

The Hellenic and Roman Library

Annual Report and Financial Statements

31 December 2020

Company Registration Number
09212403

Charity Registration Number
1163798

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Reference and administrative information

Trustees	Professor Paul Cartledge (from 13 June 2020) Professor Timothy Cornell Professor Robert Fowler (until 13 June 2020) Dr Philip Kay Mr Peter Lennon Professor Roland Mayer Professor Judith Mossman (until 13 June 2020) Dr Margaret Mountford
Company Secretary	Dr Fiona Haarer
Principal office	Senate House Malet Street London WC1E 7HU
Company registration number	09212403
Charity registration number	1163798
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest Bank plc Bloomsbury, Parr's Branch PO Box 158 214 High Holborn London WC1V 7BX
Investment managers	Newton Investment Management Limited BNY Mellon Centre, 160 Queen Victoria Street London EC4V 4LA

The trustees present their annual report and financial statements of The Hellenic and Roman Library ("HARL") for the year ended 31 December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities (FRS 102)" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out on pages 19 to 21 and comply with HARL's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the United Kingdom and Republic of Ireland (FRS 102).

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

HARL is a company limited by guarantee, incorporated in England on 10 September 2014 and registered as a charity on 1 October 2015. HARL was established under a Memorandum of Association which established its objects and powers and is governed under its Articles of Association. In the event of HARL being wound up, members are required to contribute an amount not exceeding £5.

Elections of officers

HARL has two members: The Society for the Promotion of Hellenic Studies ("SPHS") and The Society for the Promotion of Roman Studies ("SPRS"). Up to June 2020, the governing body was a board of seven trustees ('the Board'); three appointed by each of the two Societies under the agreement between the Societies to form HARL and the Chair of the Campaign Board; from June, the governing body consisted of the three officers appointed by each of the two Societies. It is envisaged that the Societies' appointees would normally be the Presidents, Honorary Secretaries and Honorary Treasurers of the two Societies and be in post as trustees of HARL for the duration of their election as officers of their Societies.

The trustees are also directors for the purposes of company law. Those who served during the period and up to the date of signing the financial statements are set out on page 1.

Trustee induction and training

Prospective trustees are informed that, if elected, they will become directors of a company limited by guarantee, and also a trustee of a charity. They will also be sent copies of HARL's most recent set of financial statements, the Memorandum and Articles of Association and a leaflet from the Charity Commission on the 'Responsibilities of Charity Trustees'. On their election they are sent the schedule of meetings for the coming year and asked to complete the Companies House form for the election of new directors. Shortly before their first Board meeting they are sent a document detailing HARL's structure and the procedures of the Board, emphasising their responsibility for approving all financial expenditure and planning future policy and their duty to ensure that they are satisfied with the financial statements.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management

In reaching decisions, the trustees continually bear in mind the major governing, operational and financial risks which the Library faces. These are set out in a formal Risk Assessment, which is considered by the Board annually.

Governance risks

Issues to be considered: poor organisational structure; trustees benefitting from the charity by remuneration and other such conflicts; activities potentially outside the charity's objects; difficulties in recruiting trustees and officers.

How HARL minimises those risks

HARL is a company limited by guarantee; its constitution is set out in its articles of association and its governance is also regulated by an Agreement between it and the two Societies. Under these arrangements, SPHS and SPRS each has the right to appoint at least three Directors, and it is not anticipated that there will be any difficulty filling those roles. Secretarial services are provided by the Secretary of SPRS. No trustee receives any remuneration from HARL (except to reimburse travel and other necessary expenses). HARL does not carry out any activities such as grant giving where a conflict of interest might arise. The conduct of HARL's Campaign Board is regulated by terms of reference for that body.

Operational risks

Issues to be considered: service quality, contract pricing, security of assets (including fraud risk), employment issues; health and safety; information technology; insurance.

How HARL currently minimises those risks

HARL's only service obligations relate to the provision of books to the Joint Library and the Societies have underwritten this obligation. HARL has assets, including cash at bank and the benefit of the agreements described above. One-off donations over £1000 are invested in a Newton Growth and Income Fund held by BNY Mellon. HARL has one part-time employee book-keeper whose salary payment is handled by UoL. HARL has no premises or equipment. HARL has obtained a CRM system to manage its contacts. HARL has taken advice on the legal and regulatory framework to which it must adhere in its fundraising campaign. There are four signatories on HARL's bank account and no payment above £250 can be made unless authorised by two signatories.

Financial risks

Issues to be considered: Budgetary control, accuracy and timeliness of financial reporting, adequate reserves and cash flow, inflexibility of costs, diversity of income, investment management.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management (continued)

Financial risks (continued)

How HARL currently minimises those risks

HARL's budget is approved by its Board. The Societies have agreed to meet HARL's costs and to pay it enough to meet its obligations to UoL and its fundraising costs. HARL's principal financial risk is therefore that either or both of the Societies does not have sufficient funds to pay the amounts needed to fund its obligations to UoL. Clause 8 of the UoL agreement entitles HARL to terminate that agreement if it has been unable to raise £1.5 million from third parties, despite making reasonable endeavours to do so by an agreed date, or if either of the Societies would be unable because of a reduction in its unrestricted reserves to support HARL without significant detriment to its other activities. HARL has begun a fundraising campaign and the HARL Board keeps the financial situation under regular review and considers in what way the fundraising campaign can best be pursued. There is a HARL Investment Committee which reviews the investment strategy regularly.

Compliance with law and regulation

Issues to be considered: Charity law; Data Protection Law; Health and Safety; HARL's constitution

How HARL currently minimises those risks:

HARL's objects satisfy the public benefits test. HARL's officers are kept up-to-date with the Charity Commission's guidelines and regulations. HARL is registered with the ICO and has taken legal advice on how to comply with the laws and regulations concerning fundraising and data protection. UoL is responsible for the health and safety aspects of the Combined Library.

Organisation structure

The Board administers the funds and other property of HARL in accordance with its objects. It oversees the detailed relations with the two Societies, the Institute of Classical Studies ("ICS") and the University of London ("UoL"), and manages all its other affairs and activities.

Related parties

For many years SPHS and SPRS co-operated in the provision and operation of a Joint Library which was managed in conjunction with the library of ICS, part of UoL. In 2014, the Societies formed a joint venture company, HARL, which was incorporated in England on 10 September 2014 and registered as a charity on 1 October 2015. While the Societies retain ownership of the books in the library, HARL is responsible for managing the Societies' interests in the library. On 27 April 2016 (but effective from 1 January 2016) HARL and the Societies entered into a 25 year agreement with UoL for the management and operation of the combined library. Under that agreement, HARL has undertaken, inter alia, to bear with effect from 1 January 2016 certain expenses in respect of the operation of the library, principally relating to the costs of the librarians. The two Societies have separately agreed to pay fees to HARL covering HARL's costs and obligations under the agreement with UoL.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Key management personnel

Key management personnel of the charity comprises of trustees. Trustees are not remunerated and details of expenses reimbursed to trustees in the year are included in note 6.

OBJECTIVES AND ACTIVITIES

Objects

The objects for which HARL is established are:

The support of education and research on the Greco-Roman World and its legacy by:

- 1 The maintenance and operation of a research library specialising in the history, archaeology, languages, literatures and cultures of Ancient Greece and Rome, the post classical Hellenic and Latin World, and, their reception;
- 2 The provision of library facilities generally and maintenance of a centre for study and research on these subjects;
- 3 Publicising the library and facilitating access to it by qualified scholars, students and lay persons from around the world;
- 4 Facilitating research and educational activities that use the resources of the library to best advantage; and
- 5 Collaboration with similar research facilities around the world.

Public Benefit

The Board considers that the above objects are fully consistent with the concept of public benefit, in that the provision of a library helps to promote Hellenic and Roman studies in different ways. No harm or detriment arises from the carrying out of any of these aims.

The Library aims to benefit academics and any member of the public with an interest in any aspect of Hellenic and Roman studies. Anyone who is interested may join one of the Societies and benefit from borrowing rights in the library. Reading rights in the library are open to non-members.

OBJECTIVES AND ACTIVITIES (continued)

Review of development, activities and achievements

With the outbreak of the covid-19 pandemic at the beginning of the year, it became no longer possible to hold face to face fundraising events or activities. HARL continued to promote the fundraising campaign in emails to members, *Epistula* and *ARGO*. HARL is now registered with Amazon Smile which allows members to select HARL when making purchases from Amazon and Amazon donates 0.5% of purchases made to HARL.

It was not possible to continue with the COACs project funded by the Classical Association: this grant will now be used to further digitisation projects. The Leventis Scanner Operator was furloughed during the lockdown, along with several of the Library staff: the scanning project will be extended for another two months until 9 August 2021.

Since the start of the campaign, HARL has raised more than £750,000, including annual giving and one-off gifts.

During the year, the Library has continued to pursue its objectives on a successful basis by building up its collection of print and online material and, in collaboration with the Institute of Classical Studies, actively developing digital resources and welcoming scholars from around the world (although the travel bans in place curtailed several visits). The Library Management Committee and Collections Development Committee met online.

PLANS FOR FUTURE PERIODS AND POST BALANCE SHEET EVENTS

Further fundraising events and activities for donors will resume when possible, and more applications are planned, including for digitisation projects and to support the Trainee position.

FINANCIAL REVIEW

Total income for the year was £344,484 (2019 – £497,429). This includes donations from individuals and institutions of £79,413 (2019 – £136,548) including £30,398 (2019 – £29,068) of restricted grant funding from the Leventis Foundation; fees charged to the two Societies of £249,180 (2019 – £339,985); and investment income of £13,911 (2019 – £18,147).

Total expenditure for the year was £308,181 (2019 – £344,929). Net losses on investments held in BNY Mellon Newton Growth & Income Fund were £3,396 (2019 – net gains of £78,531). Net income in the year after investment gains and losses was £32,907 (2019 – net income of £231,031).

The level of income fell because the COVID-19 pandemic interrupted fundraising efforts and, in particular, meant that in-person fundraising events could not take place. On the other hand, expenditure was lower as a number of Library staff were furloughed and there was a delay in replacing the fifth p/t post.

FINANCIAL REVIEW (continued)

Reserves policy and going concern assessment

The net assets of HARL at 31 December 2020 amounted to £807,633 (2019 – £774,726), of which £38,455 (2019 – £30,335) related to restricted funds and £769,178 related to unrestricted funds (2019 – £744,391). The free reserves of the charity, equating to the unrestricted funds, amounted to £769,178 (2019 – £744,391) of which £622,574 (2019 – £623,891) were held as investments in the BNY Mellon Newton Growth & Income Fund. HARL has formed an Investment Committee that meets regularly to oversee the performance of the Fund and receive reports from BNY Mellon.

HARL aims to continue increasing its free reserves as it seeks to fundraise for future investment in the library.

A prior year adjustment to show books purchased by HARL on behalf of the two societies as an inter-entity transaction and not a donation, has been made. The impact of this adjustment and the restated figures are shown in note 16.

Investment policy

HARL's investments are overseen by an Investment Committee which meets several times a year and reports regularly to the Board. The objective for HARL's investments is to produce a steady income to support its various activities, whilst at the same time at least maintaining the value of the capital in real terms. Newton Investment Management Ltd is manager of HARL's investments in the Newton Growth and Income Fund for Charities. The benchmark for the Fund is a Comparative Index, comprising 50% FTSE All Share Index; 25% FTSE World (ex-UK); 20% FTSE Government All Stocks Index and 5% 7-day cash. In 2020, the Fund delivered a net return of 1.55% (including dividends) and marginally outperformed its Performance Benchmark which was up 1.06%. At the end of 2020, the Fund had a yield of 1.9% which was down on the previous year's 2.7% and somewhat unsatisfactory, given the importance of dividend income to the operations of the company. The reduction in yield is understandable, since a number of companies cut their dividends during the COVID-19 pandemic, but it was still disappointingly below the yield on the Performance Benchmark of 2.7%.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of HARL for the purposes of company law) are responsible for preparing the trustees' 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 HARL and of the incoming resources and application of resources, including income and expenditure, of HARL for the year. In preparing these financial statements, the trustees are required to:

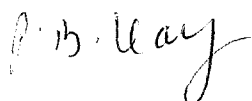
- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in the Charities SORP 2015 (FRS102);

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

- ♦ 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; and
- ♦ prepare the financial statements on a going concern basis, unless it is inappropriate to presume that HARL 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 HARL and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of HARL and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board and signed on its behalf by:



Trustee

Date: 27th May 2021

Independent auditor's report to the trustees of The Hellenic and Roman Library

Opinion

We have audited the financial statements of The Hellenic and Roman Library (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 31 December 2020 and of 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion 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, which is also the directors' report for the purposes of company law, for the financial year for the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law, 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.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006;
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- ◆ we identified laws and regulations which were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

Auditor's responsibilities for the audit of the financial statements (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ enquiring of management and Board as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

A handwritten signature in black ink, appearing to read 'Shachi Blakemore', followed by the date '28 June 2021'.

Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Statement of financial activities Year to 31 December 2020
(including the income and expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds restated £	Restricted funds £	Total 2019 restated £
Income from:							
Donations	1	49,015	30,398	79,413	107,480	29,068	136,548
Charitable activities	2	251,160	—	251,160	342,734	—	342,734
Investment income		13,911	—	13,911	18,147	—	18,147
Total income		314,086	30,398	344,484	468,361	29,068	497,429
Expenditure on:							
Raising funds	3	9,841	—	9,841	24,168	—	24,168
Charitable activities	4	276,062	22,278	298,340	302,028	18,733	320,761
Total expenditure		285,903	22,278	308,181	326,196	18,733	344,929
Net income before transfers		28,183	8,120	36,303	142,165	10,335	152,500
Transfers between funds		—	—	—	4,811	(4,811)	—
Net income before investment (losses) gains		28,183	8,120	36,303	146,976	5,524	152,500
Net (losses) gains on investments	8	(3,396)	—	(3,396)	78,531	—	78,531
Net income and movement in funds		24,787	8,120	32,907	225,507	5,524	231,031
Reconciliation of funds:							
Total funds brought forward (as restated – note 16)	12	744,391	30,335	774,726	518,884	24,811	543,695
Total funds carried forward	12	769,178	38,455	807,633	744,391	30,335	774,726

All recognised gains and losses are included in the above statement of financial activities.

All of the charity's activities were derived from continuing operations during the above two financial periods.

Balance sheet 31 December 2020

	Notes	2020 £	2020 £	2019 restated £	2019 restated £
Fixed assets					
Investments	8		622,574		623,891
Current assets					
Debtors	9	36,251		16,121	
Cash at bank and in hand		252,420		204,947	
		<u>288,671</u>		<u>221,068</u>	
Creditors: amounts falling due within one year	10	(103,612)		(70,233)	
Net current assets			<u>185,059</u>		<u>150,835</u>
Total net assets			<u>807,633</u>		<u>774,726</u>
The funds of the charity:					
Unrestricted funds			769,178		744,391
Restricted fund	11		38,455		30,335
	12		<u>807,633</u>		<u>774,726</u>

Approved by the trustees
and signed on their behalf by:

P. M. May

Trustee

Approved on: 27th May 2021

Company registration number: 09212403

Statement of cash flows 31 December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	49,552	132,420
Cash flows from investing activities:			
Purchase of investments		(2,079)	(47,000)
Net cash used in investing activities		(2,079)	(47,000)
Net increase in cash and cash equivalents		47,473	85,420
Cash and cash equivalents at 1 January	B	204,947	119,527
Cash and cash equivalents at 31 December	B	252,420	204,947

A Reconciliation of net movement in funds to net cash provided by operating activities

	2020 £	2019 £
Net income for the year	32,907	231,031
Adjustments for:		
Net loss (gain) on investments	3,396	(78,531)
(Increase) decrease in debtors	(20,130)	5,945
Increase (decrease) in creditors	33,379	(26,025)
Net cash provided by operating activities	49,552	132,420

B Analysis of changes in cash and cash equivalents

	2019 £	Cash flows £	2020 £
Cash at bank and in hand	204,947	47,473	252,420
Total cash and cash equivalents	204,947	47,473	252,420

Principal accounting policies 31 December 2020

The principal accounting policies adopted, principal judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

HARL constitutes a public benefit entity as defined by Financial Reporting Standard (FRS) 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities; the FRS 102 applicable in the UK and Republic of Ireland and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the entity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

With regard to future accounting periods, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment section of the trustees' report for more information).

The full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, suppliers, beneficiaries and the wider economy. The value of listed investments (see note 8) is subject to a greater degree of uncertainty and volatility.

Income recognition

All income is included in the statement of financial activities (SOFA) when HARL is legally entitled to the income, the income is probable, and the amount can be quantified with reasonable accuracy.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing HARL to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Taxation

HARL is a registered charity and is exempt from tax under the provisions of the Corporation Tax Act 2010 on its charitable activities.

Fixed asset investments

Investments are a form of basic financial instrument 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.

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

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors. The charity manages the investment risks by careful asset allocation and the use of professionally managed funds with the help of its investment advisers. Investment policy is regularly reviewed by the trustees and by the Investment Committee.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalties on notice of no more than 24 hours.

Pensions

One employee of SPRS provides fundraising and administrative services for HARL, and HARL reimburses SPRS an appropriate proportion of the salary costs, including social security costs and pension contributions paid to the Universities Superannuation Scheme (USS), of the employee. According to the latest actuarial valuation of the USS, a defined benefit multi-employer scheme, as at 31 March 2018 the USS' assets were sufficient to cover 95% of its liabilities at that date. Following this valuation, the standard contribution rate borne by the employer increased from 18% to 19.5% from 1 April 2019, to 21.1% from 1 October 2019 and is expected to increase to 23.7% from 1 October 2021.

USS has not yet completed its valuation as at 31 March 2020; it is possible that contribution rates may increase when this is finalised.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by HARL for specific purposes.

Designated funds are unrestricted funds earmarked by the trustees for a particular purpose.

Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

Judgements and key sources of estimation uncertainty

Aside from those areas included in policies above, HARL does not have any other key sources of estimation or uncertainty which require disclosure.

Notes to the financial statements 31 December 2020

1 Donations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Donations	42,356	—	42,356	95,862	—	95,862
Gift aid on donations	6,659	—	6,659	6,713	—	6,713
Fundraising events	—	—	—	4,905	—	4,905
Grants (note 11)	—	30,398	30,398	—	29,068	29,068
	49,015	30,398	79,413	107,480	29,068	136,548

2 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Fees charged to Roman and Hellenic Societies	249,180	—	249,180	339,985	—	339,985
Fines	384	—	384	609	—	609
Photocopying	132	—	132	274	—	274
Scanning	185	—	185	800	—	800
Postage	1,279	—	1,279	1,066	—	1,066
	251,160	—	251,160	342,734	—	342,734

3 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Fundraising expenses	1,261	—	1,261	4,310	—	4,310
Personnel costs	8,580	—	8,580	19,148	—	19,148
Stationery supplies	—	—	—	710	—	710
	9,841	—	9,841	24,168	—	24,168

Notes to the financial statements 31 December 2020

4 Expenditure on charitable activities

	Total 2020 £	Total 2019 restated £
Direct		
Librarian charges	226,997	247,783
Service charge	21,117	21,192
COACS projects (CA fund)	—	4,097
Leventis scanner operator	22,278	14,636
Support		
Personnel costs	8,580	19,148
Printing and stationery	162	327
Postage	1,660	3,100
Computer expenses	—	2,810
Bank charges	557	576
Other expenses	42	58
Bookkeeping (SPHS)	2,378	1,138
Bookkeeping (SPRS)	4,735	886
Governance:		
. Auditor's remuneration (note 5)	7,005	3,800
. Bookkeeping	2,829	1,210
	298,340	320,761

In 2020 £22,278 (2019: £18,733) of expenditure on charitable activities was restricted.

5 Net income before investment (losses) gains

	Total 2020 £	Total 2019 £
This is stated after charging:		
Auditor's remuneration		
. Current year	5,805	5,750
. Prior year over accrual	—	(1,950)
. Taxation services	1,200	—

6 Staff costs and remuneration of key management personnel

	Total 2020 £	Total 2019 £
The total staff costs were as follows:		
Salaries	15,696	26,390
Social security costs	1,578	2,985
Pension costs	2,715	4,786
	19,989	34,161

No employee earned more than £60,000 per annum (2019 – none).

	2020 No.	2019 No.
The number of employees during the year was:	1	1

Notes to the financial statements 31 December 2020

6 Staff costs and remuneration of key management personnel (continued)

HARL has borne the cost of staff for the Joint Library from 1 January 2016, who are employed by UoL. These costs are shown as Librarian charges in note 4 and relate to six librarians, and are not included in the staff costs shown above.

One employee of SPRS provides fundraising and administrative services for HARL, and HARL reimburses SPRS an appropriate proportion of the salary costs, including social security costs and pension contributions paid to the Universities Superannuation Scheme (USS), for the employee. This employee's cost is included in Personnel costs in notes 3 and 4.

Included in staff costs above is the governance cost relating to the HARL bookkeeping. The bookkeeping costs for SPRS and SPHS are included in note 4. SPRS and SPHS reimburse HARL for the appropriate proportion of this salary cost and this income is included in note 2.

Staff costs for HARL include:

	Total 2020 £	Total 2019 £
HARL staff costs (recharged from Roman Society)	17,160	32,951
HARL bookkeeping costs	2,829	1,210
	19,989	34,161

According to the latest actuarial valuation of the USS, a defined benefit multi-employer scheme, as at 31 March 2018 the USS' assets were sufficient to cover 95% of its liabilities at that date. Following this valuation, the standard contribution rate borne by the employer increased from 18% to 19.5% from 1 April 2019, to 21.1% from 1 October 2019 and is expected to increase to 23.7% from 1 October 2021.

Key management personnel of the charity comprises of trustees. Trustees are not remunerated. Two trustees were reimbursed expenses of £158 (2019 – two trustees were reimbursed £1,135).

7 Taxation

HARL is a UK registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Investments

	2020 £	2019 £
The movement of investments is represented by:		
Market value at 1 January	623,891	498,360
Additions	2,079	47,000
Total unrealised investment (losses) gains	(3,396)	78,531
Market value at 31 December	622,574	623,891
Market value at 31 December is represented by:		
BNY MFM Ltd Newton Growth Inc. Fund	622,574	623,891
Historical cost at 31 December	557,842	555,763

Notes to the financial statements 31 December 2020

8 Investments (continued)

The total unrealised gains as at 31 December included in the above constitute movements on revaluation of the charity's listed investments. Movements during the year were as follows:

	2020 £	2019 £
Reconciliation of movements in unrealised gains:		
Total unrealised losses at 1 January	68,128	(10,403)
Add: (losses) gains arising on revaluations in the year	(3,396)	78,531
Total unrealised gains at 31 December	64,732	68,128

9 Debtors

	Total 2020 £	Total 2019 restated £
Trade debtors	—	1,132
Due from the Society for the Promotion of Roman Studies	26,864	8,214
Prepayments and accrued income	9,387	6,775
	36,251	16,121

10 Creditors: amounts falling due within one year

	Total 2020 £	Total 2019 restated £
Trade creditors	50,453	3,066
Tax and social security creditor	13,582	21,912
Due to the Society for the Promotion of Hellenic Studies	22,066	5,949
Accruals	17,511	39,306
	103,612	70,233

11 Restricted funds

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2020 £
Classical Association Fund	15,903	—	—	—	15,903
Leventis Scanner Operator Fund	14,432	30,398	(22,278)	—	22,552
	30,335	30,398	(22,278)	—	38,455

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2019 £
Classical Association Fund	20,000	—	(4,097)	—	15,903
Library Special Book Fund	4,811	—	—	(4,811)	—
Leventis Scanner Operator Fund	—	29,068	(14,636)	—	14,432
	24,811	29,068	(18,733)	(4,811)	30,335

Classical Association Fund

Funds received by HARL from the Classical Association for a digitisation project

Library Special Book Fund

Funds received by HARL for the purchase of books over and above the value of obligatory book expenditure per the Memorandum of Agreement with UoL. In 2019, £4,811 was transferred to unrestricted funds which represents the expenditure incurred previously from unrestricted funds.

Leventis Scanner Operator Fund

Fund received by HARL for a scanner operator.

12 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds restated £	Restricted funds £	Total 2019 restated £
Fixed asset investments	622,574	—	622,574	623,891	—	623,891
Current assets	250,216	38,455	288,671	190,733	30,335	221,068
Current liabilities	(103,612)	—	(103,612)	(70,233)	—	(70,233)
Net assets at 31 December	769,178	38,455	807,633	744,391	30,335	774,726

13 Related party transactions

For the reasons explained in the Related Parties narrative on page 4 of the trustees' report, the Society for the Promotion of Roman Studies and the Society for the Promotion of Hellenic Studies are considered to be related parties of HARL. As disclosed in note 15, an agreement is in place between the Societies and HARL, under which the Societies pay fees to HARL for the running of the library. As disclosed in note 8, bookkeeping costs for the Societies are also recharged by HARL to the Societies. The amounts earned by HARL under these arrangements during the year, and recognised in the statement of financial activities, amount to £249,180 (2019 – £339,985), being £100,731 (2019 – £123,151) from SPHS and £148,449 (2019 – £216,834) from SPRS. At the year end, £22,066 was due to SPHS (2019 – £5,949 was due to SPHS) and £26,864 was due from SPRS (2019 –£8,214 was due from SPRS).

The charity received total donations of £7,660 (2019 – £7,388) from five (2019 – five) trustees during the year, all of which were unrestricted.

14 Liability of members

HARL is limited by guarantee, having no share capital and, in terms of the Memorandum of Association, every member of the company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required not exceeding five pounds.

15 Financial commitments

On 27 April 2016 (but effective from 1 January 2016) HARL and the Societies entered into a 25 year agreement with UoL for the combined management and operation of the library. Under that agreement, HARL has undertaken, inter alia, to bear with effect from 1 January 2016 certain expenses in respect of the operation of the library, principally relating to the costs of the libraries. The two Societies have separately agreed to pay fees to HARL covering HARL's costs and obligation under the agreement with UoL.

16 Prior year adjustment

A prior year adjustment to show books purchased by HARL on behalf of the two societies as an inter-entity transaction and not a donation, has been made. The impact of this adjustment is as follows:

	At 31 December 2019		
	As previously reported £	Adjustment £	As restated £
Changes to the balance sheet			
Investments	623,891	—	623,891
Debtors	7,907	8,214	16,121
Cash at bank and in hand	204,947	—	204,947
Creditors due within one year	(100,236)	30,003	(70,233)
Net assets	736,509	38,217	774,726
Funds:			
Unrestricted fund	706,174	38,217	744,391
Restricted funds	30,335	—	30,335
Total funds	736,509	38,217	774,726

	Year to 31 December 2019		
	As previously reported £	Adjustment £	As restated £
Changes to the statement of financial activities			
Income	497,429	—	497,429
Expenditure	(383,146)	38,217	(344,929)
Gains on investments	78,531	—	78,531
Net movement in funds	192,814	38,217	231,031