

REGISTERED COMPANY NUMBER: 08079190 (England and Wales)
REGISTERED CHARITY NUMBER: 1147921

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020
FOR
HONOR FROST FOUNDATION**

HONOR FROST FOUNDATION
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FOR THE YEAR ENDED 30 SEPTEMBER 2020

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HONOR FROST FOUNDATION
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

TRUSTEES	A J B Cathie R J Clark J E Curtis C Doumet-Serhal V A Porter P M Wolrich
REGISTERED OFFICE	10 Carlton House Terrace London SW1Y 5AH
REGISTERED COMPANY NUMBER	08079190 (England and Wales)
REGISTERED CHARITY NUMBER	1147921
AUDITORS	Azets Audit Services 2 nd Floor, Regis House, 45 King William Street, London EC4R 9AN
SOLICITORS	BDB Pitmans LLP 50 Broadway London SW1H 0BL
INVESTMENT MANAGERS	Close Brothers Asset Management 10 Crown Place London EC2A 4FT Cazenove Capital Schroder & Co Limited 1 London Wall Place London EC2Y 5AU

HONOR FROST FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2020

Honor Frost Foundation (sometimes HFF) is a charitable company. The Trustees (who are also the directors for the purposes of company law) present their report with the financial statements of the Foundation for the year to 30 September 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Foundation's memorandum and articles of association and applicable law.

OBJECTIVES AND ACTIVITIES

The Objects of the Foundation are the advancement of research and its publication in the area of marine archaeology with particular but not exclusive reference to the marine archaeology of the Lebanese, Western Syrian and Cypriot coast and archaeologically associated maritime wrecks found elsewhere in Mediterranean waters, by any means which shall be recognised as charitable and in particular without prejudice to the generality of the foregoing

- To provide grants or other financial assistance to individuals working in research establishments to further their study of marine archaeology
- To publish and disseminate any marine archaeology papers owned by the charity or papers which may be produced as a result of research funded by the charity
- To make grants to museums and galleries and other national or local institutions (particularly but not necessarily exclusively the British Museum) and to assist them in displaying to the public works relevant to the study of marine archaeology and in the holding of relevant lectures and seminars
- To support by whatever means are appropriate excavations of archaeological sites, ports, harbours, offshore anchorages and ancient anchors found undersea or excavated as ex votos in temples and shrines which are relevant to Levantine archaeology and the history of fishing.
- To support by whatever means are appropriate conservation work relevant to the marine archaeology of Lebanon, Western Syria and Cyprus
- To provide grants towards exchange visits of museum staff from Lebanon, Syria and Cyprus
- To provide grants towards the training of individuals of Lebanese, Syrian and Cypriot origin in the skills necessary to carry out restoration and conservation work relevant to marine archaeology in their country of origin

The Trustees have also recognised the crucial importance of safeguarding and promoting the protection of underwater cultural heritage (UCH) as part of its overall work.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities

ACHIEVEMENT AND PERFORMANCE

The Honor Frost Archive

With the Honor Frost Archive installed in the Maritime Archaeological Special Collections division of the Library at the University of Southampton, the Special Collections division has been successful in seeking further maritime-archaeological archives, which include those of Sean McGrail, Lucien Basch and Nicholas Flemming, and students and researchers are now using the Frost archive. A committee has been established to explore further the role of such archives.

Publications

The first HFF book, *In the Footsteps of Honor*, was published in December 2019. The second publication in the Research Series, *Under the Mediterranean*, is due to be published in March 2021. Further publications are in the pipeline, and the Foundation has established an editorial board to review potential titles. There are plans for a volume containing a selection of Honor Frost's publications, and for a special volume of BAAL, covering her work in Lebanon.

Honor Frost's unpublished book, found in her archives, *The Last Life of the Phoenix*, will be ready for publication in autumn 2021, to coincide with the 50th anniversary of her discovery of the Phoenician warship off Marsala.

Work is continuing on the publication of the final three volumes of *Tropis* symposia - an archiving project of unpublished conferences to which Honor Frost regularly contributed, concerning the maritime archaeology of the Mediterranean.

HONOR FROST FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2020

ACHIEVEMENT AND PERFORMANCE - continued

Grants

The Foundation continued to support MARELab, the Maritime Archaeological Research Laboratory at the University of Cyprus, which includes a number of areas of research.

The Foundation signed an agreement with the Department of Antiquities of Cyprus to fund the compilation of a comprehensive database of all the maritime-archaeological sites of the island, based on existing information. Two researchers are working on this full time, and project completion is planned for mid 2021.

Lebanon

At the request of the Director General of Antiquities (DGA), the Foundation undertook further 'rescue' missions, documenting sites in danger both underwater and along the coastal zone, in the regions of Deir el Natour, Tabarja, and El Kharayeb, and reports on these have been submitted for publication.

Dr Lucy Semaan, the HFF Maritime Archaeologist in Lebanon, and Dr Stephen McPhillips were heavily involved in this project of documenting the coastal and underwater archaeology prior to development work, liaising closely with the DGA.

The Foundation's Minor programme in Marine Science and Culture at the American University in Beirut, started in September 2019, within the undergraduate programme of the university. In the academic year, starting September 2020, HFF doubled the number of external scholarships it supported from two to four.

Egypt

The Foundation continued to support the Centre d'Etudes Alexandrines (CEAlex), Egypt.

Support for the activities of the Centre for Maritime Archaeology and Underwater Cultural Heritage (CMAUCH), University of Alexandria, continued, including research and field work conducted at the site of Marsa Bagoush on the Mediterranean coast.

The Foundation continued to fund the British Museum's research project at Naukratis, which is currently at publication stage.

Malta

The Foundation continued to support the University of Malta in its research of the Phoenician shipwreck, one of the most intriguing recent underwater archaeological discoveries. Situated at a depth of 110m off Xlendi Bay in Gozo, the Phoenician shipwreck consists of an intact and well-preserved mixed cargo datable to the 7th century BC. The mixed contents of stone and ceramic objects are shedding light on the economic history and trade networks of the central Mediterranean during the Archaic period.

Nautical Archaeology Society (NAS) International Journal of Nautical Archaeology (IJNA)

The Foundation's support of the three-year annual grant to help develop the NAS international journal (IJNA) and activities concerning its publication, dissemination and related research was extended through to 2020.

British Academy/ Honor Frost Foundation Awards

With the pandemic, the British Academy/Honor Frost Foundation annual research awards in maritime archaeology were not offered this year.

Studentships and Bursaries

A number of studentships and bursaries were awarded in 2019-2020.

The Foundation renewed its commitment to support one student to undertake a Master's degree in Land and Sea Archaeology at the University of Cyprus.

HONOR FROST FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2020

ACHIEVEMENT AND PERFORMANCE - continued

With the support of the Foundation, two students successfully completed the Diploma at the CMAUCH, University of Alexandria. The Foundation will continue this support when they commence a Master's degree in Maritime Archaeology, at the same institution, in October 2020.

The Foundation continued to fund three PhD students from the region in Maritime Archaeology at the University of Southampton. A one-year scholarship was also awarded to a student from Egypt to undertake a Master's degree.

A Cypriot student, already enrolled at the University of Oxford, was awarded support to complete his DPhil and undertake an additional MSC in Marine Geophysical Survey, and the Foundation continued to support a student from Egypt undertaking a DPhil at the same institution.

Two students from Syria successfully completed their two-year Master's course in Maritime Archaeology at the University of Aix-Marseille, France. The Foundation has continued to support one of these students to undertake a joint CIVIS PhD (University of Aix-Marseille and the National and Kapodistrian University of Athens), commencing in September 2020.

A grant was awarded to the University of Malta to support a post-doctoral student working on the Phoenician Shipwreck project.

The University of Edinburgh is building a new research focus in maritime archaeology and sustainable development. The Foundation agreed to support an international PhD on the topic *Marine heritage and sustainable coastal development in Lebanon*, commencing in January 2021.

Bursaries were awarded to several students from countries within the Foundation's remit to enable them to attend a series of NAS online courses covering different aspects of maritime archaeology.

Maritime Archaeology Graduate Symposium (MAGS)

Building on the successes of 2018 and 2019, the Foundation co-sponsored the 2020 MAGS event. The event was held at the University of Oxford and again provided a platform for early-career researchers working in maritime archaeology to present their research, with the presentation of 23 papers, as well as a vital opportunity to promote collaboration between scholars focused on the eastern Mediterranean.

Underwater Cultural Heritage (UCH) Steering Committee

The Foundation continues to support the Foundation's Steering Committee on UCH (<http://honorfrostfoundation.org/uch/>), chaired by Professor Sir Barry Cunliffe.

Ocean Decade Heritage Network

As a result of the Foundation's earlier support, the ODHN became an official partner of IOC-UNESCO in the Ocean Decade initiative. The Foundation continues to support ODHN to further raise awareness of cultural heritage within the marine sciences.

FINANCIAL REVIEW

The Foundation does not engage in any fundraising activities.

On income account the Foundation received income of £710,181 and spent £705,928 on its charitable activities; the resulting surplus of £4,253 has been transferred to capital. On capital account the investments depreciated including management fees by £1,143,383. In total therefore the Foundation's net assets decreased by £1,189,130 to £40,518,921. The expenditure recognised in this year's accounts has been reduced by some £300,000 by the release of provisions for grants awarded in previous years which have not been taken up.

Investment policy

The Foundation has two investment managers Close Asset Management and Cazenove Capital; in addition, it receives investment advice from Millbank Investment Management. Two trustees constitute the Investment Committee and they meet the investment managers at least once a year to review the performance, the investment policy and the arrangement under which the management of the investments is delegated to the managers. The Committee reports the results of these reviews to the Trustees with any recommendations.

The Foundation is a long-term investor and seeks to maintain the real value of its capital and to produce a reasonable income.

HONOR FROST FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2020

FINANCIAL REVIEW - continued

During the year the funds held by the investment managers returned minus 1.12%. The indices prepared by Asset Risk Consultants showed total returns for the year of plus 1.01% on the Balanced Asset and plus 2.03% on the Steady Growth portfolios so the Foundation's result was a little disappointing. However in the last quarter of 2020 the return was usefully ahead of both indices.

Reserves policy

To repeat, the Foundation seeks to maintain the real value of its capital. Its opening capital in October 2011 was £30.45m; that sum increased by the RPI to September 2020 equals £37.2m compared with the actual value of £40.5m. As the capital is expendable, the Trustees do not consider it necessary to maintain any separate income reserve and indeed in most recent years have been spending more than the Foundation's incomeously this is something which the Trustees will review in the light of the current economic conditions.

Risk management

As part of the annual planning process, the trustees identify the major risks (financial, governance/compliance, operational and external risks) facing the Charity over the coming years.

Each risk is assessed according to the likelihood, and potential impact, and systems and procedures to manage those risks are agreed and implemented by the trustees and staff. Some of the main risks facing the charity are:

- Downturn in value of investments – the Board closely monitors the investments held, whilst continuingly increasing the diversification of the portfolio kept. The Board also have adopted a cautious policy on awarding new grants
- Relationships with the investments managers – the Board have annual meetings with principal fund managers
- Country risk in region of work – the Board closely monitors the political situation in the region of work.

FUTURE PLANS

The Foundation will continue to explore the acquisition and assessment of maritime-archaeological archives to be lodged in the Special Collections at Hartley Library, University of Southampton.

The Foundation plans to publish more titles, including Honor Frost's last book.

The Foundation will complete the desk-based assessment of the maritime archaeology of the island of Cyprus, and discuss with the Department of Antiquities the next steps arising therefrom.

The Foundation will continue its 'rescue missions' for the Director-General of Antiquities in Beirut, and to support its on-going Minor course at the American University of Beirut, as far as conditions allow.

The Foundation will continue its support of the CEALex in Alexandria, as well as that of the CMAUCH, University of Alexandria.

The Foundation will fund the work of Dr Timmy Gambin in his exploration of the Punic ship off the coast of Gozo.

The Foundation will continue to support the work of UNESCO's Ocean Decade initiative.

HONOR FROST FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Honor Frost Foundation is governed by its Memorandum and Articles of Association adopted and approved at the Annual General Meeting on 22 May 2012.

Honor Frost died on 12 September 2010. The Honor Frost Charitable Trust was created by her will dated 14 September 2007 and was entered on the Register of Charities on 24 March 2011. All the Trust's assets were transferred to the Foundation on 30 September 2012.

The Foundation is managed by the six Trustees, who are also directors of the Foundation for the purposes of company law, appointed under Honor's will all of whom served in the year to 30 September 2019, with the offices to which they were elected by the Trustees, namely:

Alison Julia Bewley Cathie, Chair
Roger Jackson Clark, Hon. Treasurer
Dr John Edward Curtis, OBE, FBA
Dr Claude Doumet-Serhal MBE
Dr Venetia Ann Porter
Peter Marshall Wolrich

The Trustees meet at least four times a year and are responsible for the overall policies of the Foundation.

Reference and Administrative details

The day-to-day management of the Foundation is delegated to Neelam Seeboruth, Lauren Tidbury and Gail Caddy (Financial and Administrative support) and to Dr Lucy Blue, Maritime-Archaeological Director.

Advice is obtained from Dr J D Hill (British Museum), and, as necessary, from Dr David Blackman, University of Oxford, Dr Colin Breen, University of Ulster, and Dr Antony Firth.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HONOR FROST FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Honor Frost Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

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

AUDITORS

The auditors, Azets Audit Services, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 23 April 2021 and signed on the board's behalf by:



A J B Cathie - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HONOR FROST FOUNDATION

Opinion

We have audited the financial statements of Honor Frost Foundation (the 'charitable company') for the year ended 30 September 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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:

continued ...

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HONOR FROST FOUNDATION

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Review and testing of revenue recognition policies;
- Detailed substantive testing on material revenue streams;
- Review of accounting estimates, judgements and decisions made by management and unusual significant transactions.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

Azets Audit Services

J Howard (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

..... 06 May 2021

HONOR FROST FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account) FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Notes	Unrestricted Income Fund £	Unrestricted Capital Fund £	Total 2020 funds £	Total 2019 funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	708,625	-	708,625	860,160
Other income		<u>1,556</u>	<u>-</u>	<u>1,556</u>	<u>1,339</u>
Total		710,181	-	710,181	861,499
EXPENDITURE ON					
Raising funds	3	-	187,483	187,483	222,986
Charitable activities	4				
Grants		350,145	-	350,145	768,552
Other charitable activities		<u>355,783</u>	<u>-</u>	<u>355,783</u>	<u>393,828</u>
Total		705,928	187,483	893,411	1,385,366
Net (loss)/ gains on investments		<u>-</u>	<u>(1,005,900)</u>	<u>(1,005,900)</u>	<u>1,012,137</u>
NET (EXPENDITURE)/ INCOME		4,253	(1,193,383)	(1,189,130)	488,270
Transfers between funds		(4,253)	4,253	-	-
NET MOVEMENT IN FUNDS		-	(1,189,130)	(1,189,130)	488,270
RECONCILIATION OF FUNDS					
Total funds brought forward		-	41,708,051	41,708,051	41,219,781
TOTAL FUNDS CARRIED FORWARD		<u>-</u>	<u>40,518,921</u>	<u>40,518,921</u>	<u>41,708,051</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.


HONOR FROST FOUNDATION

BALANCE SHEET AT 30 SEPTEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Investments	12	41,580,044	42,906,661
CURRENT ASSETS			
Debtors	13	6,297	5,870
Cash at bank		<u>308,361</u>	<u>470,342</u>
		314,658	476,212
CREDITORS			
Amounts falling due within one year	14	(892,659)	(772,909))
NET CURRENT LIABILITIES		<u>(578,001)</u>	<u>(296,697)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			42,609,964
CREDITORS			
Amounts falling due after more than one year	15	(483,122)	(901,913)
NET ASSETS		<u>40,518,921</u>	<u>41,708,051</u>
FUNDS	17		
Unrestricted income funds		-	-
Unrestricted capital funds		<u>40,518,921</u>	<u>41,708,051</u>
TOTAL FUNDS		<u>40,518,921</u>	<u>41,708,051</u>

The financial statements were approved by the Board of Trustees on 23/04/21 and were signed on its behalf by:


A J B Cathie -Trustee


R J Clark -Trustee

HONOR FROST FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2020

		2020 £	2019 £
Cash flows from operating activities:	Notes		
Cash generated from operations	19	<u>(1,003,840)</u>	<u>(983,717)</u>
Net cash provided by (used in) operating activities		<u>(1,003,840)</u>	<u>(983,717)</u>
Cash flows from investing activities:			
Purchase of fixed asset investments		(7,855,201)	(8,099,882)
Sale of fixed asset investments		8,854,216	9,850,088
Interest received		67,050	134,013
Dividends received		<u>641,575</u>	<u>726,147</u>
Net cash provided by investing activities		<u>1,707,640</u>	<u>2,610,366</u>
Cash flows from financing activities:			
Expenditure attributable to endowment		<u>(187,483)</u>	<u>(222,986)</u>
Net cash provided by (used in) financing activities		<u>(187,483)</u>	<u>(222,986)</u>
Change in cash and cash equivalents in the reporting period		<u>516,317</u>	<u>1,403,663</u>
Cash and cash equivalents at the beginning of the reporting period		<u>2,490,549</u>	<u>1,086,886</u>
Cash and cash equivalents at the end of the reporting period		<u><u>3,006,866</u></u>	<u><u>2,490,549</u></u>
Cash and cash equivalents consists of:			
Cash at bank		308,361	470,342
Cash balances held by investment managers	12	<u>2,698,505</u>	<u>2,020,207</u>
Cash and cash equivalents at the end of the reporting period		<u><u>3,006,866</u></u>	<u><u>2,490,549</u></u>

The notes form part of these financial statements

HONOR FROST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. ACCOUNTING POLICIES

General information and basis of preparation

Honor Frost Foundation is a company limited by guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out on page 2.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2017), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

Honor Frost Foundation meets the definition of a public benefit entity under FRS 102. The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements are prepared in sterling which is the functional currency of the charity. The level of round adopted in the financial statements is to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Legal status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Preparation of the accounts on a going concern basis

The Foundation has reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. It has therefore continued to adopt the going concern basis in preparing its financial statements. The COVID-19 pandemic was taken into consideration when performing the going concern assessment.

Income

All incoming resources, including investment income and bank interest, are included in the Statement of Financial Activities (SoFA) when the Foundation is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure on raising funds comprises costs of the services of the investment managers who manage the investment portfolio held by the Foundation.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. It includes expenditure that can be directly allocated to such activities, and other costs which are of an indirect nature which are necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Foundation and include audit fees linked to the strategic management of the Foundation.

Grants and donations are charged to the SoFA once they are unconditionally approved for payment by the Trustees.

HONOR FROST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. ACCOUNTING POLICIES - continued

Expenditure - continued

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

The Foundation is not registered for VAT and expenditure is shown gross of irrecoverable VAT.

Allocation and apportionment of costs

Support costs are allocated on a time basis to Charitable Activities and Governance.

Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income and capital gains received within categories covered by Chapter 3 Part II Corporation 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.

Fund accounting

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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.

Fixed asset investments

Investments are a form of basic financial instruments and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Foundation does not acquire put options, derivatives or other complex financial instruments.

All gains and losses are taken to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Debtors

Prepayments and accrued income are recognised at the settlement amount receivable.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less.

HONOR FROST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2020

Creditors

Creditors are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Accruals and other creditors are recognised at their settlement amount due.

Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. INVESTMENT INCOME

	2020	2019
	£	£
Dividends received	641,575	726,147
Interest received	67,050	134,013
Other income	1,556	-
	<u>710,181</u>	<u>860,160</u>

3. RAISING FUNDS

Investment management costs

	2020	2019
	£	£
Portfolio management	<u>187,483</u>	<u>222,986</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 5)	Grant funding of activities (See note 6)	Support costs (See note 7)	Totals
	£	£	£	£
Grants	-	350,145	-	350,145
Other charitable activities	<u>288,854</u>	<u>-</u>	<u>66,929</u>	<u>355,783</u>
	<u>288,854</u>	<u>350,145</u>	<u>66,929</u>	<u>705,928</u>

HONOR FROST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2020

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020 £	2019 £
Honor Frost archive	-	115
Basch archive	-	2,220
BA/HFF Steering Committee on UCH	13,457	18,126
DGA response team	169,761	199,074
Other charitable costs	829	549
Staff costs (note 10)	53,290	45,902
Payroll and pension fees	550	834
Legal fees	2,619	3,295
Donation for office space	13,125	13,125
Maritime-Archaeological Director's travel	3,899	6,458
Lecture events	6,793	4,531
Publication costs	24,531	9,707
	288,854	303,936

6. GRANTS PAYABLE

Grants Awarded 2019 - 2020

Grantee	Project Title	Award £
<u>Cyprus</u>		
University of Leicester	Ancient Akrotiri 2020	18,652
Maria Ktori	Intangible Maritime Cultural Heritage Project	4,430
Muge Sevketoglu	Further Investigation of Marine Archaeology Heritage at Akanthou	10,000
Maria Atesh Kocgad	Iskele/Trikomo District Underwater Survey	9,988
<u>Egypt</u>		
MarEA/CMAUCH	NW Marmarica Coast Survey	32,200
Pierre Tallet	Wadi El Jarf	39,000
Claire Somaglino	Ayn Sukhna Archaeological Mission	8,948
Tomasz Derda	Landscape history & chronology of Roman & Byzantine port infrastructure of Marea in the region of Mareotis	5,275
JP Goiran	Egyptian Port of Tyre	8,400
<u>Lebanon</u>		
Crystal El Safadi	Neolithic Landscapes	29,077
Ibrahim Nouredine	Tyre North Harbour Survey	19,900
Wissam Khalil	El Kharayeb - Litani Valley and UW survey	48,304
<u>Sicily</u>		
Peter Campbell/Ross Thomas	Analysis of newly discovered rams - Construction & Afterlife of Ancient War-Galleys, Egadi Islands	5,000

HONOR FROST FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

6. GRANTS PAYABLE – continued

Grants Awarded 2019 - 2020

Grantee	Project Title	Award
<u>Malta</u>		
University of Malta	Phoenician Shipwreck, Post Doc support	30,000
<u>Developing the Discipline</u>		
NAS	Big Anchor Project	23,655
<u>Education, Scholarships & Bursaries</u>		
Nesrin El Galy	PhD Extension	16,508
Achilleas Iasonos	PhD Extension	8,528
Mai Ghanem	MA, University of Southampton + extension	39,104
Jafar Anbar	PhD, Joint CIVIS	76,270
Sirin Ghiye	Language Tuition	1,090
CMAUCH	Visiting Lecturer Support	4,260
CMAUCH	Student Bursary Fund	6,000
CMAUCH	Academic Support	19,980
CMAUCH	Diploma Support	3,250
CMAUCH	MA Support	10,250
NAS	Online courses	3,750
University of Edinburgh	International PhD - 3 years	112,949
Ziad Morsy	Post-doctoral support	18,300
<u>Special Grants</u>		
Steering Committee UCH	Ocean Decade Heritage Network	10,000
Claire Calcagno/ ElenaFlavia		
Castagnino	Phoenix Stage III & IV	8,860
MAGS Committee	MAGS 2020 Conference	6,640
HFF Activity	Marsala Conference, Sicily	35,000
MARE Committee	MARE 2020 Conference	1,412
BAAL	Publication of Beirut Symposium papers	6,983
HFF Activity	Cyprus Database Workshop	2,980
<u>Agreed but not awarded</u>		
On application	Open Access Publication Grant	10,000

HONOR FROST FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

6. GRANTS PAYABLE - continued

Grants Awarded 2019 - 2020

Total Approved Grants	694,943
Reconciliation of Grants	
Grants approved	694,943
Unspent grant balances	(6,617)
Overspent grants	3,238
Grants removed from commitments	(335,252)
Previous years grants adjustments	(6,167)
At 30 September 2020	<u>350,145</u>

7. SUPPORT COSTS

	Management £	Other £	Governance costs £	Totals £
Other charitable activities	<u>26,530</u>	<u>30,679</u>	<u>9,720</u>	<u>66,929</u>

Support costs, included in the above, are as follows:

	2020 Other charitable activities £	2019 Total activities £
Trustee costs	3,692	6,425
Staff costs (note 10)	22,838	19,672
Sundries	30,679	54,435
Auditors' remuneration	6,600	6,360
Auditors' remuneration for non-audit work	<u>3,120</u>	<u>3,000</u>
	<u>66,929</u>	<u>89,892</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Auditors' remuneration	6,600	6,360
Auditors' remuneration for non-audit work	<u>3,120</u>	<u>3,000</u>

HONOR FROST FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2020 nor for the year ended 30 September 2019.

Trustees' expenses

Trustee expenses of £2,327 (2019:£ 5,146) were paid to 2 (2019: 2) trustees during the year in relation to travel costs.

10. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	68,060	58,491
Social security costs	1,756	1,598
Other pension costs	<u>6,312</u>	<u>5,485</u>
	<u>76,128</u>	<u>65,574</u>

Staff costs have been split between direct costs and support costs on a 70%/30% basis.

The average monthly number of employees during the year was as follows:

	2020	2019
		
Administration	<u>3</u>	<u>4</u>

No emoluments over £60,000 were paid in the period.

The key management of the Foundation consists of the trustees only.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Investment income	860,160	-	860,160
Other income	<u>1,339</u>	<u>-</u>	<u>1,339</u>
Total	861,499	-	861,499
EXPENDITURE ON			
Raising funds	-	222,986	222,986
Grants	768,552	-	768,552
Other charitable activities	<u>393,828</u>	<u>-</u>	<u>393,828</u>
Total	1,162,380	222,986	1,385,366
Net gains on investments	<u>-</u>	<u>1,012,137</u>	<u>1,012,137</u>
NET INCOME/(EXPENDITURE)	(300,881)	789,151	488,270
Transfers between funds	300,881	(300,881)	-
NET MOVEMENT IN FUNDS	-	488,270	488,270
RECONCILIATION OF FUNDS			
Total funds brought forward	-	41,219,781	41,219,781
TOTAL FUNDS CARRIED FORWARD	<u>-</u>	<u>41,708,051</u>	<u>41,708,051</u>

HONOR FROST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2020

12. FIXED ASSET INVESTMENTS

	Listed Investments £
At 1 October 2019	42,906,661
Additions	7,855,201
Disposals	(8,175,918)
Net realised gain on disposals	649,838
Net unrealised loss on revaluation	<u>(1,655,738)</u>
At 30 September 2020	<u><u>41,580,044</u></u>

Investments at market value comprise:

	£
UK Equities	5,521,257
Overseas Equities	6,435,633
Fixed interest	3,487,909
Alternatives	1,069,952
Commodities	558,558
Property	169,600
Multi assets	20,678,630
Sterling Liquidity Funds	<u>960,000</u>

Cash balances held by investment managers 2,698,505

41,580,044

Investments at historical cost 32,276,832

The following investment has a market value in excess of 5% of the total market value of investments:

	Market Value at 30 September 2020 £	Proportion of total %
S & W Gryphon East River Fund	<u><u>20,678,630</u></u>	<u><u>49.73%</u></u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Prepayments and accrued income	6,297	5,301
Other debtors	-	569
	<u><u>6,297</u></u>	<u><u>5,870</u></u>

HONOR FROST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2020

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Social security and other taxes	-	1,174
Grant commitments	831,296	695,388
Accruals and deferred income	61,363	76,347
	<u>892,659</u>	<u>772,909</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Grant commitments	<u>483,122</u>	<u>901,913</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Income fund	Unrestricted Capital fund	Total funds	Total funds
	£	£	£	£
Investments	-	41,580,044	41,580,044	42,906,661
Current assets	-	314,658	314,658	476,212
Current liabilities	-	(892,659)	(892,659)	(772,909)
Long term liabilities	-	(483,122)	(483,122)	(901,913)
	<u>-</u>	<u>40,518,921</u>	<u>40,518,921</u>	<u>41,708,051</u>

17. MOVEMENT IN FUNDS

	At 1/10/19	Net movement in funds	Transfers between funds	At 30/9/20
	£	£	£	£
Unrestricted funds				
Income Fund	-	4,253	(4,253)	-
Capital Fund	41,708,051	(1,193,383)	4,253	40,518,921
	<u>41,708,051</u>	<u>(1,189,130)</u>	<u>-</u>	<u>40,518,921</u>
TOTAL FUNDS	<u>41,708,051</u>	<u>(1,189,130)</u>	<u>-</u>	<u>40,518,921</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
Income Fund	710,181	705,928	-	4,253
Capital Fund	-	187,483	(1,193,383)	(1,193,383)
	<u>710,181</u>	<u>893,411</u>	<u>(1,193,383)</u>	<u>(1,189,130)</u>
TOTAL FUNDS	<u>710,181</u>	<u>893,411</u>	<u>(1,193,383)</u>	<u>(1,189,130)</u>

HONOR FROST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2020

17.1 MOVEMENT IN FUNDS – PRIOR YEAR

	At 1/10/18 £	Net movement in funds £	Transfers between funds £	At 30/9/19 £
Unrestricted funds				
Income Fund	-	(300,881)	300,881	-
Capital Fund	41,219,781	789,151	(300,881)	41,708,051
TOTAL FUNDS	<u>41,219,781</u>	<u>488,270</u>	<u>-</u>	<u>41,708,051</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Income Fund	861,499	(1,162,380)	-	(300,881)
Capital Fund	-	(222,986)	1,012,137	789,151
TOTAL FUNDS	<u>861,499</u>	<u>(1,385,366)</u>	<u>1,012,137</u>	<u>488,270</u>

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 September 2020 (nor in the year ended 30 September 2019).

19. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for the reporting period (as per the statement of financial activities)	(1,189,130)	488,270
Adjustments for:		
Loss/ (Gain) on investments	1,005,900	(1,012,137)
Interest received	(67,050)	(134,013)
Dividends received	(641,575)	(726,147)
Expenditure attributable to endowment	187,483	222,986
(Increase)/ Decrease in debtors	(427)	21,650
(Decrease)/ Increase in creditors	(299,041)	155,674
Net cash provided by (used in) operating activities	(1,003,840)	(983,717)