

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

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021  
FOR  
HONOR FROST FOUNDATION**

**HONOR FROST FOUNDATION**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**HONOR FROST FOUNDATION**  
**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

<b>TRUSTEES</b>	A J B Cathie R J Clark J E Curtis C Doumet-Serhal V A Porter P M Wolrich
<b>REGISTERED OFFICE</b>	10 Carlton House Terrace London SW1Y 5AH
<b>REGISTERED COMPANY NUMBER</b>	08079190 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1147921
<b>AUDITORS</b>	Azets Audit Services 2 <sup>nd</sup> Floor, Regis House, 45 King William Street, London EC4R 9AN
<b>SOLICITORS</b>	BDB Pitmans LLP One Bartholomew Close London EC1A 7BL
<b>INVESTMENT MANAGERS</b>	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 2021**

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Honor Frost Foundation (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 2021. 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 recognized 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. The Foundation is actively engaged in exploring 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*, was published in early 2021. Later in 2021, the memoir of Dr. Nicholas Flemming was also published, entitled *Apollonia on My Mind*. Further publications are in the pipeline, and the Foundation has established an editorial board to review potential titles. A volume containing a selection of Honor Frost's publications will be published later in 2022. The Foundation has supported the publication in BAAL of the proceedings of the conference it sponsored in Beirut in Autumn 2017.

Honor Frost's unpublished book, found in her archives, *The Last Life of the Phoenix*, will be ready for publication in autumn 2022.

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 2021**

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**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, which was completed in May 2021.

- **Lebanon**

At the request of the Directorate 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 in BAAL.

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.

The Foundation, collaborating with the DGA, commissioned a complete report on the extant knowledge of the maritime archaeology of the port of Beirut.

The Foundation signed an agreement with the Beirut Heritage Institute for the restoration of one of the early buildings close to the harbour of Beirut. This work is due for completion in 2022 and the building will be used by the Foundation.

- **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 agreed to fund the North West Egyptian Coast Survey, a collaboration between the CMAUCH, the Egyptian Department of Antiquities underwater branch and MarEA, a research team based in the universities of Southampton and Ulster, UK

The Foundation continued to support ongoing research at the Red Sea sites of Ayn Soukhna and Wadi el Jarf.

- **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.

The Foundation has also supported the University of Malta to host the second Honor Frost conference, *Under the Mediterranean II*, which will take place in Autumn 2022.

- **Sicily**

2021 marked the 50<sup>th</sup> anniversary of Honor Frost's discovery of the Phoenician military ship off the coast of Marsala. A conference was planned for October 2021 to review recent research into the vessel and how best to maintain it.

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

The Foundation's 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 2022.

**HONOR FROST FOUNDATION**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**ACHIEVEMENT AND PERFORMANCE - continued**

- **British Academy/ Honor Frost Foundation Awards**

With lessening of the pandemic, the British Academy/Honor Frost Foundation annual research awards in maritime archaeology were renewed this year.

- **Studentships and Bursaries**

A number of studentships and bursaries were awarded in 2020-2021, to attend conferences, workshops, NAS training courses and bespoke training. Most of these events were conducted virtually.

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.

With the support of the Foundation, two students successfully completed the Diploma in Maritime Archaeology at the CMAUCH, University of Alexandria. The Foundation continued this support when they commenced 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 Lebanon to undertake a Master's degree.

The Foundation continued to support a student from Egypt undertaking a DPhil at the University of Oxford.

The Foundation has continued to support a Syrian student to undertake a joint CIVIS PhD (University of Aix-Marseille and the National and Kapodistrian University of Athens), commencing in September 2020.

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

- **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 £682,255 and spent £1,376,151 on its charitable activities; the resulting deficit of £693,896 has been transferred from capital. On capital account the realised and unrealised investment gains after management fees amounted to £5,256,579. In total therefore the Foundation's net assets increased by £4,562,683 to £45,081,604. Expenditure on income account recognised in this year's accounts exceeded the previous year by some £670,000, this is partly because activities in the early part of the pandemic were greatly restricted, but also because the figure in the previous year was reduced by some £300,000 of provisions no longer required.

**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 2021**

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**FINANCIAL REVIEW - continued**

During the year the funds held by the investment managers returned 14.32%. The indices prepared by Asset Risk Consultants showed total returns for the year of 10.83% on the Balanced Asset and 15.05% on the Steady Growth portfolios so the Trustees regard the result as satisfactory.

**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 2021 equals £39.5m compared with the actual value of nearly £46.5m. As the capital is expendable the Trustees do not consider it necessary to maintain any separate income reserve and indeed are likely to continue spending more than the Foundation's income..

**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 discuss with the Department of Antiquities in Cyprus the next steps arising from the completion of the desk-based assessment of the Cypriot coast. The Foundation has made a 2-year commitment to MARE Cyprium, a multi-media project on the Cypriot maritime cultural heritage.

The Foundation will continue its 'rescue missions' for the Director-General of Antiquities in Beirut when possible. In addition, the Foundation is supporting the restoration of the Blue House on Medawar Street, on the ancient port of Beirut; the Foundation is working on the development of a major research project on the harbour of Tyre, and on a desk-based assessment of the harbour of Beirut, prior to its rebuilding following the explosion, and it will also continue to fund the research at El Kharayeb.

In Education, the Foundation will continue its support for its minor course at the American University in Beirut, which includes its sponsorship of 3-4 students a year; it also supports MA/PhD scholarships at the following universities: Aix-Marseille, Cyprus, Southampton, CMAUCH, Edinburgh, as well as Post-Docs at Cyprus and Edinburgh and a GIS Diploma at Ulster

The Foundation will continue its support of the CMAUCH, University of Alexandria, in terms of bursaries and maintenance.

The Foundation will continue to 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.

The Foundation is planning conferences in Malta – Under the Mediterranean II, in April 2022, and a joint conference with the DGA and UNESCO in Beirut, the first hopefully to be held on location.

**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 2021, 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

**HONOR FROST FOUNDATION**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT – continued**

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.



**HONOR FROST FOUNDATION**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**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.

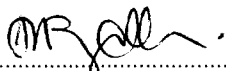
In so far as the trustees are aware:

- 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 06 JUNE 2022 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

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### Opinion

We have audited the financial statements of Honor Frost Foundation (the 'charitable company') for the year ended 30 September 2021 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 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### 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

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- 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](http://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*

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

*07 June 2022*

**HONOR FROST FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Notes	Unrestricted Income Fund £	Unrestricted Capital Fund £	Total 2021 funds £	Total 2020 funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Investment income	2	681,060	-	681,060	708,625
Other income		<u>1,195</u>	<u>-</u>	<u>1,195</u>	<u>1,556</u>
<b>Total</b>		<b>682,255</b>	<b>-</b>	<b>682,255</b>	<b>710,181</b>
<b>EXPENDITURE ON</b>					
Raising funds	3	-	203,185	203,185	187,483
<b>Charitable activities</b>	4				
Grants		893,908	-	893,908	350,145
Other charitable activities		<u>482,243</u>	<u>-</u>	<u>482,243</u>	<u>355,783</u>
<b>Total</b>		<b>1,376,151</b>	<b>203,185</b>	<b>1,579,336</b>	<b>893,411</b>
Net gains/(losses) on investments		<u>-</u>	<u>5,459,764</u>	<u>5,459,764</u>	<u>(1,005,900)</u>
<b>NET (EXPENDITURE)/ INCOME</b>		<b>(693,896)</b>	<b>5,256,579</b>	<b>4,562,683</b>	<b>(1,189,130)</b>
Transfers between funds		693,863	(693,863)	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>-</b>	<b>4,562,683</b>	<b>4,562,683</b>	<b>(1,189,130)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>-</b>	<b>40,518,921</b>	<b>40,518,921</b>	<b>41,708,051</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>-</u></b>	<b><u>45,081,604</u></b>	<b><u>45,081,604</u></b>	<b><u>40,518,921</u></b>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.


The notes form part of these financial statements

HONOR FROST FOUNDATION

BALANCE SHEET  
AT 30 SEPTEMBER 2021

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Investments	12	46,487,844	41,580,044
<b>CURRENT ASSETS</b>			
Debtors	13	2,264	6,297
Cash at bank		371,498	308,361
		373,762	314,658
<b>CREDITORS</b>			
Amounts falling due within one year	14	(1,136,293)	(892,659)
<b>NET CURRENT LIABILITIES</b>		(762,531)	(578,001)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		45,725,313	41,316,701
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	(643,709)	(483,122)
<b>NET ASSETS</b>		45,081,604	40,518,921
<b>FUNDS</b>	17		
Unrestricted income funds		-	-
Unrestricted capital funds		45,081,604	40,518,921
<b>TOTAL FUNDS</b>		45,081,604	40,518,921

The financial statements were approved by the Board of Trustees on 06/06/2022 and were signed on its behalf by:



A J B Cathie -Trustee



R J Clark -Trustee

The notes form part of these financial statements

**HONOR FROST FOUNDATION**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	19	<u>(972,653)</u>	<u>(1,003,840)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>(972,653)</u>	<u>(1,003,840)</u>
<b>Cash flows from investing activities:</b>			
Purchase of fixed asset investments		(8,688,063)	(7,855,201)
Sale of fixed asset investments		6,947,811	8,854,216
Interest received		61,850	67,050
Dividends received		<u>619,210</u>	<u>641,575</u>
<b>Net cash provided by investing activities</b>		<u>(1,059,192)</u>	<u>1,707,640</u>
<b>Cash flows from financing activities:</b>			
Expenditure attributable to endowment		<u>(197,234)</u>	<u>(187,483)</u>
<b>Net cash provided by (used in) financing activities</b>		<u>(197,234)</u>	<u>(187,483)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(2,229,079)</u>	<u>516,317</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>3,006,866</u>	<u>2,490,549</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>777,787</u></u>	<u><u>3,006,866</u></u>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank		371,498	308,361
Cash balances held by investment managers	12	<u>406,289</u>	<u>2,698,505</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>777,787</u></u>	<u><u>3,006,866</u></u>

The notes form part of these financial statements

**HONOR FROST FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**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 2021

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#### 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 2021

### 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

	2021	2020
	£	£
Dividends received	619,210	641,575
Interest received	61,850	67,050
Other income	1,195	1,556
	<u>682,255</u>	<u>710,181</u>

## 3. RAISING FUNDS

### Investment management costs

	2021	2020
	£	£
Portfolio management	<u>203,185</u>	<u>187,483</u>

## 4. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 5) £	Grant funding of activities (See note 6) £	Support costs (See note 7) £	Totals £
Grants	-	893,908	-	910,337
Other charitable activities	<u>406,340</u>	<u>-</u>	<u>75,904</u>	<u>482,244</u>
	<u>406,340</u>	<u>910,337</u>	<u>75,904</u>	<u>1,382,581</u>

**HONOR FROST FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**5. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2021 £	2020 £
Honor Frost archive	1,120	-
BA/HFF Steering Committee on UCH	7,536	13,457
DGA response team	305,700	169,761
Other charitable costs	-	829
Staff costs (note 10)	61,398	53,290
Payroll and pension fees	1,376	550
Legal fees	3,030	2,619
Donation for office space	-	13,125
Maritime-Archaeological Director's travel	-	3,899
Lecture events	80	6,793
AVB expenses	80	-
Publication costs	26,020	24,531
	<u>406,340</u>	<u>288,854</u>

**6. GRANTS PAYABLE**

**Grants Awarded 2020 - 2021**

Grantee	Project Title	Award £
<u>Special Grants</u>		
Claire Calcagno/ElenaFlavia Castagnino	Phoenix Final Phase	2,361
Mario Kozaily	Kfar Abida Ocean Clean-up	308
*University of Malta	Under the Mediterranean II Conference, Malta	43,760
*British Academy	British Academy/HFF Grant Scheme 2021-2026	150,000
*NAS	IJNA Support	40,033
<u>Developing the Discipline</u>		
HFF Activity	ReSea Cyprus Geophysics Workshop	38,365
*NAS	NAS Big Anchor, App Development	16,000
*NAS	NAS Maritime Archaeology Talk Series I	1,500
*NAS	NAS Maritime Archaeology Talk Series II	1,500
Sara Rich	Contemporary Philosophy for Maritime Archaeology	2,655
<u>Education, Scholarships &amp; Bursaries</u>		
*Centre for Maritime Archaeology And Underwater Cultural Heritage, University of Alexandria (CMAUCH)	CMAUCH Visiting Lecturer support	4,065
*CMAUCH	CMAUCH Training Bursary	6,000
*CMAUCH	Bursary – CMAUCH Diploma, Ministry of Antiquities	532
Nesrin El Galy	Nesrin El Galy, PhD Extension, Worcester College	7,633
Sirin Ghiye	Sirin Ghiye – GIS Ulster – additional IT support	255
*University of Cyprus	Anna Demetriou, Post-Doc, 2 years	70,405
Maria Michael	Maria Michael Southampton PhD extension	10,552
*University of Edinburgh	Post-Doc, Edinburgh University	65,800
Judith Gatt	Judith Gatt, Aix-Marseille, MA Bursary	4,596
HFF Activity	HFF Scholars Annual Bursary Fund	10,000
Elissa Nader	Elissa Nader – MSc Southampton 1yr	36,850
Elissa Nader	Elissa Nader – Support re Visa Health Ins	950
HFF Bursaries	ISBSA 8 – Bursaries	4,107
*University of Ulster	GIS MSc Support	40,820
*University of Malta	Under the Mediterranean II, Malta – Bursaries	6,432
Sara Ibrahim	Sara Ibrahim – Language training	431
Maria Michael	Maria Michael – UW Mapping & Geohazards Course	410
Fatima Khatib	Fatima Khatib, Language Tuition	1,476

**HONOR FROST FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**6. GRANTS PAYABLE – continued**

**Grants Awarded 2020 - 2021**

<b>Grantee</b>	<b>Project Title</b>	<b>Award</b>
<u><b>Egypt</b></u>		
Sarah Wagdy	Traditional Boats of the Egyptian Coastal lakes	7,500
*CMAUCH	Marsa Bagoush 2021-2024, 3 years	33,750
*CMAUCH	CMAUCH Maintenance Support, 2 <sup>nd</sup> year	27,220
Claire Somaglino	Ayn Soukhna, 2021-2023, 3 years	27,551
*CMAUCH	CMAUCH Museum Tank Restoration	4,150
Nada Nofal	Bahar Outreach Part II	21,356
Steven Sidebotham	Berenike – Excavations at a Red Sea Maritime Hub	10,000
<u><b>Cyprus</b></u>		
*University of Cyprus	MARE Cyprium, Multimedia Project, Cyprus	115,151
Miltiadis Polydorou	Miltiadis Polydorou, Cyprus Beachrock Project	42,370
Sabine Fourrier	Excavations in the Kition-Bamboula Harbour	3,922
<u><b>Greece</b></u>		
Patrick Quinn	Sourcing the Zea Limani Stone Anchors	10,000
<u><b>Lebanon</b></u>		
Crystal Safadi	Neolithic Project – Additional Support	4,000
Nicholas Carayon	Nicholas Carayon, Lebanon work & post-processing	31,348
HFF Activity	Tyre Workshop, Pre Research and Collation	5,477
*University of La Sapienza	Tyre South Project	19,776
George Haibe	Metn Beirut North – George Haibe	15,428
May Haider	May Haider, Conservation	290
Wissam Khalil	Publication of Kharayeb-Adloun Project, BAAL	3,286
<u><b>Syria</b></u>		
Jafar Anbar	Arwad Reef Fieldwork Project, Jafar Anbar	4,293

\* Grants awarded to institutions

**HONOR FROST FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**6. GRANTS PAYABLE - continued**

**Grants Awarded 2020 - 2021**

Total Approved Grants	954,664
<b>Reconciliation of Grants</b>	
Grants approved	954,592
Unspent grant balances	(42,210)
Overspent grants	8,766
Grants removed from commitments	(27,735)
Other adjustments	495
At 30 September 2021	<u>893,908</u>

**7. SUPPORT COSTS**

	Management £	Other £	Governance costs £	Totals £
Other charitable activities	<u>26,661</u>	<u>39,043</u>	<u>10,200</u>	<u>75,904</u>

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

	2021 Other charitable activities £	2020 Total activities £
Trustee costs	13	3,692
Staff costs (note 10)	26,313	22,838
Sundries	39,378	30,679
Auditors' remuneration	6,960	6,600
Auditors' remuneration for non-audit work	<u>3,240</u>	<u>3,120</u>
	<u>75,904</u>	<u>66,929</u>

**8. NET INCOME/(EXPENDITURE)**

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

	2021 £	2020 £
Auditors' remuneration	6,960	6,600
Auditors' remuneration for non-audit work	<u>3,240</u>	<u>3,120</u>

**HONOR FROST FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 30 September 2021 nor for the year ended 30 September 2020.

**Trustees' expenses**

Trustee expenses of £nil (2020:£ 2,327) were paid to nil (2020: 2) trustees during the year in relation to travel costs.

**10. STAFF COSTS**

	2021 £	2020 £
Wages and salaries	76,394	68,060
Social security costs	2,550	1,756
Other pension costs	<u>8,766</u>	<u>6,312</u>
	<u><b>87,710</b></u>	<u><b>76,128</b></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:

	2021 <u>3</u>	2020 <u>3</u>
Administration		

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 £
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>			
Investment income	708,625	-	708,625
Other income	<u>1,556</u>	<u>-</u>	<u>1,556</u>
<b>Total</b>	<b>710,181</b>	<b>-</b>	<b>710,181</b>
<b>EXPENDITURE ON</b>			
Raising funds	-	187,483	187,483
Grants	350,145	-	350,145
Other charitable activities	<u>355,783</u>	<u>-</u>	<u>355,783</u>
<b>Total</b>	<b>705,928</b>	<b>187,483</b>	<b>893,411</b>
<b>Net losses on investments</b>	<u>-</u>	<u>(1,005,900)</u>	<u>(1,005,900)</u>
<b>NET INCOME/(EXPENDITURE)</b>	<b>4,253</b>	<b>(1,193,383)</b>	<b>(1,189,130)</b>
<b>Transfers between funds</b>	<b>(4,253)</b>	<b>4,253</b>	<b>-</b>
<b>NET MOVEMENT IN FUNDS</b>	<b>-</b>	<b>(1,189,130)</b>	<b>(1,189,130)</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<u>-</u>	<u>41,708,051</u>	<u>41,708,051</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><b>-</b></u>	<u><b>40,518,921</b></u>	<u><b>40,518,921</b></u>

HONOR FROST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

12. FIXED ASSET INVESTMENTS

	Listed Investments £
At 1 October 2020	41,580,044
Additions	8,688,063
Disposals	(9,457,941)
Net realised loss on disposals	(686,846)
Net unrealised gain on revaluation	<u>6,364,525</u>
At 30 September 2021	<u><u>46,487,844</u></u>
Investments at market value comprise:	
	£
UK Equities	6,146,563
Overseas Equities	9,435,563
Fixed interest	3,965,253
Alternatives	1,174,645
Commodities	610,173
Property	602,525
Multi assets	23,127,833
Sterling Liquidity Funds	<u>1,019,000</u>
Cash balances held by investment managers	<u>406,289</u>
	<u><u>46,487,844</u></u>
Investments at historical cost	<u><u>31,394,795</u></u>

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

	Market Value at 30 September 2021 £	Proportion of total %
S & W Gryphon East River Fund	<u><u>23,014,930</u></u>	<u><u>55.35%</u></u>

13. DEBTORS

	2021 £	2020 £
Prepayments and accrued income	<u><u>2,264</u></u>	<u><u>6,297</u></u>
	<u><u>2,264</u></u>	<u><u>6,297</u></u>

HONOR FROST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Social security and other taxes	1,831	-
Grant commitments	1,064,860	831,296
Accruals and deferred income	69,602	61,363
	<u>1,136,293</u>	<u>892,659</u>

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

	2021	2020
	£	£
Grant commitments	<u>643,709</u>	<u>483,122</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Income fund	Unrestricted Capital fund	Total	Total
	£	£	£	£
Investments	-	46,487,844	46,487,844	41,580,044
Current assets	-	373,762	373,762	314,658
Current liabilities	-	(1,136,293)	(1,136,293)	(892,659)
Long term liabilities	-	(643,709)	(643,709)	(483,122)
	<u>-</u>	<u>45,081,604</u>	<u>45,081,604</u>	<u>40,518,921</u>

17. MOVEMENT IN FUNDS

	At 1/10/20	Net movement in funds	Transfers between funds	At 30/9/21
	£	£	£	£
<b>Unrestricted funds</b>				
Income Fund	-	(693,896)	693,896	-
Capital Fund	40,518,921	5,256,579	(693,896)	45,081,604
	<u>40,518,921</u>	<u>4,562,683</u>	<u>-</u>	<u>45,081,604</u>
<b>TOTAL FUNDS</b>	<u>40,518,921</u>	<u>4,562,683</u>	<u>-</u>	<u>45,081,604</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
<b>Unrestricted funds</b>				
Income Fund	682,255	(1,376,151)	-	(693,896)
Capital Fund	-	(203,185)	5,459,764	5,256,579
	<u>682,255</u>	<u>(1,579,336)</u>	<u>5,459,764</u>	<u>4,562,683</u>
<b>TOTAL FUNDS</b>	<u>682,255</u>	<u>(1,579,336)</u>	<u>5,459,764</u>	<u>4,562,683</u>

HONOR FROST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

17.1 MOVEMENT IN FUNDS – PRIOR YEAR

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

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

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

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 September 2021 (nor in the year ended 30 September 2020).

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

	2021 £	2020 £
<b>Net income for the reporting period (as per the statement of financial activities)</b>	<b>4,562,683</b>	<b>(1,189,130)</b>
<b>Adjustments for:</b>		
Loss/ (Gain) on investments	(5,459,764)	1,005,900
Interest received	(61,850)	(67,050)
Dividends received	(619,210)	(641,575)
Expenditure attributable to endowment	197,234	187,483
(Increase)/ Decrease in debtors	4,033	(427)
(Decrease)/ Increase in creditors	404,221	(299,041)
<b>Net cash provided by (used in) operating activities</b>	<b>(972,653)</b>	<b>(1,003,840)</b>