

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

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022
FOR
HONOR FROST FOUNDATION**

HONOR FROST FOUNDATION
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FOR THE YEAR ENDED 30 SEPTEMBER 2022

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HONOR FROST FOUNDATION
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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 One Bartholomew Close London EC1A 7BL
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 2022

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 2022. 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 Maritime Archaeological Collections division has been successful in seeking further maritime-archaeological archives, which include those of Sean McGrail, Lucien Basch and Nicholas Fleming, 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 Foundation has established an HFF publication series and appointed an advisory editorial board to review potential titles.

Apollonia on my Mind, by Dr Nicholas Fleming, was published in December 2021. A volume containing a selection of Honor Frost's articles will be published in 2023. The Foundation has supported the publication in BAAL of the proceedings of the conference it sponsored in Beirut in Autumn 2017, and copies of this will be distributed as soon as available.

Honor Frost's unpublished book, found in her archives, *The Second Life of the Phoenix*, will be ready for publication in autumn 2023.

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 nautical archaeology of the Mediterranean.

HONOR FROST FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

ACHIEVEMENT AND PERFORMANCE - continued

- **Podcast**

The Foundation created two series of a podcast, DIVE & DIG, presented by Dr Lucy Blue and Professor Bettany Hughes, aimed at promoting maritime archaeology.

- **Cyprus**

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

In 2022, the Foundation also supported the establishment of a virtual hub in Cyprus that works in partnership with regional and international experts to promote interdisciplinary research, training and field-based activities, to the mutual benefit of all HFF regional collaborators and grantees.

- **Lebanon**

The HFF Lebanon team continues to undertake important work with the aim of documenting, protecting and promoting the marine archaeological resource in Lebanon, in support of the Directorate General of Antiquities (DGA). They increased their number by two last year, enabling more projects to get underway post-pandemic.

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. HFF doubled the number of external scholarships it supported from two to four in October 2021.

Following the completion of the assessment of the extant knowledge of the maritime archaeology of the port of Beirut, done for the DGA, the team are now working on a digitisation project to bring together all extant research on the port of Sidon, again in collaboration with the DGA.

The Foundation also agreed to fund a two-year excavation project in Sidon.

The Foundation approved the Tyre Maritime Cultural Landscape Project, which will run over a period of two years, to investigate and document the complete underwater cultural heritage of the area.

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 was completed in August 2022 and the building will be used by the Foundation for exhibitions, meetings, as an office for the team, and accommodation for overseas visitors.

- **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 supported the University of Malta to host the second Honor Frost conference, *Under the Mediterranean II*, scheduled for Autumn 2022.

- **Sicily**

2021 marked the 50th anniversary of Honor Frost's discovery of the Phoenician military ship off the coast of Marsala. A conference was held in October 2021 to review recent research into the vessel and how best to maintain it. Following this, a post-doc at the University of Swansea has been funded to research this further.

The Foundation commissioned a virtual exhibition of the Punic ship, in both English and Italian, which was shared with the Museo Lilibeo, Marsala.

HONOR FROST FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

ACHIEVEMENT AND PERFORMANCE – continued

- **Palestine**

The Foundation funded a Maritime Archaeological Survey and assessment, which endeavors to document the endangered marine cultural heritage of coastal Gaza. It also provided the first-ever opportunity for marine fieldwork and training for students from the University of Gaza.

- **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 2023.

- **University of Southampton**

The Foundation signed a contract to fund an Associate Professorship in maritime archaeology at the University of Southampton for a period of 7 years.

- **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 2020/1-2022, to attend conferences, workshops, NAS training courses and bespoke training.

Five bursaries were awarded to attend the International Congress for Underwater Archaeology (IKUWA 7) in Helsinki and four bursaries to attend the first International Mediterranean Harbours and Coastal Archaeology Conference at the University of Aix-Marseille. These bursary awards enabled HFF scholars and early career researchers to present their work in person.

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.

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 September 2022. Support for the Diploma continues, with a further two students commencing their studies in September 2022.

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 at the same institution.

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), which commenced in September 2020. Another student from the region has been supported to undertake a joint PhD at the University of Aix-Marseille and University of Cyprus.

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*.

- **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, and plans to host a regional policy forum event in Egypt in April 2023.

HONOR FROST FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

- **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 £726,288 and spent £2,755,062 on its charitable activities; the resulting deficit of £2,028,774 has been transferred from capital. On the capital account the realised and unrealised investment losses after management fees amounted to £3,279,556. In total therefore the Foundation's net assets decreased by £5,308,330 to £39,773,274.

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.

During the year the funds held by the investment managers returned -5.5%. The indices prepared by Asset Risk Consultants showed total returns for the year of -9% on the Balanced Asset and 9.1% 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 CPI to September 2022 equals £40.5m, compared with the actual value of nearly £39.8m. This is the first year when the actual value has fallen below the updated opening value, this is due to heavy expenditure in the current year and a negative return on the securities. The Trustees have decided that from 1 October 2023 they will aim to spend annually not more than 3% of the opening value of the fund, in the hope that taking one year with another this should more or less preserve the real value of the fund.

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 continue its 'rescue missions' for the Director-General of Antiquities in Beirut when possible. In addition, the Foundation will continue the development of the Tyre Maritime Cultural Landscape Project and its support for a digitisation project bringing together all extant research on the port of Sidon.

In Education, the Foundation will extend its support for its minor course at the American University in Beirut for a further three years, including its sponsorship of 3-4 students a year; it will continue its support for MA/PhD scholarships at the following universities: Aix-Marseille, Cyprus, Southampton, CMAUCH, Edinburgh, as well as post-docs at Cyprus, Edinburgh and Swansea.

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

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 2022

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 2022, 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 Hili (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 2022

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.

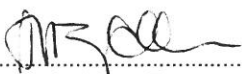
In so far as the trustees are aware:

- 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 19 June 2023 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 2022 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 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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

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

20 June 2023

HONOR FROST FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Notes	Unrestricted Income Fund £	Unrestricted Capital Fund £	Total 2022 funds £	Total 2021 funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	726,183	-	726,183	681,060
Other income		<u>105</u>	<u>-</u>	<u>105</u>	<u>1,195</u>
Total		726,288	-	726,288	682,255
EXPENDITURE ON					
Raising funds	3	-	310,008	310,008	203,185
Charitable activities	4				
Grants		2,058,216	-	2,058,216	893,908
Other charitable activities		<u>696,846</u>	<u>-</u>	<u>696,846</u>	<u>482,243</u>
Total		2,755,062	310,008	3,065,070	1,579,336
Net (losses)/ gains on investments		<u>-</u>	<u>(2,969,548)</u>	<u>(2,969,548)</u>	<u>5,459,764</u>
NET (EXPENDITURE)/ INCOME		(2,028,774)	(3,279,556)	(5,308,330)	4,562,683
Transfers between funds		2,028,774	(2,028,774)	-	-
NET MOVEMENT IN FUNDS		-	(5,308,330)	(5,308,330)	4,562,683
RECONCILIATION OF FUNDS					
Total funds brought forward		-	45,081,604	45,081,604	40,518,921
TOTAL FUNDS CARRIED FORWARD		<u>-</u>	<u>39,773,274</u>	<u>39,773,274</u>	<u>45,081,604</u>

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 2022**

	Notes	2022 £	2021 £
FIXED ASSETS			
Investments	12	42,419,732	46,487,844
CURRENT ASSETS			
Debtors	13	12,458	2,264
Cash at bank		<u>212,376</u>	<u>371,498</u>
		224,834	373,762
CREDITORS			
Amounts falling due within one year	14	<u>(1,550,996)</u>	<u>(1,136,293)</u>
NET CURRENT LIABILITIES		<u>(1,326,162)</u>	<u>(762,531)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		41,093,570	45,725,313
CREDITORS			
Amounts falling due after more than one year	15	<u>(1,320,296)</u>	<u>(643,709)</u>
NET ASSETS		<u>39,773,274</u>	<u>45,081,604</u>
FUNDS	17		
Unrestricted income funds		-	-
Unrestricted capital funds		<u>39,773,274</u>	<u>45,081,604</u>
TOTAL FUNDS		<u>39,773,274</u>	<u>45,081,604</u>

The financial statements were approved by the Board of Trustees on 19 June 2023 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 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Cash generated from operations	19	<u>(1,774,978)</u>	<u>(972,653)</u>
Net cash (used in) operating activities		<u>(1,774,978)</u>	<u>(972,653)</u>
Cash flows from investing activities:			
Purchase of fixed asset investments		(5,977,485)	(8,688,063)
Sale of fixed asset investments		7,305,250	6,947,811
Interest received		76,397	61,850
Dividends received		<u>649,786</u>	<u>619,210</u>
Net cash provided by (used in) investing activities		<u>2,053,948</u>	<u>(1,059,192)</u>
Cash flows from financing activities:			
Expenditure attributable to endowment		<u>(208,891)</u>	<u>(197,234)</u>
Net cash (used in) financing activities		<u>(208,891)</u>	<u>(197,234)</u>
Change in cash and cash equivalents in the reporting period		70,079	(2,229,079)
Cash and cash equivalents at the beginning of the reporting period		<u>777,787</u>	<u>3,006,866</u>
Cash and cash equivalents at the end of the reporting period		<u><u>847,866</u></u>	<u><u>777,787</u></u>
Cash and cash equivalents consists of:			
Cash at bank		212,376	371,498
Cash balances held by investment managers	12	<u>635,490</u>	<u>406,289</u>
Cash and cash equivalents at the end of the reporting period		<u><u>847,866</u></u>	<u><u>777,787</u></u>

The notes form part of these financial statements

HONOR FROST FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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 2022

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 2022

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

	2022	2021
	£	£
Dividends received	649,786	619,210
Interest received	76,397	61,850
Other income	105	1,195
	<u>726,288</u>	<u>682,255</u>

3. RAISING FUNDS

Investment management costs

	2022	2021
	£	£
Portfolio management	<u>310,008</u>	<u>203,185</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 5) £	Grant funding of activities (See note 6) £	Support costs (See note 7) £	Totals £
Grants	-	2,058,216	-	2,058,216
Other charitable activities	<u>607,670</u>	<u>-</u>	<u>89,176</u>	<u>696,846</u>
	<u>607,670</u>	<u>2,058,216</u>	<u>89,176</u>	<u>2,755,062</u>

HONOR FROST FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Honor Frost archive	-	1,120
BA/HFF Steering Committee on UCH	689	7,536
DGA response team	506,016	305,700
Other charitable costs	2,151	-
Staff costs (note 10)	62,462	61,398
Payroll and pension fees	1,171	1,376
Legal fees	540	3,030
Executive Directors' Travel	3,855	-
Lecture events	182	80
AVB expenses	543	80
Publication costs	30,061	26,020
	<u>607,670</u>	<u>406,340</u>

6. GRANTS PAYABLE

Grants Awarded 2021 - 2022

Grantee	Project Title	Award £
Cyprus		
Dr Sabine Fourrier	Publication: Le port de guerre de Kition	2,919
Dr Lucy Blue	Dreamers Bay	28,632
Professor Jan Driessen	Excavations at Pyla Kokkinokremos	8,900
HFF Regional Research Project	Cyprus Regional Development Project	161,000
North Cyprus		
Dr Muge Sevetoglu	Further Investigation of Marine Archaeology Heritage in known ancient harbours of the North Cyprus Coast	10,000
Egypt		
Dr Bérangère Redon	The harbour landscape of Taposiris Magna	9,759
CMAUCH	Operational Support, Centre for Maritime Archaeology & Underwater Cultural Heritage (CMAUCH)	1,800
CMAUCH	Staff Support, CMAUCH	12,300
CMAUCH	CMAUCH Truck Maintenance Grant	4,710
Dr Matthieu Giaime	Geoarchaeology of the Kibotos Harbour and its canal(s), Alexandria	10,000
Professor Steven Sidebotham	Excavations at Berenike: An Ancient Red Sea Port linking three continents: Europe, Africa and Asia, 3-year grant	30,000
Dr Mariusz Gwaizda	Virtual Tour & 3D Presentation of an inaccessible heritage of the Berenike, Red Sea Port	3,142
Ziad Morsy	Nile Project	5,035
Ziad Morsy	El Max Project & Extension	8,342

HONOR FROST FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

6. GRANTS PAYABLE – continued

Grants Awarded 2021 - 2022

Grantee	Project Title	Award £
Lebanon		
Dr Danielle Newman	Lebanon Engagement Training	14,500
La Sapienza University	Tyre South Project	20,438
Dr Ibrahim Nouredine	Tyre North Breakwater	66,714
HFF Regional Research Project	Tyre Maritime Cultural Landscape Project, Phase 1	42,004
Dr Claude Doumet-Serhal	Sidon in the late Bronze Age: Excavation, 2-yr Project	92,385
Dr Jennie Bradbury	Koubba Coastal Survey	15,866
HFF Regional Research Project	Sidon Archaeological Digitisation Project	42,000
La Sapienza University	Tyre South Extension	9,890
Palestine		
Dr Georgia Andreou	Gaza Project	28,873
Sicily		
Professor Gioacchino Falsone	Motya Museum Case	12,000
Syria		
Jafar Anbar	Arwad Reef Project II	3,510
Developing the Discipline		
Dr Tzveta Manolova	Digital Project - Protohistoric eastern Mediterranean ships and harbours	8,613
Maritime Archaeology Sea Trust (MAST)	Developing an Open Source methodology for the remote monitoring of Marine Protected Areas	15,336
University of Southampton	Regional Data Repository Development, Lebanon - Pilot	13,590
Dr Nikos Efstratiou	Farmers at Sea: Extraction of ancient DNA from marine sediments – Pilot	8,938
Maritime Archaeology Trust	Maritime Archives Project	33,175
Education, Scholarships & Bursaries		
Judith Gatt	Judith Gatt, Joint PhD Aix-Marseille/Cyprus	51,950
Worcester College, University of Oxford	Nesreen El Galy - PhD Continuation Fee, Michelmas Term	528
Nesreen El Galy	Nesreen El Galy - Pro rata stipend Oct21-Apr22	9,833
Worcester College, University of Oxford	Nesreen El Galy - PhD Continuation Fee, Hilary Term	528
Sara Ibrahim	Pre-Session Support	10,780
Sara Ibrahim	Language Training	367
HFF Bursaries, various recipients	Bursaries - Rearranged IKUWA 7 Helsinki	3,250
HFF Bursaries, various recipients	Bursaries - ICAS EMME	2,550
Noran Hamed	Bursary - Red Sea Conference, Noran Hamed	900
University of Swansea	Post-doc, Swansea University - Pat Tanner	184,659
HFF Student Support	Student Support Budget	6,000
HFF Bursaries, various recipients	Bursaries - Mediterranean Harbours Conference	2,600

HONOR FROST FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2022

6. GRANTS PAYABLE - continued

Grantee	Project Title	Award £
Education, Scholarships & Bursaries (continued)		
HFF Student Support	Elissa Nader, RTSG Funding	414
University of Southampton	Celia Prescott-Decie, MSc Southampton	37,500
HFF Student Support	HFF Scholars General Bursary Fund (2022-2023)	15,000
Noran Hamed	Noran Hamed, PhD Extension	9,360
CMAUCH	CMAUCH Diploma, Ministry of Antiquities x2	982
CMAUCH	CMAUCH Diploma	450
CMAUCH	CMAUCH MA (2 years) x 2	1,600
Special Grants		
University of Southampton	HFF Associate Professorship, Southampton	997,696
Nautical Archaeological Society	IJNA Continued Support	40,033
MAGS Committee	Maritime Archaeology Graduates Symposium (MAGS)	8,710
Prince Claus Fund	Grantmakers for Cultural Heritage Preservation Network (G-CHeP)	2,000
Athena Trakadas	Ocean Decade Heritage Network	25,000
Grants Awarded 2021 - 2022		
Total Approved Grants		<u>2,137,061</u>
Reconciliation of Grants		
Grants approved		2,137,061
Unspent grant balances		(43,230)
Overspent grants		13,844
Grants removed from commitments		(47,104)
Other adjustments		(2,355)
At 30 September 2022		<u>2,058,216</u>

HONOR FROST FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

7. SUPPORT COSTS

	Management £	Other £	Governance costs £	Totals £
Other charitable activities	<u>26,782</u>	<u>51,894</u>	<u>10,500</u>	<u>89,176</u>

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

	2022 Other charitable activities £	2021 Total activities £
Trustee costs	13	13
Staff costs (note 10)	26,769	26,313
Sundries	51,894	39,378
Auditors' remuneration	7,000	6,960
Auditors' remuneration for non-audit work	<u>3,500</u>	<u>3,240</u>
	<u>89,176</u>	<u>75,904</u>

8. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Auditors' remuneration	7,000	6,960
Auditors' remuneration for non-audit work	<u>3,500</u>	<u>3,240</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2022 nor for the year ended 30 September 2021.

Trustees' expenses

Trustee expenses of £557 (2021:£ nil) were paid to three (2021: none) trustees during the year in relation to travel costs.

HONOR FROST FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2022

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	81,918	76,394
Social security costs	1,380	2,550
Other pension costs	<u>5,933</u>	<u>8,766</u>
	<u>89,231</u>	<u>87,710</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:

	2022	2021
	<u>3</u>	<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 £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Investment income	681,060	-	681,060
Other income	<u>1,195</u>	<u>-</u>	<u>1,195</u>
Total	682,255	-	682,255
EXPENDITURE ON			
Raising funds	-	203,185	203,185
Grants	893,908		893,908
Other charitable activities	<u>482,243</u>	<u>-</u>	<u>482,243</u>
Total	1,376,151	203,185	1,579,336
Net gains/(losses) on investments	<u>-</u>	<u>5,459,764</u>	<u>5,459,764</u>
NET INCOME/(EXPENDITURE)	(693,896)	5,256,579	4,562,683
Transfers between funds	693,896	(693,896)	-
NET MOVEMENT IN FUNDS	-	4,562,683	4,562,683
RECONCILIATION OF FUNDS			
Total funds brought forward	-	40,518,921	40,518,921
TOTAL FUNDS CARRIED FORWARD	<u>-</u>	<u>45,081,604</u>	<u>45,081,604</u>

HONOR FROST FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

12. FIXED ASSET INVESTMENTS

	Listed Investments £
At 1 October 2021	46,487,844
Additions	5,977,485
Disposals	(7,076,047)
Net realised gains on disposals	486,761
Net unrealised loss on revaluation	<u>(3,456,311)</u>
At 30 September 2022	<u>42,419,732</u>

Investments at market value comprise:

	£
UK Equities	5,744,519
Overseas Equities	8,400,066
Fixed interest	3,147,006
Alternatives	1,297,840
Commodities	963,794
Property	500,342
Multi assets	20,911,675
Sterling Liquidity Funds	<u>819,000</u>
Cash balances held by investment managers	<u>635,490</u>
	<u>42,419,732</u>

Investments at historical cost	<u>31,850,098</u>
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The following investment has a market value in excess of 5% of the total market value of investments:

	Market Value at 30 September 2022 £	Proportion of total %
S & W Gryphon East River Fund	<u>20,637,421</u>	<u>48.65%</u>

The foundation has committed to invest circa £200,000 (£267,000) annually in the Cazenove Capital portfolio. 14% has been called so far. The uncalled commitment is \$230,447.70. The uncalled commitment is mainly covered by the Vanguard FTSE All-World tracker plus USD cash.

13. DEBTORS

	2022 £	2021 £
Prepayments and accrued income	<u>12,458</u>	<u>2,264</u>
	<u>12,458</u>	<u>2,264</u>

HONOR FROST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2022

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Social security and other taxes	-	1,831
Grant commitments	1,490,022	1,064,860
Accruals and deferred income	<u>60,974</u>	<u>69,602</u>
	<u>1,550,996</u>	<u>1,136,293</u>

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

	2022	2021
	£	£
Grant commitments	<u>1,320,296</u>	<u>643,709</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Income fund	Unrestricted Capital fund	Total	2022 funds	Total	2021 funds
	£	£		£		£
Investments	-	42,419,732	42,419,732		46,487,844	
Current assets	-	224,834	224,834		373,762	
Current liabilities	-	(1,550,996)	(1,550,996)		(1,136,293)	
Long term liabilities	-	<u>(1,320,296)</u>	<u>(1,320,296)</u>		<u>(643,709)</u>	
	-	<u>39,773,274</u>	<u>39,773,274</u>		<u>45,081,604</u>	

17. MOVEMENT IN FUNDS

	At 1/10/21 £	Net movement in funds £	Transfers between funds £	At 30/9/22 £
Unrestricted funds				
Income Fund	-	(2,028,774)	2,028,774	-
Capital Fund	<u>45,081,604</u>	<u>(3,279,556)</u>	<u>(2,028,774)</u>	<u>39,773,274</u>
TOTAL FUNDS	<u>45,081,604</u>	<u>(5,308,330)</u>	<u>-</u>	<u>39,773,274</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	726,288	(2,755,062)	-	(2,028,774)
Capital Fund	-	<u>(310,008)</u>	<u>(2,969,548)</u>	<u>(3,279,556)</u>
TOTAL FUNDS	<u>726,288</u>	<u>(3,065,070)</u>	<u>(2,969,548)</u>	<u>(5,308,330)</u>

HONOR FROST FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2022

17.1 MOVEMENT IN FUNDS – PRIOR YEAR

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

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	682,255	(1,376,151)	-	(693,896)
Capital Fund	-	(203,185)	5,459,764	5,256,579
TOTAL FUNDS	682,255	(1,579,336)	5,459,764	4,562,683

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 September 2022 (nor in the year ended 30 September 2021).

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

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	(5,308,330)	4,562,683
Adjustments for:		
Loss/ (Gain) on investments	2,969,548	(5,459,764)
Interest received	(76,397)	(61,850)
Dividends received	(649,786)	(619,210)
Expenditure attributable to endowment	208,891	197,234
(Increase)/ Decrease in debtors	(10,194)	4,033
(Decrease)/ Increase in creditors	1,091,290	404,221
Net cash provided by (used in) operating activities	(1,774,978)	(972,653)

HONOR FROST FOUNDATION
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Investment income		
Dividends received	649,786	619,210
Interest received	76,397	61,850
Other Income	<u>105</u>	<u>1,195</u>
Total	726,288	682,255
EXPENDITURE		
Investment management costs		
Portfolio management	310,008	203,185
Charitable activities		
Salaries	57,342	53,476
Social security	966	1,785
Pensions	4,154	6,136
Other charitable costs	543,497	340,533
Payroll and pension fees	1,171	1,376
Legal fees	540	3,030
Grants	<u>2,058,216</u>	<u>893,908</u>
	2,975,894	1,503,429
Support costs		
Management		
Trustees' expenses	13	13
Wages	<u>26,769</u>	<u>26,313</u>
	26,782	26,326
Other		
Sundries	51,894	39,381
Governance costs		
Auditors' remuneration	7,000	6,960
Auditors' remuneration for non-audit work	<u>3,500</u>	<u>3,240</u>
	<u>10,500</u>	<u>10,200</u>
Total resources expended	3,065,070	1,579,336
Net expenditure before gains and losses	(2,338,782)	(897,081)
Recognised gains and losses		
Realised and unrealised gains on fixed asset investments	<u>(2,969,548)</u>	<u>5,459,764</u>
Net income	(5,308,330)	4,562,683

This page does not form part of the statutory financial statements