance & General Purposes Committee was combined with the Audit & Risk Committee with the Developer Services and Research & Engagement Committees also taking on a broader remit covering business financial performance more directly. As a result, the last Finance & General Purposes Committee was on 11 December 2020.

The Board met seven times over the period from 1 April 2020 to 31 March 2021 with an overall members' attendance rate at Board meetings of over 90%.

Membership of the sub-committees varied over the period due to resignations and appointments of Directors. The numbers of meetings, number of Charity members represented and overall (MOLA Group) attendance rates of each subcommittee are summarised below:

Sub-Committee	Number of Meetings	Number of Charity Members	Overall Attendance
Remuneration Committee	1	1	100%
Finance & General Purposes	7	Between 2 - 3	100%
Audit & Risk	5	Between 2 - 4	90%
Developer Services	4	Between 2 - 3	100%
Research & Engagement	4	Between 3 - 4	93%

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

To ensure that any actual or perceived conflict is properly identified and managed as appropriate, a Register of Board Members' Interests is maintained and are disclosed and reviewed by the Board annually or more frequently as required.

Executive management

The Board appoints a Group Executive Team comprising Chief Executive, Finance Director, Chief Operating Officer, Director of Research & Engagement, Director of Northampton, Director of Developer Services, Director of Infrastructure, Director of Project Management & Consultancy, Director of Research, Director of Group Communications, Business Development & Fundraising and Chief Digital Officer. The Executive Team is responsible for setting team and individual targets and performance measures to address and deliver the Strategic Plan goals as well as providing for the strategic and tactical direction of the Group which itself is set out in an annually prepared, Board-approved Budget and Three-Year Business Plan.

The above represent the Key Management Personnel of the Group and, excluding the Director of Northampton who is employed by MOLA Northampton, the Key Management Personnel of the Charity.

The aggregate remuneration of the Key Management Personnel for 2020/21 was £983.5k, which is disclosed in accordance with the Charity SORP in the notes to the financial statements.

The Charity is a *Registered Organisation* in the Chartered Institute for Archaeologists' (CIFA) quality assurance scheme. The Board has affirmed its commitment in this regard in a resolution stating:

"The Board of Trustees and Directors resolves that all archaeological work by MOLA and MOLA Northampton shall be carried out in accordance with the Code of Conduct and other By-laws of the Chartered Institute for Archaeologists."

Remuneration policy

Executive Team remuneration falls outside the general MOLA pay structure and is the responsibility of the Board's standing Remuneration Committee. The Remuneration Committee Terms of Reference were approved by the Board in 2012, and specialist, independent advice was taken in setting pay policy and principles. The Remuneration Committee has determined that pay for the Executive team shall be: tightly aligned to the delivery of MOLA's strategic goals and pay decisions for MOLA generally; consistent with internal relativities; affordable, with growth in reward aligned with profitability targets; reflect the mid-term nature of MOLA's strategic challenges; and transparent, consistent, fair and free from discrimination.

The Remuneration Committee annually considers the individual growth and success of the Executive Team in their roles, pay decisions for MOLA generally and pay in comparator organisations and roles. Pay decisions are referenced against comparator organisations, the total cash and cumulative value of base pay, any 'pay at risk' and pension provisions. Reward may include provisions, where appropriate, for professional development in line with MOLA's organisation development needs. The Remuneration Committee meets at least twice annually, to consider pay proposals for budgeting purposes for the year ahead and again to review organisational and individual performance on completion of accounts to ratify or finalise pay decisions. These meetings take account of the economic climate and the Charity's short- and medium-term work forecast, and benefit from analysis and market information sourced by an independent advisor to the Remuneration Committee.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

OBJECTIVES AND ACTIVITIES

Charitable objects and public benefit

The objects of the Charity (which are set out at Article 3 of its Articles of Association) are to benefit the public through education in archaeology and the historic environment.

The Trustees have taken into full account the Charity Commission's guidance on public benefit in determining the Charity's short and long-term plans. Accordingly, the Trustees adopted a new strategic plan in December 2020 which sets out MOLA's overarching purpose, which is to create archaeological knowledge and to benefit people and society through sharing that knowledge. The strategy identifies three game-changing initiatives which have carried on into 2020/21 and beyond. These are supported by a new digital strategy, development and fundraising plan, Communications plan and Quality and Commercial plan. Performance against the Strategy and Budget is reported and scrutinised by the Board throughout the year using measures of financial performance, market success, process and systems efficiency, and people development.

For the financial year to 31 March 2021, activities to further the Charity's objects included:

(i) Archaeological investigation and the creation of new knowledge:

The Charity delivers a programme of investigation, discovery and research into below-ground and built heritage. Much of this work relates to opportunities that arise through the planning process and are directly or indirectly commissioned and funded by property developers, construction companies, infrastructure builders and aggregates sector professionals, from both the private and public sectors. This leads to a wide variety of fieldwork and post-excavation research projects, which generate new understandings and new knowledge about the past. These projects also generate organised archives of information which then form an invaluable educational resource for future research enquiry. These activities are directly aligned with Government policy, which affirms the invaluable contribution that heritage activities carried out as part of the planning process contribute to the social, economic and cultural life of the nation.

Archaeological investigation in the financial year to 2021 was inevitably affected by COVID-19. Following the initial lock-down in late March, construction projects did come back on stream quickly, working to social distancing measures. Most archaeological work associated with these projects restarted and by mid-summer work in Northampton and the Midlands was accelerating. However, there were delays to project starts, particularly in London and we made use of the governments furlough scheme to bridge the gap. Our aims for our Developer Services teams for the year included:

- Working with clients to remobilise sites with COVID-safe procedures;
- Ensuring the safety of our staff on site and when travelling to sites;
- To continue to tell people stories and feed results from our fieldwork into the public domain, particularly where the information could resonate with the unusual conditions;
- To maintain momentum with the strategic infrastructure projects that we were involved in (HS2, Tideway and A428 trial trenching)
- To secure work for MOLA teams at the end of furlough;
- Launching innovative trainee and graduate programmes;
- To improve delivery, efficiency and the investigation of new approaches and technological improvements.

(ii) Widening access to research:

The Charity delivers an ambitious publication and dissemination programme which aims to widen the findings of research in ways which support a public sense of identity and place. The dissemination programme includes two long-standing citizen science initiatives, popular and academic monograph publications, peer-reviewed journal articles, magazine articles, radio and television features, digital and other multi-media outputs.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

MOLA adopts a synthesis-based approach to research to make its findings more readily accessible to both academic and wider public audiences. In addition to publishing through its own imprint and peer journals, the Charity disseminates results through public lending libraries, local societies, its own website and a wide range of social media channels.

Specific priorities for the year 2020/21 were identified to extend both the reach and impact of the Charity's work and the educational and public benefit of its research and findings. These included:

- Securing a large share of post-excavation research derived from infrastructure programmes, including projects for which we did not carry out the fieldwork
- Securing academic grant funding in accordance with our Research Business Plan, to grow the volume and impact of work
- Targeting the focus of our Collaborative Doctoral Partnership Awards to achieve specific outcomes from PhD research projects linked to matters of activism and social justice, including addressing historical biases, exploring ethics and morality, and enabling equal opportunities to participate in society
- Advancing the Charity as a nexus between the charitable, academic, governmental, and business sectors, actively pursuing partnerships that draw together and extend archaeology for the benefit of wider society and culture
- Building on our relationships with key universities, including Oxford, Cambridge, and those associated with our Collaborative Doctoral Partnership Awards
- Exploring opportunities for a next-generation, urban citizen-science programme
- Investing in our research infrastructure through securing funding for capital investments

(iii) Connecting people and place through archaeology:

The Charity has a strong belief in the power of archaeology to drive critical thinking, to engage with contemporary issues and to give back to communities through the results of our fieldwork and research. To that end, the Charity maintains a team of Community Archaeologists and delivers an innovative range of opportunities for members of the public to participate directly in the discovery and investigation of their own heritage, and to receive training and experience in the varied skills used in archaeology.

In 2020/21 engagement activities were delivered across the NLHF Funded Coastal & Intertidal Zone Archaeological Network (CITIZAN), the Thames Discovery Programme (TDP) and a range of commercial and charitable projects.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

ACHIEVEMENTS AND PERFORMANCE

Achievements and performance are summarised as follows:

(i) Archaeological investigation and the creation of new knowledge:

Despite the initial dip in activity caused by the March 2020 COVID-19 lockdown MOLA Regions (Northampton and Basingstoke) had one of its busiest years ever, with large evaluations and excavations on strategic logistics sites and residential schemes including Great Haddon in Peterborough, Northampton Gateway and Magna Park at Lutterworth in Leicestershire. The archaeological remains recorded on these projects date from the prehistoric to medieval periods and will provide opportunities for statistically significant analysis into the development of settlements and land use across a broad area.

The London development market was affected by Lockdown more acutely than some areas, but fieldwork did continue, and we concluded excavations at 6-8 Bishopsgate in the City of London, continued excavation and consolidation of remains at the site of the Curtain Theatre (The Stage) and completed additional areas at Blossom Street in Shoreditch. We undertook several significant evaluations around Greater London and the team also undertook work in the Home Counties.

Infrastructure provided a large proportion of our archaeological fieldwork in the year. We continued with several phases of archaeological field investigations on High Speed 2 which were awarded to the MOLA Headland Infrastructure joint arrangement, including major evaluations at sites near Banbury, which have revealed an intense area of Iron Age and Roman settlement activity. MOLA also completed two phases of evaluation work for another large road scheme, the A428 during the year. In London we continued with work on Tideway sites and started work for the Silvertown Tunnel.

MOLA has continued to drive innovation with all digital recording on infrastructure projects linked to web-enabled databases allowing clients and project teams to access data in real time. Further innovations over the year included additional drone survey capability and 3-D and multi-spectral imaging. MOLA also introduced innovative trainee and graduate programmes towards the end of the financial year encouraging and nurturing fresh talent in the sector.

(ii) Widening access to research:

The COVID-19 lockdown affected activities for the early months of the 20/21 year. Nevertheless, we continued to output a variety of published materials in pursuit of our goal to share archaeological knowledge with broad research and non-specialist communities.

The Charity published 3 books during the year:

- Boismier, W A, Taylor, E, and Wolfram-Murray, Y, 2021 *Excavations at Stanground South, Peterborough: Prehistoric, Roman and Post-Medieval settlement along the margins of the fens*, Archaeopress
- Chapman, A, 2020 *Coton Park, Rugby, Warwickshire: A Middle Iron Age settlement with copper alloy casting*, Archaeopress
- McKenzie, M, and Thomas, C, with Powers, N, and Wardle, A, 2020 *In the northern cemetery of Roman London: excavations at Spitalfields Market, London E1, 1991–2007*, MOLA Monograph Series 58

The latter publication saw substantial coverage in the popular press, including in The Independent, Daily Mail, Archaeology Magazine, IanVisits, Ancient Origins and INSIDER.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

In addition, the Charity published the following articles:

Atkins, R, 2020a Northampton's chequered history, *Current Archaeology*, **377**, 20-26

Atkins, R, 2020b Two late Neolithic ring ditches and a hengiform monument, a middle Iron Age farmstead and a Roman stone mausoleum at Areas 7, 8 and 9, Passenham Quarry, Calverton, Milton Keynes, *Records of Buckinghamshire*, **61**, 1-47

Bassir, A, 2021 A 15th-century domestic residence and late medieval coaching inn with 16th century wall paintings at 105 High Street, Hoddesdon, *Hertfordshire Archaeology and History*, **18**, 201-211

Betts I M, 2020 Baths and bathing in Georgian London, *Transactions of the London and Middlesex Archaeological Society*, **70**, 215-232

Betts I M, 2020 Imitation marble wall plaster from 21-25 St Mary Axe, 9 St Helen's Place, London EC3, and other sites, *Transactions of the London and Middlesex Archaeological Society*, **70**, 1-24

Betts, I M, 2021 Medieval floor tiles in *Excavations at Hyde Abbey, Winchester 1972–1999*, K Qualmann, G Scobie and J Zant (ed P Ottaway), Winchester Museums Service/Hampshire Cultural Trust, 215–230

Clare, R, Cronogue-Freeman, C and Morris, S, 2020 Iron Age/Roman pastoral field system on land at Buckingham Road, Steeple Claydon by Rachel Clare, *Records of Buckinghamshire*, **61**, 93-112

Cotton, J, 2021 Principal Place: Dating Early Neolithic London, *British Archaeology*, **177**, 3537

Daykin, A, with Blackmore, L, Bowsher, J, Jeffries, N, Pearce, J, Pipe, A, Richardson, B, Stewart, K, Thorpre, A, and Wardle, A, 2020 Roman, Medieval and Post-Medieval occupation at 70 Mark Lane in the City of London, EC3, *Transactions of the London and Middlesex Archaeological Society*, **70**, 25-80

Johnston, H, and Rathouse, W, 2020 Thames Archaeology with older Londoners, *London Archaeologist*, **16**, 16–19

Knight, H, 2020 Elizabethan fringe theatre, excavating Whitechapel's playhouse, *Current Archaeology*, **359**, 34–37

MacQuarrie, H, Blackmore, L, and Yeomans, L, with Pipe, A, Betts, I M, 2020 The dog house of the common hunt: New evidence for a historic city of London institution at 18-30 Leonard Street, Islington, *Transactions of the London and Middlesex Archaeological Society*, **70**, 167-189

Milne, G, 2020 Thames at War: community archaeology the Blitz, *British Archaeologist*, **174**, 425

Milne, G, 2020 The Thames at War: foreshore archaeology and the Blitz, *London Archaeologist*, **16**, 1214

Pearce, J, and Banikov, M, with Betts I M, Cubitt, R S, and Trackman, S, 2020 An early 18th Century clay tobacco pipe kiln from Royal Mint Street, London, *Transactions of the London and Middlesex Archaeological Society*, **70**, 191-214

Preece, T, 2020 Excavation of an Anglo-Saxon Settlement at Oxford Road, Bodicote, *Oxonensia*, **85**, 229-250

Simmonds, C, 2020 A late Iron Age and Roman settlement on land at College Road, Aston Clinton, Buckinghamshire, *Records of Buckinghamshire*, **60**, 27-86

Spenbrooke, T, 2020 Excavations at the Old Radcliffe Infirmary, Oxford: Prehistoric to Medieval Landscapes, *Oxonensia*, **85**, 125-82

Stastney, P, Scaife, R, Gonzalez Carretero, L, Whittaker, J E, Cameron, N, Allison, E, 2021 Modelling Prehistoric Topography and Vegetation in the Lower Thames Valley, UK: Palaeoenvironmental Context for Wetland Archaeology and Evidence for Neolithic Landnam from North Woolwich, *Environmental Archaeology* DOI: [10.1080/14614103.2021.1880683](https://doi.org/10.1080/14614103.2021.1880683)

Watson, S, and Hampden, L, 2021 Taking a people centred approach to the past, *British Archaeology*, **177**, 64

Watson, S. 2021 Public benefit: the challenge for development-led archaeology in the UK, *Internet Archaeology* **57**, <https://doi.org/10.11141/ia.57.1>

Wright, S, 2020 The monastery before the market: Spitalfields' medieval chapter revealed, *Current Archaeology*, **363**, 28-35

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

The Charity was also successful as a winner of the ATHE-ASTR Award for Excellence in Digital Theatre and Performance Scholarship, for Reconstructing the Rose: 3D Computer Modeling Philip Henslowe's Playhouse: <https://reconstructingtherose.tome.press/>

(iii) Connecting people and place through archaeology:

Through 2020/21 the Research and Engagement division continued to meet the needs of public, academic and sector beneficiaries of archaeological research, with particular aims to widen the age and social mix of audiences, to build MOLA's relationships with key university partners, to develop our research infrastructure through capital investment, and to advance the Charity as a nexus between the charitable, academic, governmental, and business sectors through unusual and creative outputs.

'Witch bottles' concealed and revealed

In April 2019 MOLA started 'Bottles concealed and revealed' a three-year project funded by the Arts and Humanities Research Council to recalibrate understandings of the phenomenon of mid-late 17th century 'witch bottles'. The project is led by MOLA Finds Specialist Nigel Jeffries as Principal Investigator in collaboration with Co-Investigators Professor Owen Davies and Dr Ceri Houlbrook from the University of Hertfordshire, who specialise in the study of magic, witchcraft, and popular medicine. It is hoped that the resulting publications, catalogue and datasets and the insights they reveal will benefit not just historians and archaeologists of the period, but engage and inform museum and folklore curators, and those outside of academia for whom the subject of witchcraft resonates. In 2020, the team was also successful in securing funding from the AHRC's *Arts & Humanities in Quarantine: Public Engagement Call* to produce a short film in relation to the project for broadcast on the BBC's channels and for hosting on the BBC's platforms. The resulting film, "The Life and Times of a Witch Bottle" was launched in Autumn 2020 and is viewable on iPlayer: <https://www.bbc.co.uk/iplayer/episode/p08z33tb/animated-thinking-the-life-and-times-of-a-witch-bottle>

Archaeology and Public Benefit UKRI Future Leaders Fellowship

'Measuring, maximising and transforming public benefit from UK Government infrastructure investment in archaeology' is a four year UKRI Future Leaders Fellowship led by MOLA archaeologist Dr Sadie Watson. The project focuses on ensuring that public spending on archaeology for infrastructure projects leads to meaningful and relevant research and genuine community participation. Currently there is no established way to assess the social impact derived from the many millions of pounds invested in archaeology programmes for publicly funded infrastructure projects. The outcomes of the Fellowship will include best-practice guidance and a toolkit that will be used to inform future policy and practice. Research will take place within the framework of professional archaeology, with project partners including HS2 Ltd, Historic England, the Chartered Institute for Archaeologists and the Europae Archaeologiae Consilium.

Collaborative Doctoral Partnership host

From October 2020 MOLA is supporting two to three new research students a year to study for a PhD at a UK university. Through the Arts and Humanities Research Council's (AHRC) Collaborative Doctoral Partnership (CDP) award we hope to extend our strong record for academic collaboration and engagement, build on our status as a UKRI Independent Research Organisation (IRO), and develop future leaders, specialists and advocates for archaeology. CDPs, funded by the AHRC, are partnerships between museums, libraries, archives and heritage organisations with a proven track-record in supporting and supervising postgraduate research, and higher education institutions. Other award holders include notable cultural, academic and heritage institutions such as Imperial War Museums, the National Archives, the British Museum, The British Library, The University of Oxford and the Tate. A total of nine PhD projects will be co-designed and co-supervised by our staff in collaboration with colleagues from UK universities. To date, studentships have been awarded to the universities of Canterbury Christ Church, Sheffield, York, Birkbeck and Bournemouth for PhD projects on the broad topics of community engagement, osteology, digital recording, waste, and storytelling with archives, respectively.

Higher Education Institution Alignment research

MOLA was commissioned in early 2020 by Historic England (HE) to undertake a project to collate information about current research being undertaken by UK universities into the historic environment in England, and to align this data with HE's own research themes and agenda. The project includes production of a digital interactive tool to allow users to explore the data in more depth.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

Digital X-Ray Facilities

MOLA was successful in its application to the AHRC's Capability for Collections fund to develop our digital x-ray capacity. The grant allowed us to purchase and install a Euroteck X-ray cabinet system and Carestream Computed Radiography system. These will support MOLA in transforming its X-ray output across the Charity's Finds and Osteology teams, as well as our ability to share and curate X-ray images.

Making it FAIR

MOLA was awarded funding as a co-Investigator on the AHRC Towards a National Collection Urgency Fund project, Making it FAIR: understanding the lockdown 'digital divide' and the implications for the development of UK digital infrastructures. This project is a partnership with the University of York based Archaeology Data Service (Principal Investigator) and other Co-Is including Culture24, Collections Trust, The Audience Agency, Centre for Cultural Value, and Knowledge Integration running until Autumn 2021. The project will create a community of practice for [6-8 smaller museums](#) navigating the challenges of lockdown, reporting back to the wider museum sector. Through critical evaluation of current practice in microcosm through online workshops, and a technical gap analysis, the project will draw scalable lessons to inform Towards a National Collection's (TaNC) discovery phase, and AHRC's infrastructure planning.

Walking Publics/Walking Arts: Walking, wellbeing and community during Covid-19

MOLA was awarded funding for partnership on the AHRC Covid Emergency Fund project, Walking Publics/Walking Arts: walking, wellbeing and community during Covid-19, with University of Glasgow, Paths For All, Glasgow Life, Living Streets, Ramblers Scotland, and Yard Theatre. Between 2020 and 2022, we will develop a pilot project related to walking (in relation to heritage sites), wellbeing and COVID and host a showcase event that targets the cultural sector widely, taking place towards the end of the project to share the outcomes of all of pilots associated with the project.

Changing Minds, Changing Coasts

In May 2020, MOLA's CITiZAN team was awarded a grant by the Natural Environment Research Council (NERC) as part of a Covid-19 Public Engagement with Science call to develop environmental citizen science projects operating under lockdown restrictions. The project, Changing Minds, Changing Coasts (CMCC), sits within CITiZAN's longer-term Mersea Island Discovery Programme supported by the National Lottery Heritage Fund in partnership with Mersea Island Museum. The project is facilitated by the local community and a volunteer team, including long-term residents, boat owners, coastal dog walkers, fishermen, oystermen, farmers, builders, wetland conservation consultants, coastal surveyors, local historians and museum staff. CMCC aims to map 100 years of coastal change through the eyes and memories of Mersea Islanders by combining private images, archives, oral histories, and archaeological surveys. It is revealing an accelerating rate of change and suggests a complex model of when and why such climate change-related erosion occurred on Essex's vulnerable coast.

CITiZAN

CITiZAN is a community-based project, currently running Discovery Programmes in Liverpool Bay, Humberside, Essex, Kent and Hampshire. Its focus is England's coastal heritage, much of which is threatened by erosion, accentuated by rising sea levels, increased frequency of storms and accelerating tidal scour. CITiZAN trains and empowers coastal communities to identify, survey and monitor such vulnerable archaeological sites. The project is managed by MOLA with the Council for British Archaeology and the Nautical Archaeology Society as partners and is supported since 2019 by a National Lottery Heritage Fund grant, with match-funding from Lloyds Register Foundation, Historic England and the National Trust.

Across the 20/21 year, CITiZAN was the Charity's only public facing project to operate continuously across lockdown. The team shifted their entire programme online, adapting established programmes for digital engagement, and creating interactive opportunities for volunteers and the wider public. Activities included:

- Schools Sessions delivered via Skype-a-Scientist
- Children's events including YouTube Crafting With CITiZAN videos
- Adult events including Virtual Quizzes through Facebook, Summer and Winter Webinars on GoToWebinar or Facebook Live, interactive Blogs through ThinkLink, Podcasts through Career In Ruins and Archaeologists in Quarantine, and Armchair Archaeologists, a lockdown digital volunteer engagement activity.
- *Twitter Virtual Low-Tide-Trails* and ArchGIS StoryMap *Self-Guided Low Tide Trails*, enabling participants to explore the coast, guided either virtually from home or by their smart phones out on the coast.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

Over the course of the year, these events attracted 29,978 people, up from 6,751 the previous year. The team also launched an update to their CITiZAN app for Apple and Android devices, addressing user feedback and technical upgrades.

Engaging the public around infrastructure, commercial and other regional projects

Despite challenges associated with the COVID-19 lockdowns, we delivered a range of engagement activities around different commercial, infrastructure and other grant-funded projects. These included:

- Live streamed Osteology workshops delivered into schools around Birmingham and the wider West Midlands offering STEM learning outcomes as part of High Speed 2 (Hs2)
- An online interactive on the discovery of the world's oldest engine roundhouse at Curzon Street, uncovered during Hs2 works. Content, which explains the use and history of the building, is accessed through a series of clickable points on historical images and site photographs
- Bi-monthly blogs launched as part of the A14 Digital Engagement Programme, which focus on new knowledge being generated through the post-excavation work programme
- A time-lapse video showcasing the conservation and scientific analysis of one of a group of 11 remarkable Iron Age cauldrons uncovered at Glenfield Park in 2013 at an archaeological site on the fringes of Leicester by a team from University of Leicester Archaeological Services:
<https://www.mola.org.uk/blog/getting-bottom-glenfield-park-cauldrons>
- A Storymap (digital guide) entitled Living Beside the Fosse Way, produced as part of Hs2 excavations with Headland north of the village of Offchurch. The Fosse Way was a Roman routeway that linked Exeter (*Isca Dumnoniorum*) with Lincoln (*Lindum Colonia*):
<https://storymaps.arcgis.com/stories/095cd175167c4229a7bb2a7b15aed456>
- Family webinars delivered as part of Land of the Fanns, a National Heritage Lottery Funded landscape partnership project
- An animation to explain the process of urban archaeology for Key Stage 2 students aimed at homeschooling audiences. Developed with an external design practice, the animation was commissioned as part of a partnership with built environment education charity Our Hut for their National Lottery Heritage Funded Inventive Vents project:
<https://www.youtube.com/watch?v=KB4iYCDLE74&feature=youtu.be>

Thames Discovery Programme

Our long-running Thames Discovery Programme was significantly impacted by COVID-19, with its events postponed or cancelled for most of the year owing to their primarily in-person nature. In the final months of 20/21, the team's delivery resumed with 2 live events, including guided walks and schools visits with 68 participants, as well as 8 online deliveries including webinars, conference papers and telephone talks to isolated older Londoners reaching a total of 1593 participants. Covid-19 Emergency funding from the Thames Water Community Investment Fund helped to protect the project's core resource through this difficult period.

The programme was awarded continuation funding by the City Bridge Trust in early 2019. Due to lockdown restrictions, this work was paused in March 2020 and reshaped in order to safely engage older people and those with mental health challenges in foreshore archaeology, including via the telephone talks identified above.

The programme was awarded a grant from the City of London Archaeological Trust (COLAT) toward a pilot digitisation project for elements of its archive. Delivery of this work is scheduled for 21/22.

ArtsEmergency

MOLA delivered 3 virtual work experience placements in August 2020. Three young people from diverse backgrounds worked for a week with our UKRI Future Leaders Fellow, a Senior Community Archaeologist from the Thames Discovery Programme Team and our Head of Audience Engagement. The placements worked across a range of subjects, including audience segmentation and questions of representation in the historical/ archaeological records.

Layers of London

Layers of London is an interactive online mapping project led by the Institute of Historical Research's Centre for Metropolitan History. MOLA geomaticians have digitised and georectified historic maps from the 17th century to the present, to form the different layers which users can make entries onto. Users from all over London were able to contribute information about their local landmarks, events, and stories to the project.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

In summer 2020, specialists from across MOLA's Research and Engagement division have had the opportunity to take part in a webinar series being delivered by the Layers of London outreach team. Deliveries have included topics such as:

- DIY Buildings Archaeology: a digital field guide – April and September 2020
- Microhistories not Microbreweries: Looking inside London's Historic Pubs – July 2020
- The Archaeology of pottery production in London – July 2020
- Ceramics: Material Culture in Roman London – August 2020
- Prehistory: Prehistory in London: Problems, Progress, Potential – September 2020

Recordings of all deliveries are available on the Layers of London YouTube Channel.

Donations

Throughout the year MOLA activities related to research and engagement projects continued to receive additional support from donors including MOLA Ambassadors and Supporters as well as a specific donation of £2,790 from The John & Ruth Howard Trust.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

FINANCIAL AND OPERATIONAL REVIEW

Transactions and financial position

In the year to 31 March 2021 revenues from archaeological services of £16,297k were generated compared to £16,103k for the previous year. Turnover in the year to 31 March 2021 was impacted by the COVID-19 pandemic as most of our sites were closed during the first lockdown and some sites took their time to restart and other pipeline projects started later than originally anticipated. Further phases on HS2 and the A428 enabled turnover to pick up in the second half of the year. As in 2020, MOLA also experienced a shift in the central London market, with a reduction in the number the larger schemes that have traditionally been MOLA's prime client sector.

These trends confirmed our view that the balance of our market was changing. The deficit for the year of £340k (2020 deficit £1,408k) is however a significant improvement on 2020 especially given the £130k impact of the increased accrual for unused staff annual leave and the fact that by October 2020 the net result had stood at a deficit of £700k.

During the year we fully repaid the loan advanced by the Museum of London when MOLA was established a separate entity. Capital and interest payments totalled just over £107k in the year. Towards the year-end, anticipating a significant increase in activity into 2021/22 the group took out a £1,250k Coronavirus Business Interruption Loan, drawing down funds in March 2021 to give MOLA greater working capital headroom at a time of expansion. The intention remains that the loan will be fully repaid before any interest or charges are incurred from March 2022 however this will be reviewed at that point.

Group Reserves reduced from £3,201k to £2,861k. Unrestricted funds reduced to £2,922k of which £1,000k has been designated towards future potential relocation however this designation will be reviewed if MOLA renews its licence of Mortimer Wheeler House. Restricted funds show a deficit of £63k at year end due to projects which are funded in areas especially the Citizan project. A transfer of £39k from unrestricted to restricted reserves related to engagement projects funded partly from MOLA reserves rather than external funding bodies.

Reserves policy

The Trustees recognise that the Charity's market fluctuates significantly, with substantial impact on revenues and costs but with little opportunity to control those fluctuations. The Charity's policy is to develop a Reserve to ensure adequate working capital cover, a platform for ensuring staff are adequately remunerated and supported by a benefits package that aids recruitment and retention and sufficient investment cover for immediate business development opportunities and purchasing of capital items. This policy has been justified with the impact of large-scale infrastructure work and the strain it can put on cash-flow.

The Group's free reserves are held for the following reasons:

1. to provide working capital to manage fluctuations in cash-flow, protection against a serious disruption to operations and protection against a decline in the market for our services
2. to provide development of the Group's service quality
3. to provide capital growth for imminent developments
4. to cover future relocation costs

At its current size and given market fluctuations, the Trustees calculate that the Group requires free reserves in the range £5,000k to £5,500k to meet these objectives. The Group aims to build up its Reserves through unrestricted donations and trading surpluses and expects to build its reserves back up towards this target in 2021/22. Current reserves are £2,860k.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

Principal risks and uncertainties

COVID-19 Coronavirus. COVID-19 has had a significant impact on the 2020/21 financial year and is still regarded as a significant, if reducing, risk in MOLA's risk register. Lockdown measures introduced in late March 2020 resulted in the closure of our offices and most client worksites. Revenue was therefore restricted during the first lockdown to that which could be delivered via home working as well as a few rural sites. The substantial reduction in revenue has had adverse consequences to the results during the first half of the year however there was improvement during the second half. The Group utilised the government's job retention scheme by placing up to two-thirds of its employees on furlough during the first lockdown and more flexibly after that thereby partly mitigating the impact of reduced revenues by reducing payroll cost. Cashflow has been supported by deferring VAT payments due in the period from March to June 2020 to March 2021 and we have taken out a £1.25m Coronavirus Business Interruption Loan to provide working capital flexibility as the business continues to expand again in 2021/22.

Business Risk: Most of the Charity's revenue is derived from the construction and development sectors, and the volume of work undertaken is affected by economic and market influences. The state of the UK economy has continued to be uncertain throughout the reporting period due to the pandemic however there was increasing optimism towards the end of the financial year as activity levels and results improved and the pipeline for 2021/22 looked strong. MOLA maintains a full risk register related to all business, HR and health and safety matters. The risk register is reviewed monthly by the executive team and by the Audit and Risk Committee.

Delivery risk on projects: Project quotations and proposals are evaluated by Senior Project Managers and members of the Executive Management Team. All projects are reviewed at monthly work-in-progress meetings and profitability, delivery, completion and billing schedules assessed. A regular debtor review process addresses our success in collecting cash, and this is also scrutinised by the Board through its Audit & Risk Committee. Failure of clients to pay within a reasonable timeframe or without a justifiable reason for non-payment results in appropriate action which may include initiating legal proceedings and stopping work until payments are up to date.

Staffing Risk: Attracting and retaining suitably qualified staff at all levels within the archaeology sector represents a serious business risk. The Charity's ability to continue to attract and retain high calibre, skilled and motivated staff, despite an industry wide shortage, will be key to future success and we are addressing this through new recruitment initiatives, expanding our recruitment demographic through the introduction of new trainee roles and a year on year strategy of growing archaeological pay and market values for our work.

Business Interruption: The loss of data, records, access to locations or systems would prevent staff from undertaking their normal business activities. The business could suffer interruption due to terrorism attack, fire, flooding, catastrophic event, systems or network failure. Any localised disruption preventing access to a large significant site or contractors' site could also have an impact on the business.

Safeguarding of Data: Recent years have seen a growth in the use of the Charities' cloud based archaeological database on large infrastructure projects. This Common Data Environment is now being used by staff working for different organisations plus loan specialists. The introduction of digital techniques and larger projects has resulted in large increases in data.

Our infrastructure is now 90% virtualised at all our sites to provide failover and site Disaster Recovery (DR) and to provide scalable and robust IT systems. We have upgraded our internet leased lines at all our sites to provide fast and reliable access to all our cloud applications (emails, Azure backups, Skype for Business, etc). We are looking at implementing Mimecast which will reinforce our email protection and add enhanced security against cyber-attacks as well as an email continuity service in case of any downtime with our email provider. We have rolled out safeguards to encrypt our onsite laptops in compliance with GDPR.

Accommodation: The Charity occupies its headquarters at Mortimer Wheeler House in London under a licence. The licence covering 2020/21 expired on 31 October 2021. A new licence has been negotiated with the Museum of London and was signed in October 2021. The new licence runs until October 2026. A Property Group sub-committee was established in December 2015 as an ad hoc committee of the MOLA Board, with the purpose of expertly discharging the Board's ambitions and duties in relation to MOLA's current and future headquarters and main bases in London and a designated fund established. This will be reviewed now that the new licence has been confirmed.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

Financial controls, cash management and reporting of business performance: The business risk from inadequate controls to manage performance and cash generation might lead to losses, fraud, legal action or regulatory intervention. Failure to manage cash flow and achieve profitability targets could result in a loss of reputation and business integrity damaging our credit profile, access to funds and/or ability to fund raise.

Regular monitoring of performance is achieved through monthly management accounts reporting to the Board and committees, especially the Audit & Risk Committee which provides additional oversight. Budgets are prepared annually, and reforecasts undertaken within the year.

In addition, MOLA has implemented controls and processes for all areas of the business including; expenses, purchase ordering, delegated authorities, capital expenditure reviews and scrutiny of overdue debtors.

Health, Safety and Wellbeing: MOLA site staff work in hazardous locations often below ground level, where trenching and shoring equipment is required, and above ground where access equipment is required. Further, the risks from other contractors' activities (which often involve heavy machinery) are prevalent. Employing staff across a number of sites and a range of occupations, in office-based, site-based and mobile activities often working with machinery, the Charity is highly aware that the risks to health, safety and wellbeing are significant and we manage these through extensive training, robust procedures and third-party verification of our performance and controls.

The Charity continues to employ a dedicated, trained H&S Compliance Manager to support the management team in setting and managing a rigorous H&S regime and is further supported by a Health and Safety Officer for MOLA Northampton. Maintenance plans for equipment are developed with full regard to legislative requirements and good practice from the Health & Safety Executive. Appropriate insurances are in place and a proactive risk assessment, monitoring and inspection process is implemented for offices and for sites where the Charity is working. A corporate health scheme is in place, and there are regular reviews of sickness statistics, accident statistics and RIDDOR reporting. Further employee wellbeing initiatives include a cycle to work scheme and discounted leisure and health promotions.

Environmental and sustainability policy

The Charity embraces its duty to act as a responsible employer and contractor with regard to the environment reviewing environmental and sustainability aims and practice across the organisation on a quarterly basis. The Environmental and Sustainability Policy reflects the aims to design archaeological solutions with minimised environmental impact; conserve energy, paper, water and other resources; maximise the use of renewable energy; require all new building and refurbishment work to improve environmental performance through design, construction and operation; ensure materials used and goods purchased derive where possible from natural, sustainable sources; reduce waste through minimising consumption, re-using and recycling, and by using refurbished, recycled or recyclable products; reduce the use of volatile organic compounds and other harmful substances and eliminate all ozone depleting substances; reduce vehicle emissions and promote the use of public transport; use organic and fair-trade food and drink and ensure that products bought are animal cruelty free where applicable; develop and maintain effective management, target setting and reporting on environmental issues and encourage all staff to work in an environmentally responsible manner and to contribute to improving performance.

Governance

Good corporate governance procedures and processes have been established and implemented as described above, in compliance with all legislation, companies act and charity requirements. These include Board and Board Committee meetings, defined remits for each committee, executive and management procedures and controls, open and transparent Trustee recruitment, segregation of duties and proper reporting as part of risk mitigation processes.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (*continued*)

Risk management

A detailed risk register is maintained by the Executive team and scrutinised by the Board through its Audit & Risk Committee.

Related parties

Related party transactions are disclosed in the notes to the financial statements.

Plans for future periods

The Charity has been successful in diversifying beyond its traditional London source of business by expanding its geographical reach via its regional offices, and also into different development sectors, principally major UK infrastructure schemes. This evolution is expected to continue, providing the benefits of growth and diversification.

Whilst the current phases of HS2 work are ending this year there is other HS2 related work anticipated and, with a focus on infrastructure development in the UK by the government remains strong in an attempt to kickstart the UK economy post-COVID and in line with the levelling up agenda, there is a good pipeline of opportunities. MOLA will continue to adapt and evolve partnership models to enhance our capacity for delivery where appropriate.

Competition remains strong, for both work and staff resources, and we will continue to invest in our staff and technology in order to remain both competitive and an employer of choice, recognising that our archaeological investigations for developers will remain the principal source of funds available to deliver and expand our research and education programmes. Equally, we will continue to build relationships with our non-commercial funders and with academic and charitable institutions in order to further expand the intellectual and social benefits of MOLA's work.

With a new licence due to be signed shortly, the Executive team and the Board will continue to review MOLA's workplace requirements to shape a longer-term property strategy.

Museum of London Archaeology

Directors Report for the year ended 31 March 2021 (continued)

As reported in last year's Directors' Report, we will continue to our key Audience Engagement objectives within our recent strategy which sets out three high level objectives:

- To bring the benefits of our fieldwork forward – ensuring that each client project begins, is delivered and ends with audiences and research at the centre;
- To reach a more diverse audience and through making archaeology relevant and meaningful, and be the UK leaders in the teaching and training of professional archaeologists;
- To influence (and be influenced by) academic audiences and agenda.

We will also continue to advance the three 'game-changer' initiatives identified within our Strategic Plan.

DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Directors are also responsible for preparing the financial statements in accordance with 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 group and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Directors are responsible for keeping adequate accounting records that show and explain that the Charity's transactions disclose with reasonable accuracy at any time the financial position of the Charity, and to enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

AUDITOR

BDO LLP have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Directors


Rosamund Blomfield-Smith
Chairman

Date 26.1.22

Museum of London Archaeology

Independent auditor's report to the members of Museum of London Archaeology

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Museum of London Archaeology ("the Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, Consolidated balance sheet, Charity balance sheet, Consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and Parent 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.

Conclusions related 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 Group and the Parent 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 Trustees are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises: the information included in the report and financial statement, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 misstatements, we are required to determine whether this gives rise to a material misstatement in the

Museum of London Archaeology

Independent auditor's report to the members of Museum of London Archaeology (continued)

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.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's 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 by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company 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 Directors

As explained more fully in the Directors' responsibilities statement, the Directors (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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent 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 Group or the Parent 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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Museum of London Archaeology

Independent auditor's report to the members of Museum of London Archaeology (continued)

Extent to which the audit was capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have made enquiries of management and the board, including:
 - how they have identified evaluated and complied with laws and regulations and whether they were aware of any instances of non-compliance;
 - their process for detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - which internal controls have been established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity. These include, but are not limited to, compliance with the Companies Act 2006, UK GAAP, Charities SORP, fundraising regulations and tax legislation.
- In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of Those Charged with Governance and other management and inspection of regulatory and legal correspondence if any.
- We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including revenue recognition and the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.
- The Senior Statutory Auditor has assessed and concluded that the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.
- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We made inquiries of the Board and management.
- We read minutes of meetings and those charged with governance.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; considered completeness of related party transactions; and evaluated the business rationale of any significant transactions that are inappropriate or unusual or; and
- We challenged assumptions made by management in their significant accounting estimates in particular in relation to the assumptions related to the percentage completion and going concern.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Museum of London Archaeology

Independent auditor's report to the members of Museum of London Archaeology (continued)

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.

DocuSigned by:



DA15AED75D45453...

Heather Wheelhouse (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
55 Baker Street
London
W1U 7EU
Date 28 January 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Museum of London Archaeology

Consolidated statement of financial activities (including income and expenditure statement) for the year ended 31 March 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income					
Donations		253	2,790	3,043	22,401
<i>Income from charitable activities:</i>					
Archaeological services	2	15,267,367	1,030,032	16,297,399	16,103,339
Government Grant income	3	1,392,659	-	1,392,659	-
Investment Income	4	1,423	-	1,423	17,693
Total income		16,661,702	1,032,822	17,694,524	16,143,403
Expenditure					
<i>Cost of raising funds:</i>					
Fundraising and publicity	5	15,743	-	15,743	37,142
<i>Expenditure on charitable activities</i>					
- Archaeological services and investigations	5	17,068,685	949,695	18,018,380	17,140,261
Re-organisation costs	5	-	-	-	368,134
Interest payable		636	-	636	6,439
Total expenditure		17,085,064	949,695	18,034,759	17,551,976
Net income/(deficit) and net movement in funds for the year		(423,362)	83,127	(340,235)	(1,408,573)
Balances brought forward		3,384,953	(183,852)	3,201,101	4,609,674
Transfers		(39,412)	39,412	-	-
Balances carried forward		2,922,179	(61,313)	2,860,866	3,201,101

All of the activities of the group and charity are classed as continuing. The parent company generated a deficit of £817,645 in the year to 31 March 2021 (2020 £1,075,627 deficit).

The prior year Statement of Financial Activities is provided in Note 19.

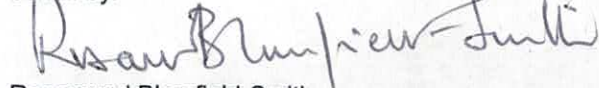
The notes on pages 27 to 42 form part of these financial statements.

Museum of London Archaeology

Consolidated balance sheet at 31 March 2021

Company number: 07751831 Charity number: 11435574	Note	2021	2021	2020	2020
		£	£	£	£
Fixed assets					
Tangible assets	8		199,306		275,113
			<u>199,306</u>		<u>275,113</u>
Current assets					
Debtors	10	8,555,306		5,635,677	
Cash in hand		3,417,337		2,034,511	
		<u>11,972,643</u>		<u>7,670,188</u>	
Creditors: amounts falling due within one year	11	(8,061,083)		(4,744,200)	
		<u></u>		<u></u>	
Net current assets			3,911,560		2,925,988
Creditors: amounts falling due after more than one year	12		(1,250,000)		-
			<u></u>		<u></u>
Net assets			<u>2,860,866</u>		<u>3,201,101</u>
Funds					
Restricted funds	13		(61,313)		(183,852)
Unrestricted funds	13		2,922,179		3,384,953
			<u>2,860,866</u>		<u>3,201,101</u>

The financial statements were approved by the Board of Directors and authorised for issue on and signed on their behalf by:



Rosamund Blomfield-Smith
Trustee

The notes on pages 27 to 42 form part of these financial statements.

Museum of London Archaeology

Charity balance sheet at 31 March 2021

<i>Company number: 07751831</i> <i>Charity number: 11435574</i>	Note	2021	2021	2020	2020
		£	£	£	£
Fixed assets					
Tangible assets	8		72,738		157,971
Current assets					
Debtors	10	5,487,162		3,322,921	
Cash in hand		1,832,991		1,544,448	
		<u>7,320,154</u>		<u>4,867,369</u>	
Creditors: amounts falling due within one year	11	<u>(6,285,342)</u>		<u>(4,350,145)</u>	
Net current assets			1,034,812		517,224
Creditors: amounts falling due after more than one year	12		<u>(1,250,000)</u>		-
Net assets			<u>(142,450)</u>		<u>675,195</u>
Funds					
Restricted Funds			(70,057)		(12,241)
Unrestricted funds	13		<u>(72,393)</u>		<u>687,436</u>
			<u>(142,450)</u>		<u>675,195</u>

The financial statements were approved by the Board of Directors and authorised for issue on and signed on their behalf by:


Rosamund Blomfield-Smith
Trustee

The notes on pages 27 to 42 form part of these financial statements.

Museum of London Archaeology

Consolidated statement of cash flows for the year ended 31 March 2021

	Note	2021	2021	2020	2020
		£	£	£	£
Cash generated by/(used in) operating activities	16		304,877		(1,356,935)
Cash flows from investing activities					
Interest received		1,423		17,693	
Purchase of tangible fixed assets		(64,849)		(161,525)	
Cash used in investing activities			(63,427)		(143,832)
Cash flows from financing activities					
Loan interest paid		(636)		(6,439)	
Loan finance received		1,250,000		-	
Repayment of loan		(107,988)		(197,561)	
Cash used in financing activities			1,141,376		(204,000)
Increase/(decrease) in cash and cash equivalents			1,382,826		(1,704,767)
Cash and cash equivalents at the beginning of the year			2,034,511		3,739,278
Cash and cash equivalents at the end of the year			3,417,337		2,034,511
Reconciliation of net cash flow to movement in net funds					
Increase/ (decrease) in cash and cash equivalents			1,382,826		(1,704,767)
Loan financing			(1,142,012)		197,561
Change in net funds			240,776		(1,507,206)
Net funds at 1 April			1,926,523		3,433,729
Net funds at 31 March			2,167,299		1,926,523

The notes on pages 27 to 42 form part of these financial statements.

Museum of London Archaeology

Notes forming part of the financial statements for the year ended 31 March 2021

1 Accounting policies

The Museum of London Archaeology is an incorporated charity registered in England & Wales with the Charity Commission. The address of the registered office is given on the contents page and the nature of its operations is set out in the report of the Directors. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice 2nd edition issued in October 2019 and applicable to charities preparing their accounting in accordance with the Financial Reporting Standard applicable in the UK (FRS102 - effective 1 January 2015) the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Charity's accounting policies.

Basis of consolidation

The consolidated accounts include the financial statements of the Museum of London Archaeology and of its subsidiary undertakings MetroMOLA Limited and MOLA Northampton Limited.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the provisions of the Companies Act 2006 the parent charity is exempt from the requirement to present its own profit and loss account. The total income from the parent charitable company for the period was £10,403,332 (2020 - £11,633,936) and the deficit for the parent charitable company for the year was £810,864 (2020 – deficit £869,418).

Going concern

Given the impact of COVID-19 during the financial year and especially in the first few months of the 2020-21 financial year when project activity ceased during the first lockdown, the result for the year is reasonable and demonstrated resilience in recovering after lockdown and returned to profitability in the last quarter. 2021-22 has continued this trend and after seven months of that financial year the business is profitable, cash generative and the outlook for the remainder of the year is positive. Given this and our plans beyond 2021-22, we consider our operations to be sustainable and that there is an optimistic outlook with no material uncertainty.

The organisation responded quickly to COVID-19 which resulted in the closure of our offices and most client worksites where either travel to and from site, or work undertaken was impractical to undertake in a safe, socially distanced manner in the first few months of the financial year. During the first quarter of 2020-21 therefore, revenue was restricted to that which can be delivered via home working and a few rural sites.

As anticipated in the latter half of this financial year and into 2021-22 there has been a significant upturn in project activity.

As a result, and with a CIBLS loan facility of £1.25m drawn down to assist in working capital management as the business expands, the Directors are confident in the future viability of the business.

The Directors have also assessed the Charity's future programme of works and commitments against the working capital in place. The Directors view the level of net current assets as sufficient to ensure future operations and that the prospect for the business will continue to improve.

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

Income

All income is recognised once the Charity has entitlement to the resources, it is probable that the resources will be received, and the monetary value of income can be measured with sufficient reliability. Income related to the provision of archaeological services represents the value of work executed for clients during the year excluding value added tax and includes amounts in respect of long-term work in progress as described in the long-term contracts policy below. Where activity is funded by grant, income is recognised to the extent that the conditions of the grant or stages within the grant have been met. Where a grant has no intermediate stages or conditions revenue is recognised based on the extent of completion of a project. Donations are accounted for when receivable.

Long-term contracts and revenue recognition

Income is recognised in line with the completion of projects with percentage completion determined using the cost approach. Costs incurred to date are compared to total project cost to completion, with revenue recognised accordingly. Profit is only recognised to the extent that the total project is assessed to be profitable. Provision is made for any future losses as soon as they are foreseen. For contracts where revenue exceeds fees invoiced, the excess is included as amounts recoverable on contracts within debtors. For contracts where fees invoiced and paid exceed revenue, the excess is included in payments in advance within creditors.

Government Grants

Grants are accounted for under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised on the face of the Statement of Financial Activities in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme ('Furlough'). The group has also received a Coronavirus Business Interruption Loan of £1.25m.

Expenditure

Expenditure, which is charged on an accruals basis, is allocated between the following expenditure headings incurred direct in the fulfilment of the Charity's objectives:

- Costs of raising funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Apportionment of expenditure

Direct charitable expenditure includes the direct costs of the activities and depreciation on related assets. Where such costs relate to more than one functional category, they have been split on an estimate of time or floor space as appropriate.

Funds - unrestricted funds

These represent funds which can be expended as the Directors see fit, in accordance with the charitable objects of the Charity. They include funds that were designated towards the anticipated cost of relocating from Mortimer Wheeler House which, under our licence, was to be no longer available after 31 October 2021 however a new licence is in the final stages of being agreed and this designation of funds will be reviewed by the Board.

Funds - restricted income funds

These represent income received which can only be expended for the purpose specified by the donor.

Fixed assets and depreciation

Tangible Fixed Assets are stated at net book value. All tangible assets with a cost greater than £3,000 are capitalised and depreciated on a straight-line basis to write off their cost over their expected useful lives. Furniture, computer equipment, other equipment plant and vehicles are all depreciated over 4 years (25%) or the asset's expected useful life if shorter.

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (continued)

1 Accounting policies (continued)

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Judgements and key sources of estimation uncertainty

In the application of the charitable company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and the underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The most significant area of judgement in preparing the financial statements are the anticipated value and costs in relation to incomplete long-term contracts.

Goodwill and amortisation

Goodwill, positive and negative, represents the difference between the cost of a business combination and the fair value of the group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill is carried at cost less accumulated amortisation and accumulated impairment losses. Goodwill amortisation is calculated by applying the straight-line method to its estimated useful life. If a reliable estimate cannot be made, the useful life of goodwill is presumed to be 5 years.

Estimates of the useful economic life of goodwill are based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Pensions

Employees are enrolled to join the group money purchase defined contribution pension scheme operated by Legal & General plc. Employees are automatically enrolled into the money purchase scheme unless they have exercised their right to opt out of scheme membership.

Employees joining the money purchase pension scheme contract directly with the insurance company. MOLA makes a matching contribution of between 4% and 6% of salary to this pension scheme and acts as agent in collecting and paying over employee pension contributions. The contributions made for the accounting period are treated as an expense and were £430,600.

2 Trading income

	2021	2020
	£	£
Archaeology services - UK	16,297,399	16,103,309
	<u>16,297,399</u>	<u>16,103,309</u>

Of the total income for archaeology services in the year to 31 March 2021, £15,267,367 related to unrestricted funds (2020 £15,322,749) and £1,030,032 related to restricted funds (2020 £780,560).

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

3 Government Grants

	2021	2020
	£	£
Government grants	1,392,659	-
	<u>1,392,659</u>	<u>-</u>

The group received a total of £1,392,659 under the government's Job Retention Scheme. Of the total, the Charity received £1,135,491 (2020: £nil).

4 Investment Income

	2021	2020
	£	£
Interest receivable	1,423	17,693
	<u>1,423</u>	<u>17,693</u>

Of the total interest receivable in the year to 31 March 2021, £1,423 related to unrestricted funds (2020 £17,693) and £nil related to restricted funds (2020 £nil).

5 Total expenditure

	2021	2020
	£	£
<i>Fundraising and publicity:</i>		
Marketing and Advertising	15,743	37,142
<i>Archaeological services:</i>		
Project costs	6,561,081	4,209,174
Payroll and staff costs	9,497,039	10,631,857
Office and other costs	1,775,454	2,113,249
Depreciation	140,657	148,618
	<u>17,974,230</u>	<u>17,102,897</u>
<i>Administrative costs:</i>		
Auditors' remuneration	41,550	33,691
Costs of preparing for Directors' meetings and support for Directors	1,186	3,673
	<u>18,016,966</u>	<u>17,177,403</u>

Of total expenditure, £1,288,271 was in relation to Archaeological services and investigations related to restricted expenditure (2020 £1,286,271).

Museum of London Archaeology
Report of the directors
for the year ended 31 March 2021 (continued)

<i>Re-organisation costs</i>	-	368,134
------------------------------	---	----------------

Re-organisation costs in 2020 included redundancy costs and payments in lieu of notice paid to staff made redundant during the year and severance costs and payment in lieu of notice paid to a former member of the management team.

The payroll costs included:

Salaries	8,305,733	8,714,874
Social security costs	750,202	913,412
Other pension costs	430,600	971,526

The average number of staff employed by the group and the Charity during the year was:

	2021 Group Number	2020 Group Number	2021 Charity Number	2020 Charity Number
Management	13	13	10	10
Administrative	31	31	22	24
Archaeological - in the field	246	262	140	201
	290	326	172	235
Other (volunteers)			106	120

In the year the Charity employed the following numbers of higher paid employees:

	2021	2020
£60,000 - £69,000	4	5
£70,000 - £79,999	1	-
£90,000 - £99,999	-	2
£100,000 - £109,999	-	1
£110,000 - £119,999	1	-

The pension cost in aggregate for the higher paid employees	£31,283	£61,640
---	---------	---------

The key management personnel of the Charity comprise where appropriate the Chief Executive, Finance Director, Chief Operating Officer, Director of Research & Engagement, Director of Developer Services, Director of Infrastructure, Director of Project Management & Consultancy, Director of Research, Director of Group Communications, Business Development & Fundraising and Chief Digital Officer. The total employee benefits of the key management personnel during the year was £983,448 (2020 - £817,124). Severance costs totalling £39,783 was paid to the former Chief Executive Officer, Janet Miller, during the year.

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

5 Total expenditure (*continued*)

Remuneration of Trustees

The Trustees who served at any point during the financial year did not receive any remuneration. The Trustees received reimbursement of expenses totalling £1,186 (2020 - £3,673) in respect of travel and meeting arrangements.

Transactions with Trustees and connected persons

There were no additional transactions with the Trustees or connected persons during the year.

6 Net income

	2021 £	2020 £
Net income is stated after charging:		
Depreciation of owned fixed assets	140,657	148,618
Auditors remuneration		
– Audit	41,550	33,076
– Other services	2,050	615
	<hr/>	<hr/>

7 Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporate Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

No tax charge arose in the year.

MOLA Northampton makes qualifying donations of all taxable profit to Museum of London Archaeology. No corporate tax liability on the subsidiary arises in the accounts.

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

8 Tangible fixed assets

Group	Leasehold improvements £	Motor vehicles £	Plant and equipment £	Fixture and fittings £	Computer equipment £	Total £
<i>Cost or valuation</i>						
At 1 April 2020	50,734	90,522	166,839	68,083	637,762	1,013,940
Additions	-	-	3,650	8,500	52,700	64,849
Disposals	-	-	-	-	-	-
At 31 March 2021	50,734	90,522	170,489	76,583	690,462	1,078,789
<i>Accumulated depreciation</i>						
At 1 April 2020	8,814	90,522	124,030	60,946	454,515	738,827
Charge for the year	5,073	-	28,272	6,504	100,808	140,657
Disposals	-	-	-	-	-	-
At 31 March 2021	13,887	90,522	152,302	67,450	555,323	879,484
<i>Net book value</i>						
At 31 March 2021	36,847	0	18,187	9,133	135,139	199,306
At 31 March 2020	41,920	0	42,809	7,137	183,247	275,113

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

8 Tangible fixed assets (*continued*)

Charity	Motor vehicles £	Plant and equipment £	Fixture and fittings £	Computer equipment £	Total £
<i>Cost or valuation</i>					
At 1 April 2020	90,522	91,889	58,355	460,368	701,134
Additions	-	3,649	-	-	3,649
Disposals	-	-	-	-	-
At 31 March 2021	90,522	95,538	58,355	460,368	704,782
<i>Accumulated depreciation</i>					
At 1 April 2020	90,522	65,952	52,618	334,071	543,163
Charge for the year	-	14,728	3,623	70,530	88,881
Disposals	-	-	-	-	-
At 31 March 2021	90,522	80,680	56,241	404,601	632,044
<i>Net book value</i>					
At 31 March 2021	0	14,858	2,114	55,766	72,738
At 31 March 2020	0	25,937	5,737	126,297	157,971

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

9 Fixed asset investments

Subsidiaries

Museum of London Archaeology owns the whole of the issued capital amounting to £2 (2 ordinary shares of £1 each) of MetroMOLA Limited.

MetroMOLA Limited was established to provide archaeological services however it is currently dormant and all inter-company balances are fully written off.

Summary of the unaudited financial statements for MetroMOLA Limited for the year ended 31 March 2021:

Statement of comprehensive income	2021	2020
	£	£
Turnover	-	-
Cost of sales	-	-
	<hr/>	<hr/>
Gross profit	-	-
Administration/other costs	-	-
	<hr/>	<hr/>
Trading loss	-	-
	<hr/>	<hr/>
Retained loss for the year	-	-
Retained loss brought forward	-	-
	<hr/>	<hr/>
Retained loss carried forward	-	-
	<hr/>	<hr/>
Balance sheet		
Current assets	2	2
Creditors – amount falling due within one year	-	-
Creditors - amount falling due after more than one year	-	-
	<hr/>	<hr/>
Net assets	2	2
	<hr/>	<hr/>

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (continued)

9 Fixed asset investments (continued)

Subsidiaries

MOLA Northampton was incorporated in October 2013 to acquire the archaeological unit of Northamptonshire County Council on 20 January 2014.

Subsidiary undertaking	Principal activities
MOLA Northampton Limited	Archaeological services

Summary of audited financial statements for MOLA Northampton Limited for the year ended 31 March 2021:

Statement of financial activities	2021	2020
	£	£
Income		
<i>Income from charitable activities:</i>		
Archaeological services	7,958,160	5,943,666
Government Grants	257,168	-
Interest receivable	375	8,501
	<hr/>	<hr/>
Total income	8,215,703	5,952,167
Expenditure		
<i>Cost of raising funds: Fundraising and publicity</i>	-	1,245
<i>Expenditure on charitable activities:</i>		
Archaeological services and investigations	7,736,910	6,235,556
Re-organisation costs	-	48,311
	<hr/>	<hr/>
Total Expenditure	7,736,910	6,285,112
Net income/(deficit) and net movement in funds for the year	478,793	(332,945)
	<hr/>	<hr/>
Balance sheet		
Fixed and other assets	126,567	117,142
Current assets	4,770,446	3,647,655
Creditors – amount falling due within one year	(1,892,314)	(1,238,891)
Creditors - amount falling due after more than one year	-	-
	<hr/>	<hr/>
Net assets	3,004,699	2,525,906
	<hr/>	<hr/>

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

10 Debtors

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Amounts recoverable on contracts	3,198,719	2,540,980	1,927,014	1,516,604
Trade debtors	4,892,246	2,706,048	3,055,072	1,375,055
Other debtors	260,388	232,081	251,623	232,081
Intercompany	-	-	117,957	87,650
Prepayments	203,953	156,568	135,496	111,531
	<u>8,555,306</u>	<u>5,635,677</u>	<u>5,487,162</u>	<u>3,322,921</u>

11 Creditors: amounts falling due within one year

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Trade creditors	1,521,289	459,788	1,129,634	215,925
Intercompany	-	-	-	757,187
Taxation and social security	1,843,772	577,803	1,775,986	379,428
Payments in advance	3,618,916	3,325,490	2,406,256	2,665,256
Other creditors	67,239	76,803	67,239	76,803
Loan from Museum of London	-	107,988	-	107,988
Accruals	1,009,867	196,328	899,406	147,558
	<u>8,061,083</u>	<u>4,744,200</u>	<u>6,278,561</u>	<u>4,350,145</u>

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

12 Creditors: amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Coronavirus Business Interruption Loan	1,250,000	-	1,250,000	-
	<u>1,250,000</u>	<u>-</u>	<u>1,250,000</u>	<u>-</u>

Maturity of debt:

Coronavirus Business Interruption Loan

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
In more than one year but not more than two years	250,000	-	250,000	-
In more than two years but not more than five years	1,000,000	-	1,000,000	-
After five years	-	-	-	-
	<u>1,250,000</u>	<u>-</u>	<u>1,250,000</u>	<u>-</u>

The Coronavirus Business Interruption Loan is secured by a fixed and floating charge over the assets of the group.

Interest charges commence from the first anniversary of taking out the loan and are at x% above base rate.

Currently the intention is to repay the loan in full prior to any charges being incurred.

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

13 Funds

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
<i>Restricted funds</i>					
CITiZAN	(278,776)	461,309	(365,111)	-	(182,578)
Time Truck	6,309	-	(3,934)	-	2,375
TDP	25,095	15,025	(25,920)	-	14,200
Bottles Concealed and Revealed	32,224	98,923	(124,641)	-	6,506
UKRI Future Leader Fellow	(17,865)	172,696	(207,967)	-	(53,136)
Other	49,161	284,869	(222,122)	39,412	151,320
Restricted funds - total	(183,852)	1,032,822	(949,695)	39,412	(61,313)
Unrestricted funds - designated	1,000,000	-	-	-	1,000,000
Unrestricted funds - general	2,384,953	16,661,702	(17,085,064)	(39,412)	1,922,179
	3,201,101	17,694,524	(18,034,759)	-	2,860,866

The restricted funds (described in detail in the Directors' report) relate to:

- the CITiZAN (Coastal and Intertidal Zone Archaeological Network) project which was enabled through funding granted by the Heritage Lottery Fund, with match funding from the National Trust and The Crown Estate. CITiZAN is a community archaeology project working in the areas of England exposed at low tide but covered at high tide, and which the Charity has set up in response to the dynamic threats of wind, waves and winter storms to our island heritage. The cash is received in arrears after presentation and agreement of quarterly expenditure reports detailing time spent specifically on the project;
- The Time Truck offers a mobile archaeology and heritage exhibition set-up in a trailer that is transported to different locations to share with the public relevant finds and details of interest to their location and demographic;
- The Thames Discovery Project (TDP) engages the public in foreshore recording and observation.
- 'Bottles Concealed and Revealed' is a three-year project funded by the Arts and Humanities Research Council to recalibrate understandings of the phenomena of mid-late 17th century 'witch bottles'.
- The UKRI Future Leader Fellow is a four-year research fellowship awarded by UK Research and Innovation. Income is received in arrears.

The designated unrestricted funds are for future relocation costs however this designation will be reviewed if a new licence to occupy Mortimer Wheeler House is agreed with Museum of London

14 Related party transactions

During the year of activity, Museum of London Archaeology provided archaeological services to Museum of London in respect of projects initiated prior to the transfer of trade and assets. Museum of London Archaeology was previously an archaeological unit within Museum of London.

MOLA's Articles specify that the Museum of London has the power to appoint two Directors onto the MOLA board.

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (continued)

14 Related party transactions (continued)

The Museum of London provided a secured loan of £1,500,000 to Museum of London Archaeology during the period to March 2012. Interest was charged at 2.5% per annum over Bank of England base rate. During the year, the loan was fully repaid.

Museum of London Archaeology provided to its subsidiary MetroMOLA Limited a loan of £100,000 in October 2011 as a commercial investment in support of charitable activities. MetroMOLA Limited is currently dormant and a summary of the dormant accounts is given in Note 8. The loan has been fully written off in the Museum of London Archaeology's accounts.

During the year the Museum of London Archaeology supplied services to MOLA Northampton to the value of £452k and received services to the value of £472k. The net balance due to MOLA Northampton at 31 March 2020 was £669,538. At 31 March 2021 £117,957 was due to Museum of London Archaeology.

During the year of activity Alison Gowman served as a governor for the Museum of London and Chairman for the City Bridge Trust who have funded MOLA to support the engagement of Londoners aged over 75 with heritage relating to the Thames foreshore.

15 Company limited by guarantee

The company is a company limited by guarantee, not having share capital

16 Reconciliation of net movement in funds to net cash flow from operating activities

	2021	2020
	£	£
Net movement in funds	(340,235)	(1,408,573)
Depreciation of tangible fixed assets	140,657	148,618
Decrease/(increase) in amounts recoverable on contracts	(657,739)	83,984
Decrease/(increase) in debtors	(2,261,890)	(197,402)
Increase/(decrease) in creditors	3,424,871	27,692
Interest received	(1,423)	(17,693)
Interest paid	636	6,439
	<hr/>	<hr/>
Cash generated from/(used in) operating activities	304,877	(1,356,935)
	<hr/> <hr/>	<hr/> <hr/>

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

17 Commitments under operating leases

As at 31 March 2021, the group has commitments to lease payments under non-cancellable operating leases as set out below:

	Land and buildings 2021 £	Other 2021 £	Land and buildings 2020 £	Other 2020 £
Within one year	266,833	37,825	403,875	46,911
Between one and two years	48,250	20,989	259,917	18,949
Between two and five years	72,375	28,012	120,625	4,367
Over five years	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total	386,458	86,826	784,417	70,277
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The licence under the Transfer Agreement from the Museum of London to occupy Mortimer Wheeler House expired on 31 October 2021. A new licence was entered into on 1 November 2021. The lease on Kent House, the location for MOLA Northampton expires November 2031 with break options in November 2021 and November 2026.

18 Contingent Liability

The directors have been made aware of a potential claim by a client which may result in clawback of amounts received in respect of work undertaken under contract. It remains unclear as to the likely amount of a claim or even whether a claim will be made. The directors believe the maximum possible liability to Museum of London Archaeology is £240,000. The directors, however, do not believe that a liability exists and if a claim were to be made it would be vigorously challenged.

Museum of London Archaeology
Notes forming part of the financial statements
for the year ended 31 March 2021 (*continued*)

19 Prior Year Consolidated Statement of Financial Activities

**Consolidated statement of financial activities
(including income and expenditure statement)
for the year ended 31 March 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Income				
Donations		22,401		22,401
<i>Income from charitable activities:</i>				
Archaeological services	2	15,322,749	780,560	16,103,339
Interest receivable	4	17,693	-	17,693
Other income		-	-	-
Total income		15,362,843	780,560	16,143,403
Expenditure				
<i>Cost of raising funds:</i>				
Fundraising and publicity	5	37,142	-	37,142
<i>Expenditure on charitable activities</i>				
- Archaeological services and investigations	5	15,851,990	1,288,271	17,140,261
Re-organisation costs	5	368,134	-	368,134
Interest payable		6,439	-	6,439
Total expenditure		16,263,705	1,288,271	17,551,976
Net income/(deficit) and net movement in funds for the year		(900,862)	(507,711)	(1,408,573)
Balances brought forward		4,468,655	141,019	4,609,674
Transfers		(182,840)	182,840	-
Balances carried forward		3,384,953	(183,852)	3,201,101